To be major general

Brig. Gen. William H. Bauer, [redacted] FV, Air Force Reserve.

Brig. Gen. Stuart G. Haynsworth, [redacted] FV, Air Force Reserve.

Brig. Gen. Howard T. Markey, [redacted] FV, Air Force Reserve.

Brig. Gen. Alfred J. Wood, Jr., [redacted] FV, Air Force Reserve.

To be brigadier general

Col. William C. Banton II, [redacted] FV, Air Force Reserve.

Col. Francis N. Clemens, [redacted] FV, Air Force Reserve.

Col. Michael Collins, [redacted] FV, Air Force Reserve.

Col. Bruce H. Cooke, [redacted] FV, Air Force Reserve.

Col. Roger M. Dreyer, [redacted] FV, Air Force Reserve.

Col. John W. Huston, [redacted] FV, Air Force Reserve.

Col. Cecil T. Jenkins, [redacted] FV, Air Force Reserve.

Col. Stephen T. Keefe, Jr., [redacted] FV, Air Force Reserve.

Col. Leonard Marks, Jr., [redacted] FV, Air Force Reserve.

Col. Roy M. Marshall, [redacted] FV, Air Force Reserve.

Col. Robert M. Martin, Jr., [redacted] FV, Air Force Reserve.

Col. Sidney S. Novaresi, [redacted] FV, Air Force Reserve.

Col. Pat Sheehan, [redacted] FV, Air Force Reserve.

Col. Ted W. Sorensen, [redacted] FV, Air Force Reserve.

Col. Edwin F. Wenglar, [redacted] FV, Air Force Reserve.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Gordon L. Doolittle, [redacted] FG, Air National Guard.

Brig. Gen. Raymond L. George, [redacted] FG, Air National Guard.

Brig. Gen. George M. McWilliams, [redacted] FG, Air National Guard.

Brig. Gen. Robert S. Peterson, [redacted] FG, Air National Guard.

To be brigadier general

Col. John C. Campbell, Jr., [redacted] FG, Air National Guard.

Col. Winett A. Coomer, [redacted] FG, Air National Guard.

Col. William D. Flaskamp, [redacted] FG, Air National Guard.

Col. Leo C. Goodrich, [redacted] FG, Air National Guard.

Col. Cecil I. Grimes, [redacted] FG, Air National Guard.

Col. Ronald S. Huey, [redacted] FG, Air National Guard.

Col. Paul J. Hughes, [redacted] FG, Air National Guard.

Col. Grover J. Isbell, [redacted] FG, Air National Guard.

Col. Billy M. Jones, [redacted] FG, Air National Guard.

Col. Raymond A. Matera, [redacted] FG, Air National Guard.

Col. Patrick E. O'Grady, [redacted] FG, Air National Guard.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Carlos M. Talbott, [redacted] FR (major general, Regular Air Force) U.S. Air Force.

Col. John P. Flynn, [redacted] FR (colonel, Regular Air Force) U.S. Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force to be retroactive to the effective date of May 1, 1971.

Col. David W. Winn, [redacted] FR, (colonel, Regular Air Force) U.S. Air Force, for appointment to the temporary grade of brigadier general in the U.S. Air Force.

U.S. ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Lewis Blaine Hershey, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

U.S. NAVY

Rear Adm. William R. St. George, U.S. Navy, having been designated for commands and other duties of great importance and responsibility determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Rear Adm. Walter D. Gaddis, U.S. Navy, having been designated for commands and other duties of great importance and responsibility determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Rear Adm. Robert B. Baldwin, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

Vice Adm. John M. Lee, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

The following named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualifications therefor as provided by law:

Lando W. Zech, Jr.	John B. Berude
Reuben G. Rogerson	Thomas B. Russell, Jr.
Cyril T. Faulders, Jr.	Elmer T. Westfall
Robert P. McKenzie	Paul C. Boyd
Henry P. Glindeman, Jr.	Charles S. Williams, Jr.
James R. Sanderson	Edward P. Travers
Gordon R. Nagler	William H. Ellis
Robert F. Schoultz	Ralph H. Carnahan
Robert H. Blount	James B. Stockdale
Harold G. Rich	William J. Crowe, Jr.
George P. March	Robert S. Smith
Jeremiah A. Denton, Jr.	Richard A. Paddock
	Roy F. Hoffmann
Donald P. Harvey	William H. Harris
John D. Johnson, Jr.	Robert H. Gormley
Robert K. Geiger	James H. Foxgrover
Kenneth G. Haynes	Ernest E. Tissot, Jr.
Kenneth M. Carr	Gerald E. Synhorst
Paul A. Peck	Carl T. Hanson
Ralph M. Ghormley	William J. Cowhill
John T. Coughlin	Albert L. Kelln
Carlisle A. Trost	

IN THE ARMY

Army nominations beginning Kenneth W. Aichang, to be colonel, and ending Lawrence A. Trivieri, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 20, 1973; and

Army nominations beginning John E. Simpson, to be lieutenant colonel, Regular Army, and colonel, Army of the United States, and ending Bruce Edward Zukauskas, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 27, 1973.

IN THE NAVY

Navy nominations beginning David O. Aldrich, to be ensign, and ending Marsden E. Blois, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 27, 1973.

IN THE MARINE CORPS

Marine Corps nominations beginning Curtis J. Anderson, to be second lieutenant, and ending David W. Lutz, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 20, 1973;

Marine Corps nominations beginning Ronald Achten, to be first lieutenant, and ending William E. Short, Jr., to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 20, 1973; and

Marine Corps nominations beginning Vivian B. Bulger, to be colonel, and ending William D. Young, Jr., to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 27, 1973.

EXTENSIONS OF REMARKS

WEST VIRGINIA'S NEW RIVER GORGE—AN AREA OF WONDROUS BEAUTY, SCENIC SPLENDOR, AND HISTORIC SIGNIFICANCE

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, April 6, 1973

Mr. RANDOLPH. Mr. President, tomorrow I travel to the "Grand Canyon of the East," the New River Gorge area in Fayette County, W. Va., to address the Fayette Plateau Chamber of Commerce's third annual banquet. This beautiful area is located in the heart of the magnificent Appalachians, about a 1-hour drive southeast of Charleston.

Fayette Plateau Chamber of Commerce, West Virginia Department of Natural Resources, and various organizations in southern West Virginia are actively working toward the development of the New River Gorge area as a national park.

New River Gorge is one of the oldest gorges in North America. This gorge, which has many locations that are over a thousand feet deep, is abundant in scenic and recreational advantages.

West Virginia prides itself in the distribution of modern parks in this region which emphasize the unspoiled outdoors. Rugged beauty is everywhere. At Babcock State Park flows a stream jumping with trout. The canyon tramway at Hawks Nest State Park sweeps down from the main lodge to the bottom of the 585-foot deep New River Gorge. Pipestem State Park's restaurant features a panoramic view of the gorge. The famed Horseshoe Bend of the New River Canyon can be seen from atop the Grandview Park's amphitheater, which, during the summer, hosts "Hatfields and McCoys" and "Honey in the Rock," both musical

drama depicting the Mountain State's history. Near the small town of Talcott is Big Bend Tunnel, immortalized by John Henry, the ballad of the giant Negro who "beat the steam drill 'till he died." These attractive and historic places are only some of the areas that abound in this section of our wonderful West Virginia.

In this part of the New River Gorge construction will start soon on one of our country's largest bridges—River Canyon Bridge. The proposed four-lane, 3,000-foot structure will be the highest bridge built above water east of the Mississippi towering 873 feet over the New River. It will be the longest steel arch bridge in the world.

Mr. President, I commend the alert and active members of the Fayette Plateau Chamber of Commerce, the diligent officials of the West Virginia Department of Natural Resources, the able Senators and delegates of the West Virginia State Legislature, and many other dedicated citizens in their efforts to establish the gorge as a national facility. It has been a privilege for me to cooperate in this important endeavor. West Virginia contains a charm and an alluring atmosphere that is yet to be discovered by millions of people throughout the Nation. We are working to have our "house in order" when they come in increasing numbers. Our hospitality is genuine to homefolk and visitors from afar.

Mr. President, I ask unanimous consent that an article and editorial from the Fayette Tribune and two concurrent resolutions adopted unanimously by the West Virginia State Legislature be inserted in the RECORD.

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

[From the Fayette Tribune, Mar. 15, 1973]

LEGISLATURE ASKS CONGRESS FOR GORGE NATIONAL PARK

Two concurrent resolutions urging Congress to provide funds for development of the New River Gorge into a national park and directing the W. Va. Department of Natural Resources to make a study of recreational prospects in the gorge were adopted unanimously by the House of Delegates and the State Senate, it is being announced today by Del. T. E. Myles, majority leader of the House.

The House actually passed the resolutions twice. Del. Carroll Bemgarner and Del. Myles were outspoken in support of resolutions, introduced by Del. Mary Martha Merritt, Raleigh county, pertaining to the New River Gorge, and these measures passed without any opposition on March 8.

However, in deference to State Sen. Pat. R. Hamilton, according to Del Myles, the House of Delegates consented to allow the Hamilton-sponsored resolutions to pass, even though normally it is customary to pass a measure reaching the other body first.

When Robert K. Holliday was in the House of Delegates, he sponsored a resolution which called to the attention of Pres. John F. Kennedy the need for establishing the New River Gorge Country project, and it eventually helped lend to many improvements at Hawks Nest State Park, Babcock State Park, Grandview State Park and the establishment of Pipestem. Del. Myles also was a member of the House when that resolution passed.

The House Concurrent Resolutions were numbered 10 and 11, and actually Senate concurrent resolutions 3 and 4 passed both houses.

J. B. Hess, executive director of the Fayette Plateau Chamber of Commerce, said today that "I am delighted to hear the splendid news that our state legislature has passed two concurrent resolutions calling for federal and state participation toward establishing a national park serving especially Fayette and Raleigh counties and the whole state. These resolutions are important, they mean something, and they are the kind of measures which we need to promote from our state legislature which will bring the benefits of ecology and bring about a better economy for our state."

Hess continued, "By the very nature of the resolutions, the West Virginia Department of Natural Resources will become involved, and we hope that it will follow the request of the legislature and move the national park proposition to the top of its program. I think it is one of the best programs which the state could be working towards."

"Furthermore, we do express our personal appreciation to Sen. Hamilton and Del. Myles for their special efforts in getting these resolutions passed and we know that all our legislators in this area will follow up and encourage the Department of Natural Resources to become engaged in this promotion and work."

Hess pointed out that since Grandview State Park in Raleigh is involved, "I hope that Del. Jackie Withrow and Speaker Lewis McManus and others will be using their full influence in helping move the project along."

"I want to see all the work which we can do speeded up so that the application can be made soon, and I am continuing to follow up on the proposition through contacts with U.S. Sen. Jennings Randolph's office," he concluded.

"Directing the Department of Natural Resources to study the New River Gorge for purposes of dedicating it to public recreational use.

"Whereas, The New River, historical in its own right as one of the world's oldest rivers, flows through the majestic New River Gorge; and

"Whereas, The New River Gorge is surrounded by many historical places; and

"Whereas, This whole area should be preserved for the enjoyment of all West Virginians, including generations yet unborn; and

"Whereas, A thorough evaluation should be made of its potential for recreational use, including such aspects as land acquisition, preservation of historical places, acquisition of old railroads, roads and other rights-of-way and kinds of improvements that may be made; therefore, be it

"Resolved by the Legislature of West Virginia;

"That the Department of Natural Resources is hereby directed to thoroughly review, examine and study the New River Gorge with a view toward recreational development and include therein evaluations of land acquisition, preservation of historical places, acquisition of old railroads, roads and other rights-of-way and kinds of improvements that may be made."

THE SENATE OF WEST VIRGINIA,
Charleston, W. Va., March 22, 1973.

Hon. JENNINGS RANDOLPH,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR RANDOLPH: I enclose to you herewith a copy of Senate Concurrent Resolution No. 3, adopted by the West Virginia Senate on March 12, 1973, and by the House of Delegates on March 15, 1973, expressing the sentiments of the West Virginia Legislature that the Federal Congress should preserve and take the necessary steps to promote the preservation of the New River Gorge area in West Virginia as a National Park.

With very kindest good wishes, I am

Sincerely,

HOWARD W. CARSON,
Clerk.

SENATE CONCURRENT RESOLUTION NO. 3
(By Mr. Hamilton)

Memorializing the Congress of the United States to recognize the natural beauty, scenic splendor and historical significance of the New River and the New River Gorge and expressing the sentiments of the West Virginia Legislature that Congress should, by appropriate legislation, preserve the area in its natural state for posterity and provide the necessary funds to develop it as a national park

Whereas, The New River and the New River Gorge abound in natural beauty, scenic splendor and historical significance; and

Whereas, This is an area which should be preserved in its natural state for all posterity and made available for recreational use for people from throughout the country; and

Whereas, The Federal Government is possessed with the resources to develop this area as a national park, thereby preserving its natural beauty, scenic splendor and historical significance for posterity and enable people from throughout the country to enjoy recreational uses of this area with the people of West Virginia: therefore, be it

Resolved by the Legislature of West Virginia: That it memorialize the Congress of the United States to recognize the natural beauty, scenic splendor and historical significance of the New River and New River Gorge and expresses its sentiments that the Congress, by appropriate legislation, preserve the area in its natural state for posterity and provide the necessary funds to develop it as a national park; and, be it

Resolved further, That certified copies of this resolution be sent to the Clerk of the United States Senate and Clerk of the House of Representatives and to members of the West Virginia congressional delegation.

[From the Fayette Tribune, Mar. 15, 1973]

RESOLUTIONS FOR NATIONAL PARK

Since 1964, national parks acreage has swelled by more than 2½ million acres and 78 new parks have been created in the United States. We call upon the Nixon administration to establish a national park in the New River Gorge area of Fayette and Raleigh counties.

We call upon the Congress of the United States to recognize the natural beauty, scenic splendor and historical significance of the New River and the New River Gorge. Congress should by legislation preserve the area in its natural state for posterity and provide the necessary funds to develop it into a national park.

This newspaper with all its editorial strength endorses the concept of a national park for our area and will continue to work with Fayette Plateau Chamber of Commerce Executive Director Jim Hess to bring about the idea to a reality.

We congratulate all our representatives in the state legislature for their work in seeing to it that two concurrent resolutions could pass both houses of the legislature officially starting the governmental mechanics for gaining a national park in this area and providing additional recreational facilities on the New River Gorge. We especially want to thank Del. T. E. Myles, majority leader of the House, for pushing these measures through.

It is this kind of legislative action that gives us confidence in our public servants, and we salute them!

SENATOR DICK CLARK, OF IOWA—SOME SERIOUS QUESTIONS

HON. DICK CLARK

OF IOWA

IN THE SENATE OF THE UNITED STATES

Friday, April 6, 1973

Mr. CLARK. Mr. President, articles appeared in the Washington Post and New York Times yesterday concerning the past record of John W. Dean III, now chief legal counsel to President Nixon.

I believe the allegations raised in these articles, taken in the context of the record of the Judiciary Committee, Mr. Dean's handling of FBI files in connection with the "Watergate" case, and his turning over of letters on the Fitzgerald matter to the Air Force, raise serious questions as to the wisdom of Mr. Dean's continuing in his present post.

Mr. President, I ask unanimous consent to insert these articles into the RECORD for the benefit of Senators.

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

[From the Washington Post, Apr. 5, 1973]

DEAN HELD FIRED FROM FIRST JOB

Jack Anderson, in a column published today, says that John W. Dean III, chief legal counsel to President Nixon apparently was forced to leave his first job as an attorney in 1966 for what the head of his law firm termed "unethical conduct." Anderson cited a confidential 1967 Civil Service Commission form in which the charge was made.

Dean would make no comment but the White House, yesterday released a letter by an attorney, written in 1969, that defended Dean.

The unethical conduct charge was made by Vincent B. Welch, senior partner in the Washington law firm of Welch and Morgan. Anderson noted that two years after making the charge, Welch wrote that it was perhaps "an overstatement."

Dean's departure from the firm followed an apparent dispute with Welch over applications for TV station licenses in St. Louis. Welch and Morgan were partners in one UHF venture there and Dean was discussing with others the possibility of taking part in a rival TV station.

Welch said only "no comment" when contacted yesterday about Dean's departure from the firm in February, 1966, after working there six months.

The letter in defense of Dean was written by an attorney involved in the TV license applications, Earl R. Stanley, and was sent to a friend of Dean's, attorney Edward P. Taptich. It was written in January, 1969, a month before Dean was appointed associate deputy attorney general.

In the letter, Stanley said Dean and a television management expert at Welch and Morgan had discussed with him setting up a UHF-TV station in St. Louis, which would be a rival to a UHF (channel 24) station Welch and Morgan were attempting to establish there. The management expert, Boyd Fellows, who had assisted in the channel 24 venture, left Welch and Morgan abruptly at the same time as Dean, according to former attorneys with the firm.

Stanley wrote that such discussions were not unethical and that both Dean and Fellows had planned to leave the Welch and Morgan firm before taking active roles in the rival station. He praised Dean as an "extremely honorable, conscientious, careful and able man."

A former member of the Welch-Morgan firm said yesterday that "somehow Welch became aware of their plans . . . and was annoyed at not being told by John (Dean) what he was planning to do . . . There was an argument, bitterness . . . and Dean left the firm. I'm not sure you would characterize John's leaving as a mutually-agreeable resignation or an outright dismissal."

In recalling the 1966 dispute, the attorney said, "We were young lawyers at the time (Dean had graduated from Georgetown University Law School the previous June), and his ideas of what was expected of him were not completely formed yet."

Welch himself, in a late 1968 letter to the Civil Service Commission, recharacterized Dean's departure "as having resulted from a basic disagreement over law firm policies regarding the nature and scope of an associate's activities." He said he was writing the letter "cognizant of the implications for Mr. Dean which my (original) characterization may have . . ."

Another former attorney with the Welch-Morgan firm said "all departures from Welch-Morgan are hasty . . . mine was hasty and I quit. And then it's not uncommon for Welch to get mad at someone."

Late yesterday Anderson's associate, Les Whitten, said that, in addition to what was printed in the column, "It is our understanding that Mr. Dean was working on a rival application while actually an associate of the Welch and Morgan firm—without informing other members of the firm.

"Former members said the partners actually considered taking the matter before a grievance committee for disbarment purposes. The firm members said there was a dramatic confrontation after Dean was caught with the application for himself and his friends."

As for the TV stations, the Welch-Morgan venture struggled through six years of changes and postponements and finally died in 1971, without ever having gone on the air.

[From the Washington Post, Apr. 5, 1973]

DEAN WAS FIRED FROM FIRST LAW JOB

(By Jack Anderson)

White House counsel John Wesley Dean III, who prepares all President Nixon's legal opinions, was fired from his first law job for "unethical conduct."

Civil Service Commission files contain a form, dated Aug. 30, 1967, and marked "Inquiry For United States Government Use Only," which gives a report on Dean's dismissal from the prestigious Washington law firm of Welch and Morgan.

The form is signed by Vincent B. Welch, senior partner, who checked "Yes" after the question: "To your knowledge has (Dean) ever been discharged or has he resigned from any employment after being told his conduct or work was not satisfactory?"

Under "reason for discharge or resignation," Welch wrote: "Unethical conduct." Asked to "please explain fully," he added "While employed by this firm, applicant undertook work unbeknownst to us at the time, in direct conflict with the interests of the firm and a client thereof."

The handsome, blond, 34-year-old Dean has provided the legal support for President Nixon's battle with Congress, including the blanket claim of executive privilege, the broad use of the pocket veto and the impoundment of appropriated funds.

The President also assigned Dean to investigate the Watergate mess, although Dean personally had brought one of the Watergate ringleaders, G. Gordon Liddy, into the White House. Not surprisingly, Dean produced a white-wash report exonerating all present White House employees.

The FBI, conducting its own investigation, asked Dean whether E. Howard Hunt, the other Watergate ringleader, had an office in the White House executive office building. Dean claimed not to know, although three days earlier, he had sent aides to search Hunt's office, drill open his safe and clear out any incriminating documents. Even L. Patrick Gray, the acting FBI director, was compelled under oath to admit that Dean "probably lied" to the FBI. This happens to be a federal offense.

DEAN FIRED

Dean was fired from the Welch and Morgan firm, according to the Civil Service files, on Feb. 4, 1966. He wangled a political appointment as minority counsel to the House Judiciary Committee, under auspices of Rep. William McCulloch (R-Ohio). The following year, Dean was appointed associate director of the National Commission on Reform of Criminal Laws.

Among his duties, he directed a study of "conflict of interest"—the very offense that brought his discharge from the Welch and Morgan firm. A spokesman of the firm refused to confirm or deny that Dean had been fired.

However, attorneys formerly associated with the firm told us Dean was kicked out of the office after he was caught in a conflict over a St. Louis television application. One attorney described his exit as a "forced departure." Another reported more explicitly that Dean wasn't even allowed to pick up his belongings, which were returned to him by mail.

SECRET APPLICATION

According to this source, Dean had been assigned by the firm to prepare an application for a television license for the Continental Summit Television Corp. At the same time, he allegedly filed a secret, rival application for himself and some friends. Our source said this was grounds for disbarment, but out of compassion, the firm merely fired him. Another former member of the firm, while agreeing on the circumstances, questioned whether Dean could have been disbarred.

We checked the files at the Federal Communications Commission and found, curiously, that the paperwork handled by Dean is missing from the file. Of course, this may be inadvertent.

We spoke to several attorneys who have worked with Dean. Some describe his work as mediocre at best; others say he is both charming and intelligent. He has used self-hypnosis, says one source, to improve his concentration.

Increasingly, however, the embattled Dean appears to be a weak pillar for the President to rest his bold legal doctrines on. Yet only last week, the President phoned Dean from Key Biscayne, Fla., to express his full support. Press secretary Ron Ziegler made a point of of emphasizing this to newsmen. "The President," said Ziegler, "has complete confidence in Mr. Dean and wanted me again, here this morning to specifically express President Nixon's absolute, total confidence in Mr. Dean in this regard."

Footnote: Civil Service Commission files show that two and a half years later Welch watered down the unethical conduct charge. Former firm members explained that he acted on appeal from Dean's political friends. The files show he wrote a letter, dated Oct. 29, 1968, to the Civil Service Commission declaring the unethical conduct charge "may have been an overstatement." Welch added rather vaguely: "A more apt characterization of Mr. Dean's departure would be to describe it as having resulted from a basic disagreement over law firm policies regarding the nature and scope of an associate's activities."

[From the New York Times, Apr. 5, 1973]

DEAN, NIXON'S COUNSEL, WAS DISMISSED FROM FIRST LAW JOB IN 1966 IN "DISAGREEMENT"

(By John M. Crewdson)

WASHINGTON, April 4.—President Nixon's chief legal counsel, John W. Dean 3d, was dismissed from his first job with a Washington law firm in 1966 for what his em-

ployer first termed "unethical conduct" but later described as a "basic disagreement" over the firm's policies.

The circumstances under which the 28-year-old Mr. Dean lost the job as an associate with the firm, now Welch & Morgan, were disclosed by Jack Anderson in a syndicated newspaper column to be released tomorrow.

The White House replied today that the incident described by Mr. Anderson might "have more properly been characterized as a basic disagreement over law firm policies" and did not make a black-and-white case as far as Mr. Dean's conduct was concerned.

According to Mr. Anderson's account, Mr. Dean was assigned in late 1965 by the Welch firm, where he began work soon after graduating from the Georgetown University Law School, to help prepare an application for a new television station in St. Louis.

"At the same time," the Anderson report says, "he allegedly filed a secret, rival application for himself and some friends" in the same city.

"UNETHICAL CONDUCT"

Vince B. Welch, the firm's senior partner, subsequently told the Civil Service Commission, which was considering Mr. Dean for a position with a Federal commission, that Mr. Dean had been discharged for "unethical conduct."

Mr. Welch asserted, in response to a commission inquiry, that Mr. Dean, "while employed by this firm, undertook work unbeknownst to us at the time, in direct conflict with the interests of the firm and a client thereof."

Mr. Anderson quoted unidentified sources as suggesting that Mr. Dean's actions in working on competing applications at the same time constituted "grounds for disbarment" but that "out of compassion, the firm merely fired him."

On October 29, 1968, more than a year after Mr. Welch submitted his original assessment to the commission, he wrote in a follow-up letter that his description of Mr. Dean's conduct as unethical might have been an "overstatement."

"A more apt characterization of Mr. Dean's departure," he wrote, "would be to describe it as having resulted from a basic disagreement over . . . the nature and scope of an associate's activities."

APPEAL ALLEGED

In his column, Mr. Anderson said he had learned that Mr. Welch had "watered down" the charge after receiving "an appeal from Dean's political friends."

Gerald L. Warren, the deputy White House press secretary, told newsmen today at San Clemente, Calif., that Mr. Dean learned in 1968 of Mr. Welch's assertion and asked Mr. Welch, "through an intermediary," to correct it. Neither Mr. Anderson nor Mr. Warren identified the intermediary.

Mr. Warren added that the episode occurred when Mr. Dean was fresh out of law school and that it had "no relevance whatsoever to what he is doing now."

In Washington, the White House released a letter, dated Jan. 10, 1969, from a lawyer who represented Mr. Dean and his organization during the filing of the application.

In the letter, the lawyer, Earl R. Stanley, said he had advised at the time that "in my opinion, it would not be unethical or improper in any respect for Mr. Dean to become a part of the group" as long as he recognized his duty to resign from Welch and Morgan when the application was filed.

Mr. Dean has served Mr. Nixon as his chief legal counsel since July, 1970. Since then, he has advised the President on his authority for the impoundment of funds appropriated by Congress and the use of the pocket veto and has investigated the involvement of White House personnel in the Watergate case.

Neither Mr. Welch, in his remarks to the Civil Service Commission, nor Mr. Anderson mentioned the following facts:

The broadcasting application on which Mr. Dean had been asked to work, which involved an ultra-high frequency television station in the St. Louis area, had been submitted by a corporation listing Mr. Welch as president, director and a major stockholder.

Federal Communications Commission records show that that corporation, which eventually became known as the Continental Summit Broadcasting Corporation, was granted permission to broadcast on Channel 30 in St. Louis on Sept. 30, 1964, nearly a year before Mr. Dean joined the firm.

On Aug. 6, 1965, five days after Mr. Dean began work at Welch & Morgan, Continental Summit asked the F.C.C. to change its assigned frequency to Channel 24. The request was approved by the commission on Dec. 17 of that year.

The "rival application" to which Mr. Anderson referred, was filed by the greater St. Louis Television Corporation, of which Mr. Dean and his wife were both stockholders. It was filed March 18, 1966, more than a month after Mr. Dean had left the Welch firm.

The application by the Greater St. Louis Corporation, which was approved by the commission, was for permission to broadcast on Channel 30.

On the incorporation papers filed with the commission, Mr. Dean listed his net worth as of February, 1966, at more than $900,000, although his salary at Welch & Morgan was $7,500 a year.

"John was in it as a passive investor * * * explained a former associate of Mr. Dean at the firm.

The associate said Mr. Dean and Boyd Fellows, who was employed as a television management expert at Welch & Morgan, decided soon after they met that they would apply for a license of their own.

"Boyd wanted his own station," the friend said of Mr. Fellows, who appears in F.C.C. records as the president of the Greater St. Louis Television Corporation. Another backer was Mrs. Thomas C. Hennings Jr., the wife of the late Democratic Senator from Missouri, who was the mother of Mr. Dean's first wife, Karla. The company was sold to a Manhattan concern in 1968.

The couple was divorced about three years ago, and Mr. Dean remarried last fall.

Mr. Fellows left the Welch firm at about the same time that Mr. Dean departed, but it could not be learned whether he, too, was discharged.

Mr. Anderson quoted lawyer who was present at the time as having said that Mr. Dean "wasn't even allowed to pick up his belongings, which were returned to him by mail."

According to the friend, Mr. Welch became incensed when he learned of the plan by Mr. Dean and Mr. Fellows to enter into competition with his own station, which never went into operation.

He said that Mr. Welch had discharged Mr. Dean after learning that he was "in likely competition with an employe of his own office." Mr. Welch declined today to comment on any aspect of the matter.

Mr. Dean's friend, also a lawyer, added: "I don't know what canons of professional responsibility Johns alleged to have violated. Essentially, it was a disagreement over a business matter."

Mr. Anderson was out of Washington on a speaking engagement and unavailable for comment. Leslie Whitten, his associate, when asked to clarify the assertions of impropriety of Mr. Dean's part, said they stemmed from the fact that Mr. Dean had gone ahead with the second application "without informing other members of the firm."

MAJOR SMITH RETURNS TO ROODHOUSE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. FINDLEY. Mr. Speaker, last weekend was one of the high points of my congressional career. I helped welcome Maj. Philip E. Smith back to Roodhouse, Ill., after his long imprisonment in Peking, China.

More than 7 years ago, on September 20, 1965, then Capt. Philip Smith was shot down by Chinese aircraft after his plane strayed from its North Vietnamese mission and flew over Hainan Island. Until March 15, 1973, he was held captive, without trial, by Chinese.

During those years, I tried every conceivable way I could think of to make contact with my constituent Philip Smith to ease the burden of his confinement, and to help free him. I enlisted the aid of prominent authors and political leaders who traveled to China; I visited Chinese embassies in Paris and Ottawa; and I arranged for a member of President Nixon's party and later minority leader, GERALD R. FORD, to take extra food packages to Philip Smith when they visited China last year.

Finally, of course, it took a personal initiative by the President of the United States to bring him home to his family and friends in Roodhouse.

To give you some idea of the kind of man Phil Smith is, when I related what I knew of his imprisonment and the efforts which had been made on his behalf by the President and JERRY FORD, his reaction was one of deep humility. He said that his words could not express his gratitude and that he was surprised and grateful that so many people had never given up hope for his return. Most of all, I am sure, his gratitude went out to his family and President Nixon.

While in Roodhouse last Saturday, Major Smith dedicated a bronze plaque and a tree to each of the four men from this little farming community who were killed in the Vietnam war. His remarks brought tears to the eyes of many and will serve to inspire the Nation.

Here is what he said:

Friends, neighbors, and fellow Americans. I said on my arrival at Scott Field, when I saw all of my friends there to greet me, that it was the greatest moment of my life. I consider today equal to that day because you are allowing me to dedicate these four trees and plaques to those men who not only served their nation, but gave their last full measure of devotion that this nation might remain free.

On February 27, 1967, Sp. 4 Teddy W. Steelman of R.R. 3 died.

On December 20, 1967, Sp. 4 Daniel L. Havens of R.R. 1 died.

On June 14, 1968, Sgt. Jesse V. Hawk III died.

On June 23, 1969, Sgt. George C. Peters died.

These men, together with 46,000 other Americans, are the ones whom we are honoring this day. I am confident that they will be long remembered by the people of this community and this nation.

Over half a million Americans served in Vietnam during this past decade, and re-

gardless of the conditions under which we served, we who have returned are the fortunate ones. We shall never forget that it was the sacrifice made by these four men, together with the other 46,000, that has made it possible for the rest of us to return to our friends and loved ones at home.

A war is always terrible, and it is my prayer, and I am sure it is also your prayer, that this nation shall not be called upon to make this terrible sacrifice again.

I wish to compliment you people for honoring these four men and letting their families and friends know that you remember them with these living memorials.

Therefore I am honored, in behalf of the people of this community, to present these trees and plaques to the city of Roodhouse.

NATIONAL FHA WEEK, APRIL 1–7

HON. WILLIAM R. ROY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. ROY. Mr. Speaker, I received a letter a short time ago from a young woman in my district, Miss Brenda Newman of Holton, Kans.

I am pleased to oblige her request and call the attention of my colleagues to the fact that April 1–7 is National FHA Week.

As many of you know, FHA stands for Future Homemakers of America, one of the outstanding nationwide organizations for American high school boys and girls.

There are currently more than one-half million FHA members in almost 11,000 chapters in every State, the District of Columbia, Puerto Rico, the Virgin Islands, and American schools overseas.

Membership in FHA is open to all junior or senior high school students who have taken a home economics course or an occupational training class related to home economics. The purpose of the organization is to provide opportunities for developing individual and group initiative in planning and carrying out activities related to the dual role of homemaker and wage earner.

A recent extension of FHA, the HERO—Home Economics Related Occupations—organization, is designed to help young men and women explore the world of work in areas related to home economics.

The overall goal of FHA members is to help individuals improve personal, family and community living.

Kansas has a very active FHA organization, with 9,600 FHA and HERO members in 200 chapters. The current National FHA president is a Kansan, Miss Nancy Hodgkinson of Garden City.

The Kansas Association of FHA held its annual convention in Topeka last Friday, March 30. Mr. Speaker, I would like to recognize the young ladies who were elected to State offices at this meeting.

The new president is Sue Harrison, Sterling; vice-president of membership—Susan Kimball, Richmond; secretary—Marcia Bruce, Arkansas City; vice-president of committees—Cherrie Harris, Pittsburgh; vice-president of program of works—Patty Bruey, Anthony; treasurer—Sandra Stenzel, Wa Keeney; vice-president of projects—Jan Dugan, Osborne; historian—Pam Meier, Lincoln; vice-president of recreation—Dee Ebert, Westmoreland; songleader — Suzanne Baker, Hiawatha; and vice-president of public relations—Janet Huff, Ness City.

I extend my congratulations to each of these young women.

The theme of National FHA Week is "Explore Roles—Extend Goals." Working within this theme, each chapter in Kansas is carrying out its own activities.

FHA members are already making plans to play a large role in the American Bicentennial Celebration. FHA student leaders, in cooperation with the leaders of other vocational youth groups, have developed general themes to guide FHA activities in the years leading to our anniversary as a nation on July 4, 1976.

I am sure that my colleagues join me in wishing all FHA members great success in their ventures.

And I would like to thank Brenda Newman, the outgoing Kansas vice-president of recreation, for renewing my awareness of this outstanding organization.

H.R. 69

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. STARK. Mr. Speaker, this morning I submitted testimony to the House Committee on Education and Labor supporting H.R. 69. This bill would insure that Federal funding covered under the Elementary and Secondary Education, Impact Aid, and Adult Education Acts is continued.

I would like to include that testimony in the RECORD.

TESTIMONY OF CONGRESSMAN FORTNEY H. (PETE) STARK, JR.

Mr. Chairman, members of the Committee, I thank you for allowing me to come before you this morning and voice my concerns for the educational path this country is to follow. And make no mistake, the decision of which path may very well depend on how H.R. 69 is reported out of this Committee. There is a clear and definite choice to be made between H.R. 69 and the Administration's approach. I hope that the choice will be H.R. 69.

You are more than familiar with the choice before you; you have heard from many witnesses urging you to support the extension of the laws covered in H.R. 69.

The principal laws extended by H.R. 69, the Elementary and Secondary Education Act, the Adult Education Act, and the Impact Act laws are worthwhile approaches to improving education for all members of society. Thy have a proven track record of bringing a better chance to people who would, without this federal assistance, be denied their right to fully explore and use the educational systems.

A case in point is the Livermore Valley School District, in California. Livermore is a town of 37,703. Livermore has no major industry to support the School District. Many Livermore residents work at the Lawrence Livermore Radiation Laboratory, a federal installation. Because of the presence of the lab, and because so many students' parents are connected with the lab, the Livermore School District has qualified for aid from the federal government under the Impact Aid Law (P.L. 81–874, Title 3, A and B).

In Fiscal Year 1966, Livermore's entitlement was $707,603. They received $698,403, or 98% of entitlement. This fulfilled the letter and intent of the law in that the support equalled 50% of the cost of educating an affected student. The cost per student for that year was $604.00, and the federal support was $302.00 for every federally connected student.

In Fiscal Year 1972, the support for federally connected students was down to 9%. The federal government funded $94.00 of the total cost per student of $899.00. In that year, the entitlement for Livermore was $1,038,213, but they received only $758,660, or 73% of entitlement.

Livermore was able to adjust to the 73% of entitlement. Although their programs suffered, they continued to give their students a decent education.

But then Fiscal Year 1973 came upon them. Livermore was entitled to $1,064,477. They will receive only $203,596 this year. And of that, $146,000 came only after "hardship" status was established. This represents a difference of $860,878 between what they were entitled to and what they will actually receive. Impact aid now represents only 1.4% of the school district's total budget. In 1966, the federal support level was 12.2%.

And unless H.R. 69 is passed, next year will be even worse for Livermore. There will be no "hardship" money available; there will be no money for 3–B civilians, and Livermore can expect to receive a grand total of $56,-700. If only 3–A's and 3–B's military receive support next year, the total loss over the two years will be $1,911,000.

There are two more points pertinent to Livermore. The citizens of Livermore pay school taxes at a level that puts them in the top 3% in the State of California, but their current expenditures per student, principally because of the drastic reduction in federal support, is the third lowest in Alameda County, and one of the lowest in the State. If they only receive $56,700 next year, they will have the lowest expenditure in the county, some $400-$600 below the mean.

As I mentioned, there is no major industry in Livermore. The School District itself is the second largest "industry" in the area—second only to the Lawrence Radiation Laboratory. There simply are no other tax bases from which to draw this money.

Without P. L. 81–874 money next year, the children will suffer. The expenditure per student may well be lower next year than it is this year. The programs of the school district will suffer at least a 5% to 6% reduction across the board.

There will be no funds to hire additional help, even though attendance is expected to increase by 500 students. The classrooms will become more crowded and the quality of instruction will suffer even more.

I'm sure that Livermore is not an isolated example. If H.R. 69 is not passed, if the support that the federal government has provided is suddenly and drastically removed, if the school districts are forced to look elsewhere for the support and assistance which have been programmed in their budgets, then our children will suffer.

It will be the children who see their programs and projects cut back. It will be the children who we will have to face and say, I'm sorry, but you will not have the opportunities we used to make available. And it will be the children who ask, why not? And I, for one, will not have a decent or fair answer.

Actually, we don't have to wait for the questions; they are already before us. I would like to place in the record a letter I received from the Principal, Student Body President, a teacher and a concerned parent of Castlemont High School in Oakland. Their plea is both eloquent and tragic. They are

in the center of the dilemma that has already struck our schools. I would like to quote briefly from the letter:

"Castlemont High School, located in East Oakland has an enrollment of 2500 student. 92% are Black and the others are Indian, Chicano and White. At Castlemont 51% of the students come from AFDC families and we have a high transiency and truancy rate.

"At the present time there are approximately 550 students that read below the 4th grade level, and a total of 1500 who read below the 8th grade level in the entire school. Despite this fact, we have only two reading teachers and they can work with no more than 150 students who read below the 4th grade level. This year five English teachers volunteered to teach reading to the 150 Tenth grade students who read between the 4th and 8th grade level. We are attempting to see if we can bring them closer to their grade level in order for them to succeed in school. The establishment of this limited program meant that the other teachers had to voluntarily accept a higher class size. The school district does not have the funds to hire additional reading teachers. At present the district faces a deficit of $1,500,000 because of a loss of ADA and Public Law 874 funds . . .

"It is inconceivable to us that any society would allow this kind of situation to exist. During the last ten years we have spent more than one hundred thirty seven billion in Vietnam, and we will have to spend billions more in years to come to rebuild Vietnam . . . (and yet there) is a surplus of people who want to teach, and the students at Castlemont need a few of those people . . . (and we aren't getting them.)"

Sincerely,

RICHARD F. ARTHUR,
Principal.
MILTON HADDEN, *Chairman,*
Citizens Advisory Council.
JERALD LUZAR, *Chairman,*
Faculty Council.
ROBIN GILLIS,
Student Body President.

We must not ignore their plea. We must not allow our desire for economizing to start with our children's education. If we are to economize, and I believe we must, then let us begin with excessive and unnecessary expenditures. Let's cut back the military monster, let's shave the bureaucracy, but for the children's sake, let's not remove their right to a full and complete education.

BILL REQUIRING IRS TO PAY 6-PERCENT INTEREST ON CERTAIN TAX REFUNDS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. OBEY. Mr. Speaker, to perk up the Internal Revenue Service, so that it responds promptly to taxpayers who act promptly, I am introducing legislation to require the IRS to pay a 6-percent interest penalty if it fails to issue a refund within 30 days to a taxpayer who files a valid claim for refund on or before March 1.

Literally millions of taxpayers will check their mailboxes today and find the refund check they are looking for is not there. It should be there, but it is overdue. This is especially true of taxpayers whose returns are being processed at the newest IRS service center, at Brookhaven, N.Y., and at the 2-year-old centers at Memphis, Tenn., and Fresno, Calif.

The IRS says that, on the average, it takes 6 weeks to issue a refund check. I think that is too much time to process returns that are filed by March 1. And the delay is more painful this year, because the average refund as of March 21 was $345.25—up from $251.72 for the comparable period last year.

Under existing law, the IRS has 45 days from the April 15 filing deadline to process a return and issue a refund check without incurring an interest penalty. That means that if a taxpayer files by March 1, the automation wizards at IRS can fiddle with his return for a full 90 days before they start owing him 6 percent on what he was coming back.

Mr. Speaker, the IRS is keen on collecting interest when a taxpayer files late. They are so keen on it at IRS that they will even demand an interest payment from a taxpayer on money refunded to him in error.

That is right. In fact, a taxpayer singled out for an erroneous refund has been cursed. He is stuck with the check. IRS computers are not geared to recognize a taxpayer's complaint that he received a refund he was not entitled to. He will just have to wait until the IRS comes to its automated senses, realizes its mistake, and asks for the money back. The catch is that IRS expects this hapless taxpayer to fork over 6 percent interest for the period that check was erroneously in his possession.

If the IRS wants to play that way on collecting interest, it should be told to pay that way, too. Not incidentially, my bill also requires the IRS to inform a taxpayer why a refund is being made. That may not seem like much of a problem to an individual taxpayer who knows painfully well how much he owes or has left-over each year, but it certainly is to the businessman. He may receive a refund check at an address where he has not lived or done business for years, for a reason that is not stated, and for a tax year that is not specified.

Mr. Speaker, my bill would also act as a deterrent should the Federal Government ever decide to slow the pace of refunds as a matter of economic policy. While I have no evidence whatsover that such is the case this year, I do recall an expression of concern that the extra billions to be refunded this spring—because of massive overwithholding least year—might tend to overheat the economy, and a suggestion from some quarter that a refund stretchout might be a wise precaution. The prospect of paying even a small interest penalty to millions of taxpayers would make short work of such a cynical practice.

I think this bill can achieve a measure of taxpayer justice. If the working man wants to allow his paycheck to be overwithheld during the year, as a savings device or just because he likes to receive a sizable lumpsum refund the next spring, that is up to him. All this bill says—and remember that his employer has until the end of January to send out W–2 forms—is that if he then quickly and correctly signifies his readiness to have the excess amount refunded, the IRS will either have to oblige him or pay the penalty.

The text of my bill follows:

H.R. —

A bill to amend the Internal Revenue Code of 1954 to provide that interest shall be paid to individual taxpayers on the calendar-year basis who file their returns before March 1, if the refund check is not mailed out within 30 days after the return is filed, and to require the Internal Revenue Service to give certain information when making refunds

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6611 of the Internal Revenue Code of 1954 (relating to interest on overpayments) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) Calendar Year Individual Returns Filed Before March 1.—In the case of any individual who files his return of any tax imposed by chapter 1 or 2 on a calendar-year basis, if such individual files his return for a taxable year before the March 1 immediately following the close of such taxable year and if refund of any overpayment of such tax is not made within 30 days after the date he files such return, then, notwithstanding any other provision of law, interest shall be allowed under subsection (a) on such overpayment for the period beginning on the date he filed such return and ending on whichever of the following is the earlier—

"(1) the date the refund check is mailed, or

"(2) the first date on which interest on such overpayment is allowed under subsection (a) (determined wtihout regard to this subsection).

In determining the date on which any overpayment exists for purposes of this subsection, amounts shall be deemed paid on the day actually paid or credited, but not earlier than the date on which the individual filed his return."

SEC. 2. Section 6402 of the Internal Revenue Code of 1954 (relating to authority to make credits or refunds) is amended by adding at the end thereof the following new subsection:

"(c) Notice to Taxpayer.—Whenever the Secretary or his delegate makes any refund to a taxpayer, he shall notify the taxpayer of—

"(1) the tax and the taxable period to which such refund is attributable, and

"(2) the reason for making such refund."

SEC. 3. The amendments made by this Act shall apply with respect to amounts refunded after the date of the enactment of this Act.

URHO SAARI: EL SEGUNDO'S PRIDE

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. CHARLES H. WILSON of California. Mr. Speaker, California's Mark Spitz brought glory and glamour to the art of swimming last year. But it is Mr. Urho Saari, retiring coach at El Segundo High School, who has given this city the benefit of his athletic agility by compiling one of the greatest records in the history of California high school aquatics.

Since 1946, his water polo team has earned a record 376 wins and only 92 losses. The El Segundo Swim Club under his leadership has produced 18 U.S. representatives to the swimming and water polo competitions in the Olympic and Pan American Games. These fine athletes have earned more

than 40 team and individual national titles in water polo and swimming.

Mr. Saari's expertise in water polo has qualified him to coach the U.S. team in the 1951 Pan American games as well as the 1952, 1960, and 1964 Olympic games. And, widely recognized for his achievements, Urho Saari was voted "National Water Polo Coach of the Year" in 1964 and "Water Polo Coach of the Year" in 1965 by the Southern California Swimming, Water Polo and Officials Associations.

A community-minded individual, Mr. Saari has helped to train several hundred lifeguards, including more than one-third of the permanent lifeguard staff of the Los Angeles County Department of Beaches.

The city of El Segundo has proclaimed May 24, 1973, as Urho Saari Day in Tribute to his outstanding achievements in aquatics and dedicated service to the community. I join with them in adding my personal commendations to Mr. Saari for a job well done. He has brought honor to the city of El Segundo and inspiration to our youth.

WATERGATE

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. SCHERLE. Mr. Speaker, when news of the "Watergate caper" first reached the press, most people were frankly incredulous. The whole operation seemed so pointless, the elaborate espionage techniques so childish. It was implausible that the top officials of one of the country's two major political parties would countenance such shenanigans, as silly as they were sinister. The public seemed inclined to accept the arguments of the defendants who were caught redhanded in the Democratic Party headquarters, to believe that they were acting independently, and to forget the whole unsavory mess.

It is difficult to pinpoint exactly when the Watergate caper became the Watergate scandal, or when public indifference turned to indignation. Probably it was a gradual transformation, born of accumulated evidence rather than any single fact. To date, the Watergate case has incriminated or implicated not only some unimportant employees of the Committee To Reelect the President, but its finance chief and campaign manager, as well as Mr. Nixon's chief aide, his personal lawyer, his appointments secretary, two White House counsels, and the President's personal choice for Director of the FBI. Far more than the reputation of any single administration or party, Watergate has challenged the integrity of the Government as a whole and crippled its effectiveness.

The cloud of complicity hanging over the White House is compounded by the administration's insistence on invoking the traditional executive privilege to shield its staff from a public investigation. They are not, as Senator ERVIN, chairman of the select committee to investigate the conspiracy, remarked drily, "nobility or royalty." They are responsible for illegal actions undertaken, financed, or directed by them just like any ordinary citizen. The cloak of executive privilege should never be used to shelter wrongdoers, no matter how highly placed. And clearly someone very highly placed is hiding behind the skirts of immunity, an arrant egotist, drunk with power but lacking in the most elementary political judgment. Only a Madison Avenue huckster, intrigued by 007 sensationalism, could have conceived such a foolhardy scheme. As Tallyrand said to Napoleon: "It is worse than a crime; it is an idiotic mistake."

If the President does not wish himself and his entire government to be tarred with the same brush, he must immediately direct his entire staff to cooperate fully with the congressional committee as well as the grand jury investigating the case. He must also demand the resignation of anyone convicted by the evidence. Nothing less will satisfy the aroused conscience of the people and their Congress.

AUSCHWITZ REVISITED

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. DULSKI. Mr. Speaker, it is now some 30 years since the atrocities of Auschwitz occurred during World War II.

But the imprint in memory is indelible. The victims have not been forgotten, as is evidenced by the daily visits of Poles and others to pay their respects, often in the form of wreaths and bouquets.

Mr. Speaker, the story of Auschwitz has been told in very vivid and sympathetic manner by a Chicago Daily News correspondent, Raymond R. Coffey. I am including his text as part of my remarks:

[From the Buffalo (N.Y.) Evening News, Mar. 7, 1973]

AUSCHWITZ STANDS AS A MEMORIAL TO 4 MILLION VICTIMS OF NAZI INHUMANITY

(By Raymond R. Coffey)

AUSCHWITZ, POLAND, March 7.—"Every inch of this ground is soaked in blood," the old Pole in the black beret said as we passed the still-standing barbed wire fence and entered the camp.

He was solemn, and still bitter, and still moved by the grief that comes easily in a country where one in every five persons was killed in World War II, where virtually every family lost close relatives.

But now, 30 years later, neither he nor anyone else really can put into adequate words the enormous and still palpable horror of Auschwitz.

The Auschwitz-Birkenau complex here in southern Poland near the Czech border was the Nazis' biggest "death factory."

More than 4 million people—4 million people—were killed here, according to the International Military Tribunal at Nuremberg.

Most of them were Jews. But their were many non-Jewish Poles here, too. The victims of Auschwitz included citizens of more than 20 countries.

Mostly they died in the gas chambers, their bodies then burned in the crematoria which were operated on an assembly-line basis.

Auschwitz-Birkenau is preserved as a museum, a reminder and a memorial to the victims.

EXPERIENCE WITH IMPACT

To walk through it, even now, is an experience that can produce some sleepless nights.

Part of the reason for its stunning impact is that it is so well preserved. Parts of it look like they could be put back into operation tomorrow.

Over the main gate still hangs the sign the Nazi SS put there: "Arbeit macht frei" (work brings freedom), which was the first vicious mockery.

The prisoners soon came to know that, as camp officers told them, the only real way to freedom was through the chimneys of the body ovens.

From outside, the red brick camp buildings look pleasant enough, almost like a slightly rundown boarding school.

But inside is something else.

In one building is an exhibit of more than 2 tons of human hair shorn from the victims after they were gassed and before their bodies were burned.

When the Russians liberated the camp in 1945 they found more than 7 tons of hair in warehouses—hair the Nazis had not yet managed to ship off to factories to be made into mattresses and other items.

In another room is a huge pile of shaving brushes, combs, clothing brushes taken from the victims; in another a gruesome collection of artificial arms, legs and other orthopedic devices stripped from the victims.

In still another is a vast collection of the suitcases the victims arrive with, not knowing how very soon their stay at Auschwitz was going to end in the gas chambers.

On many of the suitcases the names of the victims can still be read—Marta Oppenheim, Sara Bunzel of Vienna, Helene Lewandowski, Olga Kornfeld, Marie Jellinek, Thomas Fischer.

RUSTING EMPTY CANS

Then there is the pile of rusting empty cans that contained the "Cyclon B" gas which was dumped through ceiling vents to kill the people herded into the gas chambers.

In "Block 10" is where SS doctor Carl Clauberg conducted sterilization experiments on women prisoners aimed at finding a speedy way of biologically exterminating the Slavic people.

Across the way in "Block 11" is where prisoners were held for special punishment and torture, many of them dying in the tiny bricked-up "standing cells" where men could only stand, for days on end, and often died of suffoction or starvation.

Just outside this building is the black "wall of death" where thousands of prisoners were executed by being shot in the back of the head.

A little distance away stands the gallows on which men were hanged, sometimes four at a time. The Nazis erected the gallows just outside the camp kitchen where prisoners had to look at the still dangling victims as they lined up for food.

Still intact are "Crematoria" chamber-oven complexes built at Auschwitz-Birkenau.

And outside this crematorium stands another gallows—this one built and used to execute Rudolph Hess, the SS officer who founded Auschwitz and commanded it for its first 3 years.

Hess was hanged at the scene of his crimes on April 16, 1947.

In one building is a large urn containing a bit of the ash from the ovens—a monument that symbolizes all the victims of Auschwitz.

Bus loads of Poles still come here every day to see the camp and place wreaths and bouquets of flowers at the urn.

They haven't forgotten.

No one who comes here could.

ATLANTIC RELATIONS

Hon. PETER H. B. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. FRELINGHUYSEN. Mr. Speaker, following up my remarks yesterday on the lack of wisdom in approving an Atlantic Union resolution, I should like to submit an article written for the Christian Science Monitor by a participant at the Amsterdam Conference last week. Dr. Bowie is a member of the Harvard Center for International Affairs and of the Harvard faculty.

In particular, I would like to call the attention of the Members to Dr. Bowie's point that—

The Europeans do not want or expect the U.S. to push Europe to unity. Yet U.S. actions inevitably do help or hinder the process of European integration. And as the members seek to unite, some fear the U.S. may exploit their differences in ways which split them and undermine their progress.

The full text of the article follows:

ATLANTIC RELATIONS

(By Robert R. Bowie)

Europeans are uncertain and deeply troubled about the outlook for their relations with the United States. That concern was apparent in discussions at a large European-American meeting held in Amsterdam last week, and in private talks with officials and others in London, Bonn, Brussels.

Leading Europeans consider close cooperation with the U.S. essential for mutual security and prosperity. While anti-American and neutralist sentiment has grown, especially among young people, largely as a result of Vietnam and detente, it is still not a major political influence. For the most part the Europeans aspire to a form of partnership in which Europe would have its own voice and define its own interests, but would concert its policies and actions closely with the U.S. The obstacles to that aim are serious and arise for both sides of the Atlantic.

Basically the Europeans are far from sure that the U.S. now shares that goal or gives it high priority. They are baffled and worried by many aspects of U.S. policy and unclear about its premises.

Take security and NATO, for example. The Europeans are satisfied that Mr. Nixon continues to consider Europe's security as a major U.S. interest and they appreciate his resistance to the Mansfield effort to reduce U.S. forces in Europe. For them nuclear parity with the Soviet Union has enhanced the significance of such forces, despite detente. Their presence reinforces the deterrent, but even more, it counters Soviet political pressure which would grow if the U.S. commitment were thought to be declining. Despite Mr. Nixon's attitude, however, Europeans are uneasy as to whether political pressure and defense cuts will eventually force substantial troop reductions.

In the economic field, the situation is also unsettling. Does the U.S. view the European Community and Japan primarily as adversaries in monetary and trade affairs, with each side looking out only for its own advantage? Much of the U.S. rhetoric and action since Aug. 15, 1971, might tend to suggest this. And hints by high officials of linking economic concessions to security issues are hardly reassuring.

Finally, in East-West affairs, there is the shadow of U.S.-Soviet bilateralism. While SALT I was generally approved, there are nagging concerns about the current negotiations in SALT II, on mutual and balanced force reductions, and in the conference on security. In these, Europe's interests could be directly prejudiced by some outcomes, such as restraints on forward-based weapons technology, or on indigenous forces in Central Europe. Such restrictions could hamper or block future European defense efforts, or give the Soviet Union handles for impeding the progress toward European unity.

Underlying these specific concerns is a more fundamental one. Mr. Nixon's style and approach to foreign affairs remind some Europeans more of de Gaulle than of earlier U.S. leaders. He appears more inclined to unilateral action and to resist being constrained by allied ties, tendencies which are encouraged by Europe's inability to assert itself more effectively.

Indeed that is the other half of the European predicament. In its members' eyes, the Community has regained momentum since its enlargement and the Paris summit of last fall. They consider its program of studies, reports, and measures, which are intended to produce "European union" by 1980, as a serious agenda even if ambitious. And in recent months they have worked together more closely on monetary issues and in pursuing joint policies in the security conference in Helsinki.

Yet they are keenly aware how far they are from political and economic union which would make them an effective entity for real partnership. To achieve that quantum jump will require substantial transfers of authority to central institutions of the community. Where are the political leadership and will required to do that rapidly? The machinery of the community is now extremely cumbersome, and national leaders are heavily preoccupied with domestic problems and pressures.

The Europeans do not want or expect the U.S. to push Europe to unity. Yet U.S. actions inevitably do help or hinder the process of European integration. And as the members seek to unite, some fear the U.S. may exploit their differences in ways which split them and undermine their progress.

With all the difficulties and divergences it is easy to be pessimistic about the prospects for creating the Community and the Atlantic partnership. The task is far harder in this period than it would have been under earlier conditions. A decade was lost first through British hesitation in the '50's, and then from de Gaulle in the '60's. Meanwhile the U.S. position has been eroded by the frustrations of Vietnam and its economic and political consequences.

But, if the task is more difficult, it is still just as essetnial. Interdependence is a fact of life. In view of the stakes, the hope must be that leaders in all the advanced nations will judge the necessities correctly and rise to meet them.

OBSERVANCE OF THE 30TH ANNIVERSARY OF THE WARSAW GHETTO UPRISING

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. RONCALLO of New York. Mr. Speaker, I am most pleased to support and cosponsor House Joint Resolution 303 authorizing the President to proclaim April 29, 1973 as a Day of Observance of the 30th Anniversary of the Warsaw Ghetto Uprising.

This proclamation shall serve to remind our Nation of the boundless limits of the human spirit. From the depths of despair and murder of the most calculating and degrading nature, the Jews of Warsaw rose up in a struggle which shall forever serve as a light upon mankind's determination for freedom and dignity.

We today are witness to this indestructible spirit through the persons who have created and sustain the living State of Israel. It will serve us all well to take a few moments from our day-to-day activities and reflect upon the Warsaw Ghetto Uprising and our own love of liberty.

TO CREATE MORE JOBS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Ms. ABZUG. Mr. Speaker, in support of expanding and improving the Emergency Employment Act of 1971, I recently had the privilege of presenting testimony to the Select Subcommittee on Labor. I would like to insert that testimony into the RECORD at this point:

TESTIMONY OF BELLA S. ABZUG, SELECT SUBCOMMITTEE ON LABOR, APRIL 3, 1973

Mr. Chairman, one of the most persistent themes of the Nixon Administration has been that we are a healthy nation in all respects—that the current inflationary and high unemployment trend is an anomoly and will subside in a short time.

No matter what rhetoric the Administration uses, however, it cannot hide the facts. The nationwide unemployment rate is at 5.2%. More vivid are the figures of the jobless rate for nonwhites—a whopping 9.6%, unchanged from a year ago, and unemployment among the teenlabor force, 16%.

The Administration's response to these figures has been to use traditional indirect methods which reveal the staleness of President Nixon's thinking and his lack of concern for the working man—tax breaks for business investments in the hope that they will "trickle down" and create jobs.

This strategy has failed in the past—witness the unemployment figures. It will certainly fail in the future. We must wait no longer to find a resolution to the ever growing and ever-present problem of joblessness in this country. We must get to the root of the problem and do so quickly. And the solution is to create jobs where there are none, and where the need is.

The Emergency Employment Act of 1971 must be expanded and improved. I am a sponsor of the Hawkins bill, H.R. 3984. If pending legislation is passed, at least 500,000 public service positions will be created. When this occurs, unemployment will be reduced almost immediately by more than one-tenth. In addition, the multiplier effect of these jobs, which will trigger an increase in spending and investment, should create another one to two million jobs.

And these public service jobs would not be in "dead end" projects, as the President contemptuously calls them. They would be created in fields such as environmental quality, health care, education, public safety, crime prevention, crime control, prison rehabilitation, neighborhood improvements, rural development, park maintenance and general community improvement.

The need for these social services grows every day. As our urban population expands, the Federal and local governments should and must provide services which will make

our cities pleasant and habitable for people of all incomes. As our environment changes, we will need people to work on solving the problems attendant to such changes. Our elderly and ill citizens need expanded health care facilities and services which are not coming from the private sector.

We must not fail our own citizens. There are 4,500,000 men and women able to work and unemployed today. We must act immediately to bring them back into the economic mainstream.

CAMPAIGN FINANCING

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. RIEGLE. Mr. Speaker, the issue of campaign financing is a critical one for our country and the American people. Robert Lewis has written a very useful article on this subject, and I am inserting it for the attention of my colleagues:

[From the Flint (Mich.) Journal, Mar. 18, 1973]

REGRETS GROW OVER CAMPAIGN-FUND LAW

(By Robert Lewis)

WASHINGTON.—A story making the rounds has one congressman saying to another, "You can bet prison reform will get action this session."

"How do you figure?" his companion asked.

"After the changes we made in the campaign finance law, that's where we're all going to be."

Politicians are jittery over the campaign finance reforms they passed last year in a moment of weakness, and they should be.

The federal election campaign law provided, for the first time, a fairly good picture of who finances elections and, in some instances, why.

Although most donors are motivated by honest conviction, others contribute for favors past and future.

"One can rarely nail down a casual relationship between campaign gifts and later political acts," says John Gardner of Common Cause, the citizens lobby. "But the patterns of political giving create a cloud of suspicion that can only deepen the cynicism of the average citizen."

A study by Common Cause showed a correlation between $110,000 in dairy-industry contributions to congressional candidates last year and support for dairy legislation by the recipients.

Similarly, labor unions showered known supporters of national health insurance with $210,000, while the American Medical Association gave $253,500 to backers of its medicredit health bill.

President Nixon's re-election committee returned $705,000 in tainted donations, including $250,000-mostly in $100 bills—from Robert L. Vesco, the central figure in a security fraud investigation.

The committee has $4.7 million in the bank, and all election bills are paid, yet the contributions continue. The committee received $246,000 in January and February, including $100,000 from Mrs. Ruth L. Farkas who has been nominated to be ambassador to Luxembourg.

Mrs. Farkas, wife of a New York City department store owner, said the money is part of a $300,000 pledge she and her husband made before the election. Because of the unusual timing, the Senate Foreign Relations Committee delayed her confirmation pending an investigation.

Also benefitting from post-election contributions was Sen. Robert P. Griffin, R-Mich., who received more than $50,000 after the ballots were counted.

Post-election gifts aren't illegal but they raise the question of whether the candidate would have received the money had he lost.

Although it is against the law for corporations and labor unions to contribute, "voluntary" giving by executives and union members is standard practice. And unions contribute staff time, office space and other services that are worth additional millions.

"There is nothing in our political system today that creates more mischief, more corruption and more alienation and distrust on the part of the public than does our system of financing elections," says Gardner.

"It allows individuals and groups which seek preferential treatment from government to give unlimited sums of money to public officials who can provide such treatment.

"Both candidates and givers (willingly or not) are prisoners of a system which exposes them to suspicion and pressure, and legitimizes the exchange of money for political favors."

The new campaign finance law required full disclosure of contributions above $100 and individual gifts of any amount. It was thought that the disclosure provision would work to hold down huge contributions but it hasn't. Nixon's top 10 donors gave more than $4 million, and the top 100 gave $14 million.

The new law sets partial limits on overall campaign spending and it was thought this would keep election costs within reason. But it hasn't.

Spending for all elections in 1972 totaled an estimated $400 million compared to $300 million in 1968. Nixon spent an estimated $45 million and Sen. George McGovern spent $30 million.

Griffin raised $1.4 million to win a job that pays $42,500 a year, and another senate candidate spent $2.5 million.

After one election under the new law, it is apparent that full disclosure and spending ceilings will not eliminate the abuses of private campaign financing. As long as candidates are forced to depend on donations from special interests to win elections, there will be abuses.

The answer may lie in public financing of federal elections, administered by an independent elections commission with strong enforcement powers.

Until basic changes are made, former Maryland Congressman Edward Garmatz's creed will prevail. Garmatz, chairman of the House Merchant Marine Committee, was asked why he received most of his election money from the maritime industry.

"Who in the hell did they expect me to get it from—the post office people, the bankers?" he replied. "You get it from the people you work with, who you helped in some way or another. It's only natural."

MEAT BOYCOTT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. CONTE. Mr. Speaker, this week's meat boycott around the country has been characterized as a "Housewives Rebellion." I would like to call to the attention of my colleagues the fact that other segments of our population are also concerned about the high price of meat and other foodstuffs. To illustrate this, I would like to tell you what the youngsters at the Clarksburg Elementary School in the First District of Massachusetts are eating for school lunch today.

The entree is a toasted cheese sandwich, with side dishes consisting of french fries, peas, and carrots. For dessert, the menu calls for chocolate cream pudding and, of course, milk will be served. The meal, as you can readily see, is meatless.

After careful consideration and consultation with the school's cafeteria manager and the Massachusetts State school lunch director, the superintendent of the Clarksburg school system, Joseph J. Joseph recommended that the meatless school lunch program for the week of April 2 through 6 be instituted. The plan was discussed with all of the youngsters and the permission of parents was requested before the child could participate.

Mr. Joseph reports that the response has been "tremendous." In fact, the Clarksburg school, which regularly serves 200 school lunches a day, has seen an increase in the school lunch count during the meatless days.

I noted at the beginning that the current manifestation of concern over the high price of food is not only a "Housewives Rebellion"—it is also not only a "Children's Crusade." We are all affected by high prices and we are all concerned, school child, parent, teacher, retiree.

I commend the action of the Clarksburg Elementary School and submit the full school menu for this week for my colleagues who may be looking for suggestions for low cost, nutritional, meatless lunches:

MENUS

April 2: Tuna-macaroni salad, green and yellow beans, Vienna bread, peaches.

April 3: Vegetable soup, peanut butter sandwiches, saltines, cheese, Knobby apple cake.

April 4: Pizza (tomato sauce-cheese), buttered spinach, snickerdoodle, fruit cocktail.

April 5: Toasted cheese sandwiches, French fries, peas and carrots, chocolate cream pudding with nut sprinkle.

April 6: Fish sticks, spaghetti, tomato sauce, corn, bread and butter, butterscotch pecan squares.

THE NEED FOR CONTINUED BIOMEDICAL RESEARCH

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. FRASER. Mr. Speaker, I would like to stress the level of excellence the United States has achieved in biomedical research through the national program of health research fellowships and traineeships.

The following statement by the Mayo Foundation in Minnesota articulately points out the likely impact of the administration's plan to phase out this program which is vital in improving the health of our Nation.

I hope my colleagues will give thoughtful study to legislation now un-

der consideration by the Public Health and Environment Subcommittee that will assure uninterrupted progress in conquering the many diseases for which there is still no treatment or cure.

The statement follows:

IMPACT OF THE FEDERAL ADMINISTRATION'S BUDGET PROPOSALS ON RESEARCH TRAINING PROGRAMS OF MAYO FOUNDATION

The NIH research training programs are integral to the nation's biomedical research resources and its health care programs.

During the past three decades, American biomedical science has achieved international preeminence. The ever-increasing complexity of that science requires the talents of gifted individuals highly and specifically trained to conduct biomedical research.

Upon the products of that research, both basic and applied, the already established advances in treatment of disease have been based, and future progress in such treatment will depend. Upon those scientists also has rested a major component of the responsibility for teaching medical students and medical house officers (residents) the medical science so essential to their competence as practicing physicians.

A decision to curtail training of medical scientists today carries unfavorable implications for future advances in medical research and for improved medical care.

The research training grants programs, postdoctoral fellowships, and career development awards of the NIH have provided financial support essential to producing biomedical scientists and teachers. The extent of future support of those programs should be determined by careful assessment of national needs, present and future, for those scientists and teachers. Since, as a group, they constitute a unique national resource, financial support of their production is a national responsibility appropriately held at high priority.

No reasonable and acceptable alternative to the NIH funded training programs has been proposed. To suggest that the young M.D. or Ph.D., oftentimes already in debt for his predoctoral training, borrow additional funds to support himself and his family while he secures two to seven essential years of postdoctoral research training, is not, in our judgment, a reasonable alternative to training grant support, postdoctoral fellowships, and career development awards.

In summary, Mayo Foundation, while acknowledging the importance of federal fiscal responsibility and the imperative of a practical limit to federal spending, urges continued fiscal support, at high priority, of the NIH Research Training Grant Programs, Research Fellowships, and Career Development Awards.

The level of that support should be assessed carefully, identified abuses in past practices should be eliminated, and a new level of support determined. That new level should be one deemed prudent and essential to continued excellence and productivity of medical research, to proper teaching of students of medicine, and to progressive improvement in medical care.

MAYO FOUNDATION,
Education Committee.

ANNUAL LEGISLATIVE CONFERENCE OF THE NATIONAL ASSOCIATION OF CREDIT MANAGEMENT

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. GERALD R. FORD. Mr. Speaker, last week the National Association of Credit Management held their second annual legislative conference here in Washington. Serving as president for the association this year is Mr. C. William Bruder from the congressional district that I represent. I feel the members of the National Association of Credit Management are to be congratulated for taking the time from their busy schedules and coming to Washington in an effort to better understand the congressional process.

At their luncheon honoring Members of Congress and their staffs, the executive vice president, Mr. Robert Goodwin, made a few remarks pointing out the objectives of the meeting and a thumbnail sketch of the association. I include these remarks in the RECORD for the benefit of my colleagues who were unable to attend:

REMARKS OF MR. ROBERT GOODWIN

I would like to welcome you to this congressional luncheon of our second Washington legislative conference of the National Association of Credit Management. And I would like to extend a special welcome to the Members of Congress who have joined us here today.

As concerned and vitally interested citizens, we have spent this morning on visits to your offices and with your staffs, and in the chambers of the Senate and House, to learn more about the legislative process and to witness the dynamic forces of our national government in action.

Yesterday in our sessions downtown, we had as our guests representative members of the legislative and executive departments who recounted for us some of the current activities and concerns of their various offices; and gave us new insight into a number of matters of concern to us as Americans and as business credit executives.

Today, while this luncheon is an informal affair designed as an extension and climax of our activities of the past two days, I would like to take a few brief minutes to tell you something about us and the important and responsible role we play in the economic life of our country.

The National Association of Credit Management is an organization of over 36,000 company members who are concerned with the granting of business credit by one commercial identity to another—as opposed to consumer credit, granted to an individual for personal or family purposes.

Our members are manufacturers, wholesalers, financial institutions, and business firms which are engaged in rendering services of various sorts to other business firms.

These members are responsible for watching over business assets totaling billions of dollars. In many cases these assets represent the company's largest single asset.

The National Association of Credit Management was founded 77 years ago in 1896 by 82 business credit executives meeting in Toledo, Ohio. Growth from 600 members at the end of 1896 to over 36,000 members today, surely makes us one of the major membership organizations in the business world today.

I might just say that the heart, or thrust, of our organization's service activities centers around some 100 member-owned and member-operated affiliated associations of business credit executives at the local and state level. These NACM affiliated associations are located throughout the country in every major business center.

Every day businessmen in these communities look to their NACM organization to provide them with services which are vital to the smooth functioning of our economic system.

One of these key services is a fair and honest exchange of business credit information. Through the NACM National Credit Interchange System, businessmen exchange factual, complete and concise ledger experience on which to make sound business decisions.

We are concerned from a legislative standpoint that lawmaking bodies at both national and State level recognize the indispensable need for the free and unimpeded exchange of this kind of business credit information. The viability and growth of our economy depend on it.

In another area, many of our NACM-affiliated groups render an all-important collection service to their members. Again, this is a vital part of our service to our member companies and the business community. NACM's professional collection service renders benefits to both the creditor and debtor company. It offers the debtor company faced with delinquency in its obligations, the means of returning to dignity through an orderly process of honoring its commitments. It offers the creditor the means of insuring a return of much needed operating or expansion capital. In some cases, it may represent the margin that enables a creditor to carry on his enterprise, to continue to serve the business community at the most economical level, and to continue to provide employment in the community.

Another major activity of the National Association of Credit Management member-owned and member-operated affiliates is the assistance they offer their members in dealing with bankrupt or financially distressed companies.

In many cases they are able to work out arrangements which forestall a bankruptcy to the satisfaction of both the creditors and the company that is having difficulty.

When the situation has reached a point beyond this solution, our local affiliated association, through its good offices and expert staff, provides the catalyst for working out a settlement that is most fair and equitable to all parties.

These are just a few highlights touching on who we are and what we are and what our interests are.

I hope that each of the honored legislators here today will remember this occasion and the individuals of the business credit community who are serving as your hosts at this luncheon.

Each of them is an expert in this field of business credit. He knows its unique contribution, concerns, and characteristics.

We hope that this brief introduction today will lead to a permanent avenue of communication between you both. We want to keep in touch with you as members of your constituency. Certainly the business credit executives here in this room, as well as others who could not be with us today, are available to you for consultation—particularly on matters that might bear on the highly specialized field of business credit.

To our congressional guests, on behalf of everyone here, we thank you for sharing your valuable time with us. This has been a rewarding experience.

WARD QUAAL RECEIVES DISTINGUISHED SERVICE AWARD

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. ANNUNZIO. Mr. Speaker, it is a pleasure to join the legions of friends of Ward L. Quaal, president of WGN Continental Broadcasting Co., in congratulating him on meriting the National Association of Broadcaster' 1973 Distinguished Service Award.

Mr. Quaal, who is nationally recognized as an eminent leader in the broadcasting industry, received this award on

March 27 at the Sheraton Park Hotel in Washington, D.C. He is also the recipient of the Illinois Broadcasters Association IBA Broadcaster of the Year Award.

Ward Quaal has been a tower of strength in Chicago for he has worked long and hard on countless civic projects, and his many contributions to our city will be long remembered.

As the Congressman for the 11th District of Illinois, where the offices of WGN are located, I am glad to call to the attention of my colleagues an article which appeared about Ward Quaal in the March 27 Leader Newspapers, one of the outstanding community newspaper chains in the Northwest Side of Chicago. The article follows:

QUAAL EARNS TOP TV AWARD

Ward L. Quaal, president of WGN Continental Broadcasting company, received the National Association of Broadcasters' 1973 distinguished service award Monday in Washington, D.C.

The award goes annually to individuals who make significant and lasting contributions to the American system of broadcasting in any of its phases.

Quaal was honored for his work in the expansion of the broadcast company's world, including now radio and television stations in Duluth and Denver, a community television antenna subsidiary in Michigan and another in California, and subsidiaries to handle domestic and international syndication of programs and production of TV commercials.

Starting in 1934, Quaal's career has included being an announcer, writer and salesman for WDMJ, Marquette, Michigan, and then working at WGN after his graduation from the University of Michigan in 1937. He later was director of the Clear Channel Broadcasting service in Washington and an official with Crosley Broadcasting corporation before returning to WGN in 1956 as vice president and general manager.

CONGRESS CANNOT REPEAL LAW OF SUPPLY AND DEMAND

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. ZWACH. Mr. Speaker, as we are in the middle of our housewives' meat boycott week, I would like, with your permission, to insert in the CONGRESSIONAL RECORD, a very pertinent expression of opinion on the whole matter of meat prices by James J. Kilpatrick, well-known newspaper columnist.

This is an excerpt from Mr. Kilpatrick's statement on CBS Point-Counterpoint program on Sunday evening, April 1.

I highly recommend its reading to my colleagues:

For just about the first time since World War II, the two million livestock producers—all but three hundred thousand of them pretty small producers—have begun to make a decent living for themselves and a fair return on their investment. They're finally getting a modest share of the higher personal incomes that most Americans are enjoying, and high time! In the whole of our economy, no group has lagged further behind than the farmers—and I mean the working farmers, not the fat-cat landowners who get stabilization payments for doing nothing. I'm talking about the guy who works seven days a week, in-season and out, looking after hogs and chickens and beef cattle, because that's all he knows how to do or wants to do. As a group, they've been taking good care of America—we're the best fed nation in the world—but America hasn't been taking good care of them.

What the housewives are proposing is that Congress enact an Act entitled an Act to Repeal the Law of Supply and Demand. It can't be done. Meat prices are high simply because demand is high, and supply hasn't yet caught up with the situation. A lot of other prices also are high, on clothing, housing, TV sets, auto repairs and medical care. Relatively speaking, food has increased less than other things, partly because the farmers, unlike the housewives, aren't organized. They don't deserve to be hurt, Nick, and I wish the gals would go out and economize somewhere else.

PUBLIC LAW 480: THE INTERNATIONAL FOOD STAMP PROGRAM

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. RARICK. Mr. Speaker, groceries on credit went out of style in my part of the country years ago, when the grocers learned the hard way that sons and grandchildren do not pay the food bill for mom and dad and the grandparents. But, one of our antiquated foreign aid bills, Public Law 480, called "Food for Peace," continues groceries on easy credit the world over.

The arrangements resemble the old shell game. The U.S. taxpayer pays the farmer. The giveaway experts in Washington then enter into credit food sales to foreign countries on terms of up to 20 years at 2 percent interest. Under local currency credit sales, credit can be extended up to 40 years with an additional 10 year extension possible at an interest rate of only 3 percent. These terms only apply to agreements other than "humanitarian gifts" under title II. In the name of humanity all of the food and in most instances the transportation costs are directly paid by the U.S. taxpayers.

The farmer feels something has been accomplished since he has been able to sell his goods. The American people are led to believe that these sales are helping offset the balance-of-payments deficits. And some Americans even achieve a good feeling that we are sharing our abundance with the hungry people of the world.

But the collection of Public Law 480 groceries on credit is perhaps the most astounding aspect of the program. What moneys we eventually should receive on these foreign credit sales are mostly left in the recipient country to be spent in that country for various community and economic development projects.

So, under Public Law 480, the foreigners get our food and then also get our money. It is little wonder that our dollar is now up for an additional 10 percent devaluation—which means a 20-percent drop since 15 months ago.

Sales are sales and gifts are gifts. Certainly the American people are entitled to a more accurate description of our international food stamp program than to have it repeatedly dubbed as "sales."

I include the following excerpts from "Foreign Agriculture Economic Report No. 65," prepared by the Foreign Development and Trade Division, Economic Research Service, U.S.D.A., concerning "Public Law 480 Concessional Sales":

EXCERPTS

There are four titles to the act, and in general the titles cover the following aspects:

Title I.—Concessional sales.

Title II.—Donations and disaster relief.

Title III.—Barter.

Title IV.—General provisions and requirements.

Title I is by far the most important in terms of commodities exported under P.L. 480. Just over 70 percent of all commodities shipped have been under this title. This includes (1) local currency (LC) sales, (2) long-term DC sales to foreign governments and private trade entities, and (3) CLCC sales. The various requirements and limitations placed upon the President in exercising the authorities given him in Title I are discussed more fully in subsequent sections of this report.

Under Title II, agricultural commodities can be donated to (1) meet famine or other ordinary relief requirements, (2) combat malnutrition, especially in children, (3) promote economic and community development in friendly developing areas outside of the United States, and (4) for needy persons and nonprofit school lunch and preschool programs outside the United States.

Title II states that commodities may be furnished through such friendly governments and such private or public agencies (including the United Nations World Food Program) as the President deems appropriate. Whenever practicable, however, nonprofit voluntary agencies which have been registered with, and approved by, the Advisory Committee on Voluntary Foreign Aid are used. All commodities furnished are clearly identified as a gift from the people of the United States. Under this title, the Commodity Credit Corporation (CCC) can pay for—in addition to the cost of acquisition—the packaging, enrichment, preservation, processing, transportation, and other incidental costs of the commodities supplied.

Title III provides for the barter or exchange of CCC owned agricultural commodities for (1) strategic or other materials which are not produced by the United States in sufficient quantities to meet U.S. needs, (2) materials, goods, or equipment required in connection with foreign economic and military aid and assistance programs, and (3) materials or equipment required in substantial quantities for off-shore construction programs. As much as is practicable, transactions under Title III are carried out through usual private trade channels.

Title IV covers a number of general aspects of P.L. 480. For example, it states that the programs of assistance undertaken pursuant to P.L. 480 are intended to serve both humanitarian objectives and the national interest of the United States. Such assistance shall be used in a manner to assist friendly nations that are determined to help themselves toward a greater degree of self-sufficiency in food production and in resolving their problems relative to population growth. Title IV further states that no agricultural commodity can be made available for export under P.L. 480 if the disposition would reduce the U.S. supply of that commodity below that needed to meet (1) domestic needs, (2) adequate carryover, and (3) anticipated commercial export requirements. Title IV defines "agricultural commodities" as used in the act to include any agricultural com-

modity produced in the United States or product manufactured in the United States from an agricultural commodity. However, this does not include alcholic beverages, and for the purposes of Title II, tobacco or tobacco products. For the purpose of P.L. 480, domestically produced fishery products are also defined as "agricultural commodities."

Under Title IV the United States has authorized a farmer-to-farmer assistance program to help farmers in the recipient country increase the effectiveness of their farming and marketing operations. Further provisions enable farm youth and farm leaders from the recipient country to be brought to the United States for training and enables the United States to conduct research for the purpose of improving the production and distribution of tropical and subtropical agricultural products. As much as $33 million per fiscal year can be appropriated for these activities. However, these provisions have not yet been implemented.

The act, as amended on December 31, 1966, established under Title IV an advisory committee to survey general policies relating to the administration of P.L. 480. The committee surveys (1) the manner of implementing self-help provisions, (2) the use of foreign currencies accruing from foreign currency agreements, (3) the currencies reserved for loans to private industry, (4) the exchange and interest rates used, and (5) the terms applied to credit sales.

Local currency sales.—P.L. 480 as passed in 1954 provided only for local currency sales. Under this arrangement the United States receives, as payment, the currencies of the recipient country and reaches an agreement with that country on their use.

Normally, these currencies can only be spent in the recipient country and are not accepted as a medium of exchange in international transactions. This being so, these currencies do not help the United States improve its balance of payments except when they are used to meet U.S. obligations in the recipient country which would have been met with dollars. Therefore, the law now requires that limited amounts of local currencies be convertible to dollars.

* * * * *

The bulk of the local currencies the United States receives as payment are used in the recipient country, but the particular use to be made of these currencies becomes a matter of negotiation. In short, currencies may be used to benefit the United States, or the recipient country, or sometimes both.

Dollar credit sales, government to government.—In 1959, a provision was added to P.L. 480 whereby sales could be made on credit, with payment of principal and interest in dollars. There are now two kinds of dollar credit sales agreements, government-to-government and private trade credit sales; each type of agreement has its own set of terms and conditions. Government-to-government trade agreements have been permissible since dollar credit sales were authorized in 1959.

Government-to-government agreements have been by far the most common. The maximum credit period allowed under the arrangement is 20 years. The United States is permitted to allow the recipient government to go a maximum of 2 years before making the first principal installment.

Private trade credit sales agreements.—Agreements between the U.S. Government and private trade entities (PTE's) are commonly referred to as private trade agreements (PTA's). Any private trade entity of the United States or of a foreign country friendly to the United States may participate in this program.

The PTE obtains commodities from the open market and CCC provides a line of credit through a commercial bank. The PTE uses this to pay the U.S. supplier of the commodities and for ocean transportation. At the same time, it incurs a debt obligation in dollars with the CCC. The maximum grace period is 2 years and the maximum credit period to 20 years. Whenever practicable, the PTE is required to pay 5 percent of the purchase price of the commodity on delivery. Although the repayment period of agreements signed thus far has ranged from 2 years to 19 years, most range from 6 to 15 years. As with government-to-government programs, the credit and grace periods begin on the date of last delivery in any calendar year.

When the PTE sells the commodities in the specified country he of course receives payment in local currencies. The proceeds from the sale must be used to develop and execute projects in the recipient country as specified in the agreement. These projects must result in the establishment of facilities designed to improve the storage or marketing of agricultural commodities, or which will otherwise stimulate and expand private economic enterprise.

Convertible local currency credit sales.—In the 1966 amendments to the law, Congress directed that a transition be made from local currency sales to dollar credit sales by the end of 1971. It specified that to the extent a transition to dollar credit sales was not possible, a transition could be made to credit sales for foreign currencies which could be converted into dollars. Thus came into being the fourth type of agreement, convertible local currency credit (CLCC) sales.

The law specifies that CLCC sales be made on credit terms no less favorable to the United States than those for development loans made under the Foreign Assistance Act of 1961, as amended. Currently, loans made under this act are for a maximum credit period of 40 years, with a grace period not to exceed 10 years. As with DC sales a minimum interest rate of 2 percent applies during the grace period and a rate of 3 percent during the remainder of the credit period.

In government-to-government DC or CLCC agreements, the foreign government acquires local currency through the resale of the commodity within the country. The local currency value is usually equivalent to the dollar value of the commodities acquired under the agreement. The law specifies that each agreement provide that these currencies are used for economic development purposes that are mutually agreed upon by the two governments.

Ocean transportation.—The Cargo Preference Act (Public Law 664, 83d Congress, which amended the Merchant Marine Act of 1936) requires that at least 50 percent of the quantity of all products exported under certain U.S. Government programs be shipped on U.S.-flag vessels to the extent that these vessels are available at fair and reasonable rates for commercial U.S. flag vessels. This requirement applies to concessional sales and donations under P.L. 480.

Most freight rates on U.S.-flag vessels on some trade routes are higher than rates charged by other vessels on the same route. CCC reimburses the importer for all the amount by which the freight bill for the portion required to be carried in U.S.-flag vessels exceeds the dollar equivalent of the freight bill for an equal quantity carried in foreign-flag vessels.

PRISONERS AND PRAYER

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. DONOHUE. Mr. Speaker, I am pleased to include in the RECORD the very timely and thought-provoking article, about the testimony of our returning Vietnam war prisoners on the vital importance of prayer in surviving their captive experience, written by the Reverend Robert G. Howes, the national coordinator of the Citizens for Public Prayer. The article follows:

OUR PRISONERS PRAYED IN NORTH VIETNAM AND IT MEANT A LOT TO THEM, YET OUR CHILDREN ARE STILL FORBIDDEN TO PRAY IN PUBLIC CLASSROOMS

Seldom has the sheer absurdity of the Supreme Court's prayer-ban decisions been more evident than it is now. Repeatedly our returning POW's speak of God, of the importance of prayer and Bible reading in their captive experience. The "Christian Science Monitor" in its 5 March 1973 front page article entitled "POWs share their secrets of survival" lists "faith in God" as the number one factor! It is simply incredible that the brotherhood of prayer which made Communist prison camps bearable continues to be denied the children in our public schools! It is simply incredible that so many of us have been silent for so long about something which our POW's now testify to as of central importance to both sanity and strength.

The absurdity of the Supreme Court's prayer-ban illogic is further compounded when one reflects that each POW is publicly paid, was publicly transported and publicly housed and fed. Yet, on public time, again and again men said, "God bless America, I thank God. It was prayer that kept me going." Thank what would happen to students in any of our public schools who likewise asked the civil right to say exactly the same words at the start of the school day!

The "Monitor" cites Colonel Robinson Risner as stating:

"We found by talking about patriotism and talking about God that we were only revealing our true feelings. So we learned to do these things. Our faith in God, our faith in our country were two of the things that brought us out alive and brought us out sound of mind and body."

Captain Mark Z. Smith is quoted as saying that he had originally figured religion to be a personal thing:

"But in the camp I found that it was a great help to the other people if I expressed my beliefs to them."

There is a way of course, to put right what is so obviously wrong with the prayer-ban decisions. This way is to write a carefully worded constitutional amendment which will restore the First Amendment to its original and common sense meaning. On the House side the key bill is Chalmers Wylie's H.J. Res. 333, on the Senate side Richard Schweiker's S.J. Res. 10. Those who share our incredulity as the contrast between what the prisoners did and what our school children cannot do must now become part of the growing national noise demanding immediate Congressional action on these bills.

WHERE ARE THE ENLISTED POW'S

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. RANGEL. Mr. Speaker, I have today demanded an accounting of enlisted servicemen who were captured by the enemy or declared missing in action in Vietnam.

I am asking for an explanation of the reasons why the great majority of the prisoners released by North Vietnam and the Vietcong have been officers. All of us in the black community have been aware that throughout the Vietnam con-

flict black soldiers have been disproportionately represented on the ground combat frontlines. Because of the racism which pervades our society and the military, blacks were placed in the position of being the shock troops who bore the brunt of the heaviest fighting in Vietnam.

From my experience as a combat infantryman in Korea, I know that it is the frontline troops, predominantly enlisted men, who are most subject to capture by the enemy. Why then have there been so few blacks and so few enlisted men among the returning POW's?

Defense Department figures show that of the 566 prisoners of war returned to date, only 69, or barely 12 percent were enlisted men. Given the fact that in Vietnam, as in every other war, enlisted men in the Armed Forces predominated, especially as ground combat troops, this low percentage of enlisted returnees is incredible.

It seems as if the Defense Department has been concerned only with Air Force officers shot down while bombing North Vietnam and has neglected the fate of those soldiers, mostly foot soldiers, mostly enlisted men, and to a great extent black, who were captured or otherwise disappeared while involved in ground combat in the South.

I am convinced that we cannot in good conscience close the books on the Vietnam war until we receive a full accounting of the fate of our brothers who have been so conveniently forgotten by the U.S. military.

I submit for the attention of my colleagues, a copy of the letter I sent to Secretary Richardson raising these important questions:

APRIL 4, 1973.

HON. ELLIOT L. RICHARDSON,
Secretary, Department of Defense,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: As I have watched the return of American prisoners of war from Vietnam I have been struck by the fact that the overwhelming majority of these returning prisoners are officers and that an even greater majority are white.

As a Black American I have asked why there have been so few Black prisoners in the returning group. I have been particularly disturbed by the absence of Black faces in the happy scenes of welcome portrayed on the television sets because during the course of the Vietnam war I was aware of the disproportionate percentage of Blacks who were serving as infantry men in the front lines of combat in the jungles of Vietnam. You will recall I am sure the protest which arose from the Black community over Blacks having to fight and die in disproportionate numbers for a society which refuses to give them full respect and opportunity here at home.

From my experience as a combat infantry man in Korea I know that it is the front line troops, predominantly enlisted men who are most subject to capture by the enemy. Why then have there been so few Blacks and so few enlisted men among the returning prisoners of war? Figures given me by the Department of Defense show that of the 566 prisoners of war returned to date, only 69, or barely 12%, were enlisted men. Given the fact that in Vietnam, as in every other war, enlisted men in the armed forces predominated, especially as ground combat troops, this low percentage of enlisted returnees is incredible.

I have attempted to obtain statistical information from responsible officials in the Department of Defense in response to the questions I have raised, but the information I have received does not answer the central question: where are the ground troops, the enlisted men, who were captured by the enemy during more then eight years of involvement by American ground forces in Vietnam?

The impression I have received from public utterances by Department of Defense officials and from the difficulty I have encountered in obtaining the information I have sought is that the Defense Department has been concerned only with white officers who were shot down while on bombing missions over North Vietnam and has neglected the fate of those soldiers, mostly foot soldiers, mostly enlisted men, and to a great extent Blacks, who were captured or otherwise disappeared while involved in ground combat in the South.

Is the Defense Department prepared to say that the Vietnam war was solely an air war and that the only American soldiers taken prisoner by the enemy were those pilots who flew over the North? In Korea ground combat invariably meant the capture of infantry men most of whom were enlisted. We had eight years of ground combat in Vietnam and I cannot believe that in this period the enemy was able to capture only 69 enlisted men.

My experience in Korea and the experience of previous wars indicates to me that the full story of our prisoners of war and missing in action has not been told. I therfore call upon you to undertake an immediate investigation of the fate of those soldiers who have not yet been accounted for and who appear to have been conveniently forgotten by the United States military.

Sincerely,

CHARLES B. RANGEL,
Member of Congress.

A PLEA FOR DON LYON AND OTHER AMERICANS MISSING IN SOUTHEAST ASIA

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. KEMP. Mr. Speaker, Don Lyon is an American serviceman missing in Laos. He was a college football star and teammate of mine at Occidental College. He is a close friend and a great American. His wife, Janice, and their children, have sent me a letter which I want brought to the attention of each Member of this Congress. It serves to focus attention on one of the most vital and compelling tasks facing this Nation, that is, the complete and expeditious accounting of Americans still missing in action in Southeast Asia.

A PLEA FOR THE MISSING MEN

Like other American families, we watched with great pride and joy as the first of our Prisoners of War recently were returned to us. The high spirit of these men reflects their awareness that their fellow Americans cared and did not forget them during the years of their captivity.

We are the family of Donavan Lyon, Major USAF, who was shot down in a F-4 aircraft over Laos on his very first mission March 22, 1968. He is one of more than 300 Americans Missing in Action in Laos. To us he is more than a statistic. He is a fine person who deserves to have his fate known. As the wife of an Air Force pilot, I know that sacrifices of young lives are sometimes required in combat. We can understand and accept that. It is another matter, however, to never know what has happened to someone you love.

The Pathet Lao have announced a tiny list of only seven (7) names of men held captive in Laos. They give no word as to the whereabouts of more than 300 other men who are in the anxiety producing status of Missing in Action. Even allowing for deaths due to aircraft injuries and poor conditions in POW camps in Laos, it is beyond belief that only seven men survived and are being held prisoners in Laos.

Past response by the American people in supporting our Prisoners of War and Missing in Action men has been sincere and outstanding. Now we ask for help again—the help that only you can give. Please walk with us an extra mile to help these missing brothers of our Prisoners of War.

A practical and realistic way in which you can help is to send a short note or write your individual U.S. Congressman and Senators, as well as to President Nixon. Ask them to continue their efforts in searching for the whereabouts and/or condition of these Missing in Action men.

The children and I are hoping that you will help us.

Sincerely,

JANICE LYON.
SUZANNE, age 13.
SCOTT, age 10.
DONNA, age 8.

As Members of Congress, and as Americans, we must continue to insist on a full and complete accounting of all our missing in action. For the sake of our collective and individual conscience, we cannot afford to do less.

For those of us in Congress, or for the administration to even consider supplying reconstruction aid to North Vietnam, without a good faith effort by the North Vietnamese in helping account for our missing, would be a great tragedy; and one for which I will not be responsible.

I ask my colleagues and the administration to step up the pressure on North Vietnam to aid us in this humanitarian task.

FOOD PRICES IN PERSPECTIVE

HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. HANSEN of Idaho. Mr. Speaker, because of the public attention that has recently been centered on food prices, it is helpful to put the matter in proper perspective by comparing changes in the price of food with changes in the price of other goods and services over the past several years. While we have seen sharp increases in the price of some food items recently, the fact is that over the past 20 years increases in food prices have been far less than the cost of almost everything else that makes up the cost of living. Price rises in housing, transportation, clothing, medical services, home furnishings, and many other items have far outstripped the increases in the cost of food. Through the low food prices that have generally prevailed over the last two decades, the American farmer has been subsidizing the rest of the population. Now he is finally getting a fair break, although overall farm prices are still less than parity.

Mr. Speaker, Jean Esplin, an enterprising reporter for the Blackfoot, Idaho, News has made an excellent analysis of

trends in food prices over the past two decades. She cites facts to support her assertions that food is still a bargain. In order to bring the results of this study to the attention of my colleagues, I include as a part of my remarks the newspaper article by Jean Esplin. I also include another excellent article on the same subject appearing in the Idaho Falls Post-Register by Dr. G. Alvin Carpenter, professor of agricultural economics at Brigham Young University.

The articles follow:

[From the Blackfoot (Idaho) News, Mar. 10, 1973]

LOOKING GLASS—FOOD PRICES

(By Jean Esplin)

Let us suppose that you and I are employed by an active business firm.

Our employer has stated that we will be paid annually and we have agreed to the arrangement. At the end of the year he calls us into his office, invites us to be seated and then "lowers the boom." The Company has not made a profit during the past year and there are no funds to pay our salaries. He then makes a strange request. He likes our work and wishes to employ us for another year. "But how are we to take care of our financial obligations?" we ask. He replies that we should obtain a loan until the end of next year and then do all in our power to improve the financial condition of the company.

Sounds a little ridiculous, doesn't it? And yet that is what sometimes happens to many of our farmer friends. They invest an entire year's work plus a great amount of money in growing their particular crops and then due to frost, hail, death of animals, poor farm prices, etc., they end the year in the red. There are outstanding farmers who are able to make a profit even in low price years, but many farmers do not and struggle to keep farming, dreaming of better prices next year. When a good price year, like this one, comes along and with it the opportunity to recoup losses, John Q. Public begins to cry that food prices are much too high.

Food prices may be too high, but so is everything else. Food is still a bargain. Twenty years ago, consumers spent 23 per cent of their disposable income for food; in 1972, it went below 16 per cent. In the last 20 years farm prices of food products have risen less than 11 per cent while retail food prices have risen 46 per cent. Eight and seven tenths per cent of the increase in farm price of food occurred in the last year; however farm prices have been very low in recent years and this is only a partial recovery.

We must realize that much of the cost of food results from our demand for more prepared, packaged food. Grain which the farmer sells for two cents a pound, costs 10 cents a lb. in flour and a pound loaf of bread costs from 25 to 33 cents.

Let's compare the increase in the farm price of food with other increases in the last 20 years. Average hourly earnings of industrial workers went up 129 per cent. Health and recreation costs increased 75 per cent, housing 63 per cent, transportation 54 per cent and semi-private hospital rooms 370 per cent. (These figures are national averages.)

The farmer is just as much a victim of inflation as you are, and his wife buys almost everything from the grocery store that your wife does. Everything that he must purchase to produce a crop has gone up, up, up. Three hundred twenty acres of land with 216 cultivated acres and a five room modern home plus a 26 stall dairy barn sold for $27,000 in 1950. Today such a farm would cost over $100,000 or nearly 300 per cent more. In 1953 a 40 horsepower tractor sold for about $3,000; today a 60 horsepower tractor from the same company sells for $7,500. Some tractors cost $18,000 or more. Farm labor costs have increased 141 per cent and machinery 100 per cent in the last 20 years.

It might be interesting to compare some food prices in 1950 with those in Blackfoot stores today. I checked ads in the 1950 editions of the Daily Bulletin (ancestor to the Blackfoot News) and found the following prices. The 1950 price is listed first and then the current price. Prices are for the same store and the same brand or a like brand.

In 1950 eggs were 45 cents a dozen—today 61 cents; 25-pound sack of flour was $2.98—now $2.64; butter 71 cents—83 cents; 3 pound can shortening was 44 cents—91 cents; 10 pounds of sugar $1.04—today $1.30; cheese 43 cents a pound—today 95 cents; Grade A Fryers 75 cents for whole chicken—today $1.33; oranges 7 cents a pound—compared to 10 to 13 cents; milk 18 cents a quart—today 35 cents; pot roast top grade 49 cents a pound—today $1.09; bacon 37 cents a pound—today 83 cents; 1½ pound loaf of bread was 19 cents; now it sells for 37 cents; 10 pound bags of potatoes were 43 cents—now 68 cents. Remember, farm food prices have increased just 11 percent.

You might be interested in other 1950 prices—it was possible to buy a full course luncheon in Blackfoot for 50 cents and a roast prime rib dinner for $1.25. An all wool topcoat could be purchased for $25.00; ladies permanents began at $5.00; bath towels could be purchased for 63 cents; famous brand men's suits for $60.00 and a well known brand of men's shoes for $9.95. Eighty-six acres adjoining the city limits could be purchased for $29,500 (I wish I had purchased that); a Buick Super for $2,437.00. You could buy a seven-room new home with bath, full basement, tile floors, fully insulated (the furnace was coal) for $9,250.00. A comparable home would cost about $25,000 today.

One should not forget, in calculating the cost of food, the many items that find their way into grocery carts that cannot be eaten. It might be interesting to take two carts next time you shop and separate items that you do not eat into one cart. You will find . . . wax paper, paper towels, toilet tissue, aluminum foil, hand soap, dishwashing soap, laundry soap, shampoo, cleansers, waxes, deodorants, shaving soaps, hand lotions. The list goes on and on.

It has been suggested that the government clamp ceilings on farm products, import more food or take other measures to lower food costs. If we wish to have adequate supplies of food later we may have to pay the price for food now. We cannot expect farmers to farm in the red year after year.

[From the Idaho Falls Post-Register, Mar. 20, 1973]

SAYS BYU PROFESSOR—FOOD TODAY ACTUALLY COSTS HOUSEWIFE LESS

PROVO, UTAH.—Despite recent increases in food costs, prices for the family food items are less today than in the previous 40 years when one considers that wages have risen faster than food prices.

This is the observation of Dr. G. Alvin Carpenter, professor of agricultural economics at Brigham Young University, who has made careful studies of prices and wages since 1930.

"Based upon the industrial average hourly wage of 55c per hour in 1930 compared to $3.50 an hour in 1972, today's hourly wage will buy more food than the hourly wage in 1930.

"For instance, in 1930 an hourly wage would buy 5½ loaves of bread compared to 10 today; or 3½ quarts of milk compared to 12 quarts today; 1½ pounds of round steak compared to 2 pounds today; 1½ pounds of chicken compared with 7 pounds today; 3½ cans of tomatoes compared with 10 cans today; and 1½ pounds of turkey compared with 8 pounds today," Dr. Carpenter pointed out.

The reason for better food buys today stem from improved agricultural technology. A farmer in 1930 could produce enough for himself and 10 other people, whereas today a farmer can produce enough for himself and 48 other people. And all this is done on less acreage harvested.

Improved technology in farming includes new varieties of seeds, improved fertilization practices, better pest control, more automation and mechanization, reduction of waste and spoilage between farms and retail stores, and faster and improved transportation systems for delivery of food items.

"Housewives should also remember that many of today's foods have a built-in maid service which reduces preparation and cooking time. For instance, meat pies, frozen TV dinners, frozen vegetables of all kinds, as well as ready-to-cook chicken and other meats are readily available to housewives across the country," Dr. Carpenter said.

In the old days, he pointed out, someone in the family had to clean the chicken and prepare it for the Sunday dinner.

During the past 20 years, the broiler business had improved efficiency to the point wherein the modern poultryman can produce a 3½ pound broiler in 52 days using two pounds of feed per pound of chicken.

His counterpart in 1947 required 89 days to produce a bird to the same marketable weight using 3½ pounds of feed to produce one pound of chicken. Similar achievements have been made in other segments of agriculture throughout the United States, benefiting the consumer with lower prices.

"It is obvious that beef prices have risen considerably during the past few weeks nationwide. A basic reason for the increase is that the demand exceeds the current supply even though the supply has been increasing from year to year.

"For example, beef production in the U.S. increased steadily from 8.8 million pounds in 1951 to 22 billion pounds in 1972. Per person consumption of beef during the same period increased from 56 pounds to 115 pounds annually. This merely shows that as incomes increased, people exercised their preference for buying more beef even though the prices are higher," Dr. Carpenter said.

The agricultural economist also pointed out that housewives today, buying their food items at much larger markets, spend only $68.60 out of $100 for food; $8.43 for alcoholic beverages, soft drinks, candy and chewing gum; and $22.97 for non-food products such as household supplies, pet foods, tobacco products, and general merchandise.

These non-food products, according to Supermarketing Magazine's 1971 survey, accounted for a total of 30 per cent of the so-called "food" costs to American families.

And out of each $100 spent for food at retail prices, approximately 50 per cent of that is for labor costs involved in handling, processing, and selling that food to the consumer. It is a well-known fact that wage rates have increased much faster than retail food prices.

"Americans are still the best fed people in the world in terms of their percentage of disposable income spent for food," Dr. Carpenter reported. "For example, the average American consumer spends only 16 per cent of his income after taxes on food items. In England people spend 24 per cent for food; West Germany 31 per cent; Japan 35 per cent; Poland 43 per cent; and Soviet Union 45 per cent.

"What this story boils down to is that agriculture is the key to this nation's affluence. If there is any doubt about that, look at any country whose farmers are unproductive. Instead of having a 'poverty problem,' they are poor indeed," Dr. Carpenter concluded.

NEWS BULLETIN OF THE AMERICAN REVOLUTION BICENTENNIAL COMMISSION

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. WHITEHURST. Mr. Speaker, I am inserting the April 2, 1973, edition of the Bicentennial Bulletin of the American Revolution Bicentennial Commission into the RECORD. I take this action to help my colleagues be informed of action being taken around the country in preparation for the Nation's 200th anniversary in 1976. The bulletin is compiled and written by the news staff of the ARBC Communications Committee. The bulletin follows:

AMERICAN REVOLUTION
BICENTENNIAL COMMISSION,
Washington, D.C., April 2, 1973.

The Bicentennial Rural Planning Conference will be held in Racine, Wisconsin on Thursday and Friday—April 19 and 20—Planning Sessions and discussions will be held during the two day conclave to recommend specific programs for rural Bicentennial needs and meaningful projects aimed at America's rural audience.

Rear Admiral Robert W. Goehring, New England District Commander for the Coast Guard, reports that the five military services—Army, Navy, Air Force, Coast Guard and National Guard—have formed a joint committee to cooperate with the Massachusetts communities of Lexington and Concord to help them celebrate, in the spring of 1975, the battle of Lexington Green and the "shot heard 'round the world" at Concord bridge. Admiral Goehring noted also that 1975 will be the centennial year of the Coast Guard Academy at New London, fitting in nicely with the Bicentennial observance, at the Academy's plans for which are in charge of Librarian Paul Johnson.

On the evening of March 27th, the 20 Fairfax County, Virginia high school marching bands which made up the 1976-piece unit featured in the Inaugural Parade, received awards from the county, the Inaugural Committee and the Bicentennial Commission. After a 50 minute seranade by the Naval Academy Band, each group of young musicians were presented with an Inaugural Flag, a Bicentennial Flag, a plaque from the county and a certificate of appreciation from the Bicentennial Commission.

The USS Constitution, one of Boston's prime tourist attractions, will be dry-docked for two years beginning in April, according to Commander William North, Navy public affairs officer. It will not, therefore, be possible to go aboard the ship, but a viewing platform is to be erected from which visitors will be able to watch her undergoing repairs. (The Constitution is NOT a Revolutionary War vessel. She was built in 1797.)

A special Bicentennial Horizons '76 Newsletter will be featured next month as well as a Johnny Horizon '76 Supplement.

A "Fairfax County Bicentennial Cherry Blossom Concert" composed of musicians representing the four Fairfax County administrative regions is scheduled for 2:00 p.m. Sunday, April 8, on the steps of the Jefferson Memorial, overlooking the Tidal Basin. The National Park Service and the American Revolution Bicentennial Commission have joined in support.

The Burndy Library writes, "You will be interested in our present plans to help celebrate the 1976 Bicentennial in the following way: Ours is a library devoted to the history of science and technology. Among our precious possessions is the first United States Census for 1790. This was made under the direction of Thomas Jefferson and includes some vital statistics and facts that illustrate the human structure of the new Nation. Our copy is of special interest in that it was presented by Alexander Graham Bell to the Hon. S. N. D. North in 1908. The letter of transmittal indicates that this copy was one of three such copies then known. It is our plan to put this Census in its proper historical setting through an introduction and essay." The Burndy Library is located in Norwalk, Conn.

Florida universities get the Spirit of '76. Three state universities, Florida State University, University of Florida, and Florida Atlantic University, have announced the formation of committees to organize activities and plan projects for the American Revolution Bicentennial. The basic theme of their projects will be to improve their communities along the same guidelines established for the Action '76 community participation program.

"The American Experience" will be the theme of a three-part Bicentennial series planned by Alverno College. The series will take place over three years, starting in the 1973–74 academic year. Each year will have its own emphasis. Plans are being made for seminars in November of 1973 on "Revolution as Process." Well known speakers will be sought to participate in the campus seminars. The committee hopes to obtain grants to fund the speakers. A campus awareness campaign will begin this semester in preparation for the series. Since this year's freshman class will be the graduating class of '76, special efforts are being made to involve them in the project.

Professor I. George Blake, Department of History and Government, Franklin College, on March 11, spoke to the Indiana Museum Society on the topic: "Indiana's Role in the American Revolution."

Post 24, American Legion, in Alexandria, Va., initiated its observance of the Bicentennial era on March 12, 1973. The event was a commemoration of the creation of the first Provincial Committee of Correspondence by the Virginia House of Burgesses on March 12, 1773. Within a year all but one of the original colonies had Provincial Committees of Correspondence, forming a network through which leaders and the people communicated their grievances and plans leading to the American Revolution. The commemoration March 12, 1973 took the form of sending Bicentennial letters to all American Legion posts in Virginia and to Department Commanders in the 50 states. This work was done by a Post Committee of Correspondence chaired by Col. William M. Glasgow, Jr.

The NSDAR will hold its USA Bicentennial Committee meeting during the 82nd Continental Congress on Monday, April 16. This special event will include presentation of awards and honors, recognition of outstanding accomplishments and Pre-View of 1973–74 Bicentennial Action program.

The Rhode Island Bicentennial Foundation has announced that it will make available up to $1,000 to each city and town with a local Bicentennial committee in operation by July 1, 1973. The money will be distributed on a one-to-one basis. The Foundation prefers that the funds used to match the grant be appropriated by the community. The only restriction on the use of the money is that it is to be used for Bicentennial purposes. The funds for the program, about $40,000 were made available to the Bicentennial Foundation by the federal government through money it had collected as royalties from the sale of Commemorative medals. The federal grant specified that the money must be matched, at least on a dollar-for-dollar basis, and that other federal funds could not be used to match the grant.

Over a century ago Yankton was a small, bustling river community, the capital of Dakota Territory. From 1861 to 1883 the city hosted those who held the reins of government in that vast area. Between now and 1976, this former capital will be celebrating its past as a "Historic City" in South Dakota's state-wide Bicentennial celebration. Utilizing the theme "The Mother City of the Dakotas," Yankton citizens have initiated a wide array of projects which will culminate in 1976. According to the Yankton Bicentennial Committee, each project relates the past to the present to increase today's understanding of the state's territorial heritage.

END OEO

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. HUNT. Mr. Speaker, during the past month there have been many emotional pleas to save OEO and to maintain the programs which some say have provided many beneficial services for the poor. These pleas have been very compassionate, yet they have not been based on the factual history of OEO.

After investigating the activities of OEO, one must conclude that the most compassionate action will be the restructuring of OEO in the manner in which the President has directed.

I believe the following article from the Oklahoma Daily Times in Okmulgee, Okla., presents a good summary in support of the present restructuring of OEO. I submit it to the attention of my colleagues:

OEO CUT MAY BE JUSTIFIED

(By Karen Schwartz)

WASHINGTON.—Much hostility has greeted President Nixon's recent abolition of the Office of Economic Opportunity (OEO), but according to an OEO-initiated report, many of the poverty programs were not benefitting the poor anyway.

Lack of agressiveness and poor local management appear to be the major sore spots in the 591 Community Action Agencies (CAA's) covered by the survey.

Acting Associate Director for OEO Program Evaluation, Morgan Doughton, says that not only have CAA efforts been sparse in raising private funds to augment federal outlays, but results in the stated purpose of aiding the poor have been negligible.

Doughton's report covers a just-ended four-year period, and shows that for every federal dollar given to CAA's, the local administrators have raised 80 cents in private money.

"A dynamic rate of mobilization," Doughton says, would be "not 80 cents for each seed dollar, but $10 to $20 per seed dollar."

The problem apparently lies in bureaucratic over-staffing and inefficient use of resources. Excessive staffing, Doughton points out, leads to conflicts over money allocation. Money better used in program execution, often finds itself paying for staff costs.

In the past seven to eight years, CAA's claim to have "influenced 1,743 institutions to adopt new priorities and 1,593 employers to change their policies and hire the poor."

When these figures are broken down to include all CAA's, each is shown to have influenced new priority adoption in three organizations, and changed hiring policies of two-and-a-half employers during a period of four years.

"This scale of activity is miniscule," Doughton says, and "is hardly praiseworthy. If that's all, the poor themselves should rise up in anger and fire the CAA's as their agent."

Complex and large staff structures have stifled innovation and closed channels of citizen participation, by dominating "the development of roles, responsibilities, and challenges," Doughton said.

One effect of this lack of innovation is shown by the small amount of private support. Over the four-year period, the 591 CAA's received $165-million in private funds, only .3-per cent of all American philanthropic donations during the same period.

"Quite clearly, foundations and other philanthropic entities have found more creative and results-oriented programs and people outside the CAA structure," Doughton says.

To be effective, poverty programs should be designed not only for, but also by, the poor, thus giving them the skills and capabilities to further escape poverty.

According to Doughton, this goal is exactly what the CAA's are not doing, showing an "appalling lack of perception regarding what it takes to move a community in a positive, meaningful direction."

CAA anti-poverty programs have become merely a means of "showing the poor that society cares," while not working to help them.

Consistent with the overall theme of the Nixon budget, Doughton concludes, "It now properly rests with the States and cities to decide how to best utilize available funds on the local level where the problems exist."

LEAD-BASED PAINT POISONING

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. PEYSER. Mr. Speaker, on March 27, 1973, the Yonkers City Council adopted a resolution supporting all efforts at eliminating the problem of lead-based paint poisoning. This resolution specifically endorsed a bill which I introduced this session, H.R. 906, which would appropriate the maximum amount of money available for the Lead-Based Paint Poisoning Act, Public Law 91-695.

This resolution is a clear indication of the very real concern that exists in our cities over this problem. The incidence of lead-based paint poisoning has increased in recent years. Almost all the victims of this poisoning are children under the age of 7, particularly those who live in tenements.

It is imperative that this program receive the adequate funding which it requires, and I thank Councilman Goldman of Yonkers, who introduced this resolution. He is to be commended for his activity in this area. The resolution follows:

RESOLUTION No. 158

Whereas, some Yonkers Citizens are affected in their daily lives by the problems directly connected with lead poisoning, and

Whereas, a committee of local citizens is very interested and active at this time, in researching the various need priorities of the Yonkers community in the areas of this problem of lead poisoning, now, therefore,

Be it resolved, that this City Council expresses its understanding and awareness of this existing health problem within the City of Yonkers and recognizes the group that is presently exploring various avenues for resolving the problem, and

Further resolved, that this City Council will be most interested in the final determination of steps which may be taken to ameliorate or completely abolish this health condition for our citizens, and

Be it further resolved, that Congressman Peter Peyser be sent a copy of this Resolution to show our support of his Bill H.R. 906.

TESTIMONY ON IMPOUNDMENT BILLS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Ms. ABZUG. Mr. Speaker, the current debate over the President's refusal to spend appropriated funds is one of the most important issues in years. Recently I had the privilege of presenting testimony to the House Rules Committee. I would like to insert that testimony into the RECORD at this point:

TESTIMONY ON IMPOUNDMENT BILLS

Mr. Chairman, the time has come to put an end to the debate over impoundment; to assert unequivocally that it is the duty of the Congress to appropriate funds, and the responsibility of the President to spend them as Congress has directed. After funds are impounded, it is too late for effective protest; the damage is done—as we have seen in the last few weeks—when projects approved by Congress are left without money to operate.

I have introduced a bill, H.R. 6206, to prohibit impounding for the following reasons: 1) the Constitution gives the Congress authority to act; 2) the public is demanding that we act; and 3) it is necessary that we act to prevent further disruption and dismay in communities throughout the country.

I feel sure that your constituents, like mine, are deluging you with mail and visits, imploring you to "do something." The combined effect of misuse of revenue sharing, new regulations on such services as child care, and the impoundment of funds already appropriated, is cumulative. Hundreds of thousands of citizens are being reduced to economic dependency, including thousands who had just begun to be able to make their way on their own. Every day they tell us of projects already started, projects that have raised hope and faith and self-reliance in people who had felt helpless—projects now being terminated abruptly.

Recently rallies were held in Washington to protest the dismantling of the Office of Economic Opportunity and the refusal to spend allocated funds. Hundreds of citizens came to my office, from all over the country as well as from my own 20th District in New York. They were young and old, black and white, but they told similar stories of neighborhood projects—obtaining better housing, improving schools, helping young people get education and training. Now these projects are ending, though the necessary money has already been appropriated. These individual human tragedies mount into a crescendo of bitterness and hope betrayed. The people look to us for help.

It is not only the poor who are affected when funds are impounded. Control of water pollution, for example, affects the millionaire on his yacht, the surf-rider, the skin diver. It affects every citizen, for the health of the nation depends upon control of pollution. Yet the President proposes to cut water pollution control funds from $11 billion to $5 billion.

Our constituents are knowledgeable people; they constantly remind us that we *can* "do something" if we have the will. But we must seize back the power that has slipped away from us.

The framers of our Constitution designed it to provide balance among the Executive, Legislative and Judicial branches of government. The House of Representatives, elected every two years, is supposed to be especially close to the people—as indeed we are. Thus the House along with the Senate has "the power of the purse" to impose taxes and appropriate revenues.

The Executive is supposed to execute the will of the people—and I use the verb to mean "carry out", implement, the will of the people.

The Founding Fathers, however, could have anticipated neither the computer age nor its manner of decision-making. They could hardly have imagined the vast bureaucracy that government has become. They could hardly have guessed that the very technology which makes possible our complex society, would serve to draw more and more power into the vortex of the Presidency.

We are all weary of being told that, over the years, Congress has abdicated its responsibility—but we must admit that it is true. When a President can for a decade conduct a war that Congress did not declare, spending billions of tax dollars that Congress dared not refuse, even after the public had long since rejected the war, then I'm afraid we must sadly agree that Congress has abdicated its responsibility.

When a President can with impunity refuse to spend billions of dollars that the Congress has allocated for specific social purposes, then again we must agree that Congress has abdicated.

To reassert our prerogatives, we must look with some urgency at our own institution. First we find an appalling lack of modernity, some of which we have started to remedy with the reforms begun by Speaker Albert and others. But in addition to reforms of our rules and procedures, much more is needed.

Our $500 million annual legislative budget, for example, is *less than three days'* expenditure for the Pentagon!

We finally have a computer to record our votes—but compare that if you will to the hundreds of computers in the Department of Defense, the State Department, and other channels of input to Executive decision-making. If we are to put the Congress back in balance with the White House and the Supreme Court, we are going to have to bring ourselves up to date.

Because we have allowed power to trickle away from this House, we have made it easy for the Executive to initiate legislation, which we then either approve, delay, or obstruct, but seldom disapprove. It has been considered somehow impolite, impolitic, even impudent, to assert our own responsible authority in opposition to Executive authority. Yet we are supposed to initiate legislation, which the President then carries out. At this moment we are allowing the President to withhold funds from programs judged vital to our communities.

This is far from the original purpose of the Congress and far from any concept its early members held, of their proud role.

Under these circumstances, Congress has been said to be "withering away." Emergency Presidential powers are coming to be regarded as Divine Rights of Presidents.

In particular, the right to decide how funds are spent has been usurped by the incumbent President. We must reclaim this right as the Constitution indicates.

There is no specific provision in the Constitution authorizing the President to refuse to spend monies appropriated by the Congress. The intent was obvious: the Congress decides where tax dollars are to go, and the President sees that they go there.

The Executive was given limited power to veto legislation, but only whole pieces of legislation. He was not given the right to pick and choose pieces of legislation to veto. Yet by holding up funds for a particular

program, the President in effect exercises an "item veto."

Legislation proposed to date does not cope with these basic problems. It requires Congressional permission to impound funds, but gives the Executive sixty days' time to do as he pleases, *before* obtaining Congressional consent. If consent is refused, he can try again—with another sixty days' time. Many good programs can be destroyed in sixty days; many already have been destroyed.

Every supplemental increase in funds must be approved; there is no reason that a supplemental decrease in funds should not be requested by the Executive and considered by the Congress in the same way.

Bills such as S. 373 seem to imply that there is nothing unlawful about Executive impounding, whereas it is in fact an unlawful extension of Presidential powers. We should make this explicit in our bill.

I have introduced a bill, H.R. 6206, which expressly forbids the President, the Director of the Office of Management and Budget, and all other Executive branch officials from impounding funds, except as authorized by the Anti-Deficiency Act, to control the national economy or overall Federal spending. This again is the province of the Congress. The incumbent President's tactics substitute the judgment of one man for that of 535 Members of Congress.

Under my bill, the department or agency requesting the reduction would include in its request to Congress the following information:

(1) The amount of the proposed reduction;

(2) The agency and account whose funds are proposed to be reduced;

(3) The effect of the reduction on each affected program;

(4) The proposed duration of the reduction;

(5) The reasons for the reduction; and

(6) The fiscal, economic and budgetary effects of the reduction on overall Federal spending and on the nation as a whole.

The reduction requests would be published in the Federal Register, so that all citizens would have an opportunity to comment on it to their Representatives and Senators, and the request would be acted upon by Congress in the same manner as appropriation legislation.

Members of Congress would be authorized to sue to prevent impounding, and in such suits the Federal government would have 20 days, not 60 days, to reply. I am including the text of the Bill at the end of this statement.

Finally, we must set up our own Congressional office for budgetary review, so that each year's expenditures may be considered in their entirety rather than piece-meal as at present. The Office of Management and Budget claims that it is the only agency in the Federal government that is equipped for such review. If this is true, we must move to correct the situation.

The people, in continuing to give us "the power of the purse", expect us to know what's in that purse and to spend it wisely, as they direct.

H.R. 6206

A bill to prohibit the impounding of funds, establish a procedure for the reduction of funds available to the executive branch, and to authorize suits by Members of Congress to prevent the impounding of funds, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The Anti-Impounding Act of 1973."

TITLE I—IMPOUNDING OF FUNDS

SEC. 101. For purposes of this Act, the impounding of funds includes—

(1) the withholding, delaying, deferring, freezing, or otherwise refusing to expend or obligate funds appropriated or otherwise authorized to be granted, obligated, or contracted for (whether by establishing reserves or otherwise);

(2) the delaying, deferring, or refusing to allot funds appropriated or otherwise authorized to be granted, obligated, or contracted for, where such allotment is required in order to permit such funds to be expended obligated, granted, or contracted for;

(3) the delaying, deferring, or refusing to permit a potential grantee to obligate funds (whether by establishing contract controls reserves, or otherwise);

(4) the cancellation or termination of any authorized project or activity for which funds have been appropriated or otherwise authorized to be granted, obligated, or contracted for; and

(5) any other action which effectively precludes or delays the obligation or expenditure of funds appropriated or otherwise authorized to be granted, obligated, or contracted for.

SEC. 102. Except as provided in section 3679 of the Revised Statutes (31 U.S.C. 665), as last amended by section 103 of this Act, neither the President, the Director of the Office of Management and Budget, nor any other official or employee in the executive branch shall impound funds or shall order, cause, or permit the impounding of funds.

SEC. 103. (a) Subsection (c)(2) of section 3679 of the Revised Statutes (31 U.S.C. 665) is amended by adding at the end thereof the following: "The phrase 'whenever savings are made possible' contained in this subsection shall be strictly construed to include only those instances in which the programs, projects, or other purposes for which the appropriation or funds available for obligation concerned was made can be fully achieved or carried out with the expenditure or obligation of the full sum appropriated or available for obligation. The phrase 'other developments subsequent to the date on which such appropriation was made available' contained in this subsection shall not be construed to authorize the impounding of funds, as defined in section 101 of the Anti-Impounding Act of 1973, for reasons related to the control of the national economy, the reduction of overall Federal spending, or any other reason not specifically and expressly authorized by this subsection or by the laws providing for the expenditure or obligation in question."

(b) Section 3679 of the Revised Statutes (31 U.S.C. 665) is amended by adding at the end thereof the following new subsection:

"(j) Except as specifically and expressly provided for by subsection (c)(2) of this section or by the laws providing for the expenditure or obligation in question, nothing in this section shall be construed to authorize any officer or employee of the executive branch to expend, obligate, or otherwise commit within a fiscal year less than the full sum appropriated or made available for obligation by the Congress for that fiscal year."

SEC. 104. (a) Nothing in this Act shall be construed to require any person to approve, order, or make the expenditure or obligation of funds not otherwise permitted by law.

(b) Nothing in this Act shall be construed to constitute ratification or approval of any impounding of funds made prior to its enactment.

TITLE II—REDUCTION OF FUNDS

SEC. 201. (a) If the President, Director of the Office of Management and Budget, or any other executive officer or agency head desires to reduce the funds appropriated or otherwise authorized to be granted, obligated, or contracted for for any Federal program, activity, or purpose, where such reduction is prohibited by section 102 of this Act, he shall transmit to the Senate and the House of Representatives a request for legislation of such reduction, including in such request—

(1) the amount of the proposed reduction of funds;

(2) the account, department, agency, or establishment for which the funds are proposed to be reduced;

(3) the effect and extent of the reduction with respect to each program which would be affected by the proposed reduction;

(4) the proposed duration of the proposed reduction;

(5) the reasons for the proposed reduction; and

(6) the estimated fiscal, economic, and budgetary effects of the proposed reduction on overall Federal spending and on the Nation as a whole.

(b) A copy of any request made pursuant to subsection (a) of this section shall be transmitted to the Office of the Federal Register at the same time that it is transmitted to the Senate and the House of Representatives, and it shall be published in the Federal Register within five days thereafter.

(c) The Senate and the House of Representatives shall act on a request made pursuant to subsection (a) of this section in the same manner as they act on general appropriations legislation.

TITLE III—PROVISIONS RELATING TO LITIGATION

SEC. 301. Any Member of Congress may bring an action to enforce the provisions of title I or II of this Act or section 3679 of the Revised Statutes (31 U.S.C. 665), or otherwise to prevent the impounding of funds other than as expressly permitted by law. Such an action shall be brought in the United States District Court for the District of Columbia without regard to the amount in controversy.

SEC. 302. The defendant in any action brought to prevent the impounding of funds, including an action brought pursuant to section 301 of this Act, shall have twenty days within which to answer or move with respect to the complaint in such action. No extension of such period shall be granted except upon reasonable notice to all parties and upon a showing of extraordinary and compelling need. Any such action, whether commenced before or after the enactment of this Act, shall be entitled to priority in the courts.

SEC. 303. No bond shall be required in any action brought to prevent the impounding of funds, including an action brought pursuant to section 301 of this Act.

SEC. 304. In any action brought to prevent the impounding of funds, including an action brought pursuant to section 301 of this Act, the court may allow the prevailing party, other than the United States or any officer, employee, department, agency or establishment of the executive branch thereof, a reasonable attorney's fee as part of the costs, and the United States or any officer, employee, department, agency, or establishment of the executive branch thereof shall be liable for costs the same as a private person.

SEC. 305. In any action brought to prevent the impounding of funds, including an action brought pursuant to section 301 of this Act, any Member of Congress shall have the right to file a brief amicus curiae in the United States Supreme Court or in a court of appeals at any time prior to oral argument or the decision of the court, whichever occurs first. In a district court, any Member of Congress shall have the right to file a brief amicus curiae unless the court determines that the filing thereof will unduly delay the action.

SEC. 306. Nothing in this Act shall be construed to imply the absence of standing of a Member of Congress to bring any action in

any court of the United States, whether as a Member of Congress or as a citizen, prior to its enactment.

TITLE IV—SEPARABILITY PROVISION

SEC. 401. If any provision of this Act, or the application of any provision of this Act to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this Act, shall not be affected thereby.

SECTION-BY-SECTION ANALYSIS OF ABZUG IMPOUNDING BILL

TITLE I—IMPOUNDING OF FUNDS

Section 101 defines the impounding of funds to include the refusal to spend funds appropriated or otherwise made available, the refusal to allot funds where allotment is a necessary precondition of expenditure (e.g., Water Pollution Control Act funds), the refusal to permit a grantee to obligate funds (e.g., under the Highway Act, States due funds may commit the Federal government to their expenditure without actually having the funds in hand), the termination of any project for which funds have been appropriated or otherwise made available, and any other action which precludes the expenditure of funds appropriated or otherwise made available.

Section 102 forbids the President, the Director of the Office of Management and Budget, and all other Executive branch officials from impounding funds, except as authorized by the Anti-Deficiency Act, as tightened by section 103 of this Act.

Section 103 tightens existing provisions of law (the Anti-Deficiency Act) which permit impounding of funds in certain instances such as the completion of a program for less than was appropriated for it and expressly prohibits withholding of funds to control the national economy or overall Federal spending.

Section 104(a) makes clear that this Act does not require anyone to spend funds not properly made available for expenditure. Section 104(b) states that this Act in no way ratifies or approves impounding of funds occurring prior to its enactment.

TITLE II—REDUCTION OF FUNDS

Section 201 provides a mechanism by which the funds appropriated or otherwise made available to the Executive branch may be reduced. Under this mechanism, any reduction would have to be enacted by Congress, just as it is Congress which must enact any *additional* funds requested during a fiscal year for an agency or department. The department or agency requesting the reduction would include in its request to Congress the following information:

(1) the amount of the proposed reduction;

(2) the agency and account whose funds are proposed to be reduced;

(3) the effect of the reduction on each affected program;

(4) the proposed duration of the reduction;

(5) the reasons for the reduction; and

(6) the fiscal, economic and bugetary effects of the reduction on overall Federal spending and on the nation as a whole.

The reduction request would be published in the Federal Register, so that all citizens would have an opportunity to comment on it to their Representatives and Senators, and the request would be acted upon by Congress in the same manner as appropriation legislation.

TITLE III—PROVISIONS RELATING TO LITIGATION

Section 301 authorizes any Member of Congress to sue to prevent the impounding of funds. Such suits would be brought in the U.S. District Court in Washington, D.C., and could be brought without regard to the amount of money involved.

Section 302 provides that in any lawsuit brought to prevent the impounding of funds, the Federal government must reply within 20 days, instead of the usual 60, with extensions of time granted only in cases of extraordinary and compelling need. Impounding suits would receive priority in the courts under this section.

Section 303 prevents the court from requiring an individual challenging an impounding of funds to post a security bond.

Section 304 permtis a court to award attorney's fees to an individual successfully challenging an impounding of funds.

Section 305 authorizes Members of Congress to file *amicus curiae* (friend of the court) briefs in impounding cases, and requires the courts to accept such briefs if submitted at the proper time.

Section 306 states that nothing in this Act implies the absence of standing of any Member of Congress to bring impounding suits prior to its enactment.

TITLE IV—SEPARABILITY PROVISION

Section 401 provides that if any portion of the Act, or the application of any portion of the Act to a particular circumstance, is held inavlid, the remainder of the Act and its applicability to other circumstances shall not be affected.

VOCATIONAL REHABILITATION ACT

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. OWENS. Mr. Speaker, I wish to convey my deep concern regarding the President's recent veto of the Vocational Rehabilitation Act and the Senate's failure to overturn the veto last Tuesday. My office has been notified of the harmful effects which this action will have in Utah.

One specific example is Federal funding for Social Rehabilitation Service training programs will be terminated as of July 1, 1974. In recent years, SRS training grants have provided educational opportunities for a number of Utah's white, chicano, black, and Indian population to attain the necessary skills for careers in social work. These grants have been for 5-year periods and both students and faculty have made their academic plans contingent upon these Federal funds. Now, the grants are being quickly eliminated—leaving a chaotic predicament for schools of social work throughout the country.

The administration's budget for fiscal year 1974 slashes such grants for schools of social work, which means a 50-percent reduction in current funding will occur this June. This precipitous action means that the University of Utah, in addition to all other universities and colleges engaged in social welfare, must now terminate professors with little warning; the University of Utah must discharge three professors with less than 30 days notice. In addition, deserving students with poverty backgrounds suddenly find themselves no longer able to remain in college.

It has been the intent of the Social Rehabilitation Service training grants to educate a number of America's intelligent, but disadvantaged young people for occupations where they can make a considerable contribution to this Nation. Such programs have also significantly alleviated the degree of frustration and anger felt by these previously alienated segments of our society.

The President has demonstrated an insensitivity, I believe, for the plight of poor people with his veto. His decision to "phase out" all manpower training programs, which includes SRS grants, will be another blow to those disadvantaged citizens who are struggling to attain a more meaningful life. And I fear that the Senate's refusal to override the President's veto indicates that the administration's insensitivity is shared by an effecive minority in the Congress.

THE ENERGY DEVELOPMENT AND SUPPLY TRUST FUND ACT OF 1973

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. VANIK. Mr. Speaker, due to the great interest that has been expressed in the tax provisions of my proposal to establish an energy development and supply trust fund, I would like to enter that portion of the legislation dealing with the energy use excise tax in the RECORD at this point:

ENERGY USE EXCISE TAX

SEC. 11. (a) Chapter 36 of the Internal Revenue Code of 1954 (relating to certain excise taxes) is amended by inserting immediately before subchapter B the following new subchapter:

"SUBCHAPTER A—TAX ON CERTAIN ENERGY SOURCES

"Sec. 4451. Imposition of tax.
"Sec. 4452. Notification to consumer of taxes paid.

"SEC. 4451. IMPOSITION OF TAX.

"(a) GENERAL RULE.—

"(1) ELECTRICITY.—There is imposed a tax of 1/10 of 1 cent per kilowatt of electricity—

"(A) sold or otherwise transferred to any person for his own consumption or use as an energy source; or

"(B) consumed or used by any person as an energy source unless there was a sale or other transfer taxable under subparagraph (A).

"(2) NATURAL GAS.—There is imposed a tax of 10 cents per thousand cubic feet of natural gas—

"(A) sold or otherwise transferred to any person for his own consumption or use as an energy source; or

"(B) consumed or used by any person as an energy source unless there was a sale or other transfer taxable under subparagraph (A).

"(3) SPECIAL DISTILLATE AND RESIDUAL FUEL.—There is imposed a tax of ½ cent per gallon of special distillate and residual fuel—

"(A) sold or otherwise transferred to any person for his own consumption or use as an energy source; or

"(B) consumed or used by any person as an energy source unless there was a sale or other transfer taxable under subparagraph (A).

"(b) DEFINITION OF SPECIAL DISTILLATE AND RESIDUAL FUEL.—For purposes of this

subchapter, the term 'special distillate and residual fuel' means diesel fuel (other than diesel fuel taxable under section 4041(a)), kerosene, fuel oil, and gas oil.

"(c) LIABILITY FOR PAYMENT.—The tax imposed by this section shall be paid at such times and in such manner as the Secretary shall prescribe—

"(1) by the seller or transferor with respect to the tax imposed by subsections (a)(1)(A), (a)(2)(A), and (a)(3)(A); and

"(2) by the consumer or user with respect to the tax imposed by subsections (a)(1)(B), (a)(2)(B), and (a)(3)(B).

"(d) EXEMPTION.—Under such regulations as the Secretary shall prescribe, no person shall be required to pay the tax imposed—

"(1) under subsection (a)(1)(B) if the total electricity consumed or used by any person during a calendar year as an energy source is less than 30,000 kilowatts;

"(2) under subsection (a)(2)(B) if the total natural gas consumed or used by any person during a calendar year as an energy source is less than 200,000 cubic feet; or

"(3) under subsection (a)(3)(B) if the total amount of special distillate and residual fuel consumed or used by any person during a calendar year as an energy source is less than 2,500 gallons.

"(c) CROSS REFERENCES.—

"For allowance of credit against the tax imposed by subtitle A in the case of limited consumption or use of energy sources, see section 2.

"SEC. 4452. NOTIFICATION TO CONSUMER OF TAXES PAID

"(a) GENERAL REQUIREMENT.—Every person required to pay the tax imposed by section 4451(a)(1)(A), (a)(2)(A), or (a)(3)(A) shall furnish a written statement on or before January 31 to the person to whom electricity, natural gas, or special distillate and residual fuel was sold or otherwise transferred during the preceding calendar year indicating—

"(1) the name of such person;

"(2) the total amount of electricity, natural gas, or special distillate and residual fuel sold or otherwise transferred from the seller or transferor to such person during the year, and the total taxes paid under this section with respect to such amount; and

"(3) whether the amount indicated under paragraph (2) might qualify such person to receive a credit under section 42.

"(b) EXCEPTIONS.—The Secretary may provide, with respect to the requirement of subsection (a), such alternative reporting requirements, or exceptions, as he deems necessary where sales or other transfers occur in a nonrecurring or irregular manner."

(b) The table of subchapters for such chapter 36 is amended by inserting immediately before the item relating to subchapter B the following new item—

"SUBCHAPTER A. Tax on certain energy sources."

(c) Subpart A of part IV of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by redesignating section 42 as section 43 and inserting immediately after section 41 the following new section:

"SEC. 42. REBATABLE USAGE OF CERTAIN ENERGY SOURCES.

"There shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the sum of the taxes paid under section 4451 by any person with respect to—

"(1) electricity sold or otherwise transferred during the calendar year to the taxpayer for his own consumption or use as an energy source if the total quantity sold was less than 30,000 kilowatts, or

"(2) natural gas sold or otherwise transferred during the calendar year to the taxpayer for his own consumption or use as an energy source if the total quantity sold was less than 200,000 cubic feet, or

"(3) special distillate and residual fuel (as such term is defined in section 4451(b)) sold or otherwise transferred during the calendar year to the taxpayer for his own consumption or use as an energy source if the total quantity sold was less than 2,500 gallons."

(d) The table of sections for such subpart A is amended by striking out the item relating to section 42 and inserting in lieu thereof the following new items:

"Sec. 42. Rebatable usage of certain energy sources.

"Sec. 43. Overpayments of tax."

(e) Section 6401(b) of the Internal Revenue Code of 1954 (relating to the treatment of excess credits) is amended by inserting ", 42 (relating to rebatable usage of certain energy sources)" immediately after "and lubricating oil)".

(f) The amendments made by this section shall take effect on July 1, 1973.

ADDITIONAL PETROLEUM AND NATURAL GAS DUTIES

SEC. 12. (a) Schedule 4, part 10, of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by adding after headnote 3 the following new headnote—

"4. (a) In addition to any other duty imposed under this part, there is a duty imposed on any article listed in item 475.05, 475.10, 475.15, or 475.25, which is the product of any foreign country (except Canada and Mexico). Such duty shall be in an amount per article equal to 90 percent of the amount by which the standard domestic price of such article exceeds the standard foreign price of such article.

"(b) For the purpose of this headnote—

"(i) the term 'standard domestic price' means the average wholesale price of the article for a calendar quarter in the region of the United States in which such article is to be ultimately consumed.

"(ii) the term 'standard foreign price' means the average wholesale price of the article for a calendar quarter in the foreign country of origin combined with the average cost of shipping such article (in normal quantities) during such quarter from the foreign country of origin to the port of entry for the region in which it is to be ultimately consumed.

"(c) The Energy Development and Supply Commission (with the assistance of the National Academy of Science and the National Academy of Engineering) shall prescribe, by rule, regions, standard domestic prices, and standard foreign prices (including shipping costs) for each article for use in determining the duty imposed under this headnote Such commission shall establish—

"(1) during each calendar quarter, such standard prices for the following calendar quarter by utilizing the average prices and costs for the previous calendar quarter; and

"(2) such regions for each article with a view toward equalizing the retail price of each such article between such regions."

(b)(1) Items 475.05, 475.10, and 475.25 of such schedule are amended by adding "+ additional duty (see headnote 4)" immediately after "per gal." each time it appears.

(2) Item 475.15 of such schedule is amended by striking out "free" both times it appears and inserting in lieu thereof "A duty upon the excess of domestic price over foreign price (see headnote 4)."

(c) The amendments made by subsection (a) and (b) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the first day of the second calendar quarter following the date of the enactment of this Act.

REPEAL OF AUTHORITY FOR OIL IMPORT QUOTAS

SEC. 13. (a) Subsection (b) of section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862) is amended by adding at the end thereof the following sentence: "However, no action shall be taken with respect to petroleum or petroleum products, nor shall any action taken before the effective date of this sentence with respect to such petroleum or petroleum products have effect on or after such date."

(b) The amendment made by subsection (a) of this section shall take effect on the first day of the second calendar quarter beginning after the date of the enactment of this Act.

ENERGY DEVELOPMENT AND SUPPLY TRUST FUND

SEC. 14. (a) There is established in the Treasury a trust fund to be known as the energy development and supply trust fund, hereinafter referred to as the trust fund.

(b) There are appropriated to the trust fund, out of any money in the Treasury not otherwise appropriated, amounts equal to the following taxes and duties received in the Treasury before July 1, 1985, which are attributable to liability for taxes and duties:

(1) taxes received under section 4451 of the Internal Revenue Code of 1954 (taxes on certain energy sources); and

(2) duties received under headnote 4, schedule 4, part 10, of the Tariff Schedules of the United States (19 U.S.C. 1202).

(c) Amounts appropriated under this section shall be transferred monthly to the Trust Fund on the basis of estimates of such amounts made by the Secretary. Adjustments shall be made in the amounts subsequently transferred—

(1) to the extent prior estimates are in excess of or less than the amounts required to be transferred; and

(2) to provide for reduction of such amounts by an amount equal to the credits allowed under section 42 of the Internal Revenue Code of 1954 (relating to rebatable usage of certain energy sources).

ADDITIONAL APPROPRIATIONS TO TRUST FUND

SEC. 15. There are authorized to be appropriated to the Trust Fund, in addition to amounts otherwise appropriated, such additional sums as may be necessary to carry out the purposes of this Act.

MANAGEMENT OF TRUST FUND

SEC. 16. (a) The Secretary shall hold the Trust Fund and (after consultation with the Commission) shall transmit to the Congress—

(1) not later than the first day of March in each fiscal year through the fiscal year ending June 30, 1984, a report on the financial condition and operations of the Trust Fund with respect to—

(A) the last complete fiscal year;

(B) the current fiscal year; and

(C) the next ensuing fiscal year; and

(2) not later than September 30, 1985, a report on the financial condition and operations of the Trust Fund for the period from July 1, 1984, through August 31, 1985.

Reports under this subsection shall be printed as House documents of the session of the Congress to which they are made.

(b) The Secretary shall invest such portion of the Trust Fund as is not required in his judgment to meet current withdrawals. Any such investment may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose any such obligation may be acquired—

(1) on original issue at issue price; or

(2) by purchase of outstanding obligations at the market price.

Purposes for which any obligation of the United States may be issued under the Second Liberty Bond Act (31 U.S.C. 745 et seq.) are hereby extended to authorize the issuance at par of special obligations exclusively to the Trust Fund. Such special obligations

shall bear interest at a rate determined by the Secretary, taking into consideration the current average yield, during the month preceding the date of its issue, on marketable interest-bearing obligations of the United States of comparable maturity then forming a part of the public debt. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the Trust Fund (except any special obligation issued exclusively to the Trust Fund) may be sold by the Secretary at the market price. Any special obligation may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligation held in the Trust Fund shall be credited to and form a part of the Trust Fund.

EXPENDITURES FROM TRUST FUND

SEC. 17. Amounts in the Trust Fund shall be available as provided in appropriation Acts, for making any expenditures to meet any obligation incurred after June 30, 1973, and before July 1, 1985, under this Act.

DEFINITIONS

SEC. 18. For the purposes of this Act—

(1) "public lands of the United States" means all Federal land administered by the Bureau of Land Management, any land beneath navigable waters subject to the jurisdiction and control of the United States, and the Outer Continental Shelf;

(2) "Secretary" means the Secretary of the Treasury;

(3) "Treasury" means the Treasury of the United States;

(4) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States;

(5) "United States", when such term is used in a geographical sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States;

(6) "land beneath navigable waters" has the same meaning as such term has under section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a));

(7) "Outer Continental Shelf" has the same meaning as such term has under section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)); and

(8) "local government" means any local unit of government created under State law, including a county, municipality, city, town, or township.

TERMINATION DATE

SEC. 19. Unless otherwise provided by law, the provisions of this Act shall cease to have effect on September 30, 1985.

MAN'S INHUMANITY TO MAN—HOW LONG?

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. SCHERLE. Mr. Speaker, for more than 3 years, I have reminded my colleagues daily of the plight of our prisoners of war. Now, for most of us, the war is over. Yet despite the cease-fire agreement's provisions for the release of all prisoners, fewer than 600 of the more than 1,900 men who were lost while on active duty in Southeast Asia have been identified by the enemy as alive and captive. The remaining 1,220 men are still missing in action.

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

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

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

TUITION TAX CREDIT—A MUST

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. DULSKI. Mr. Speaker, all of us are aware of the plight of nonpublic schools and the need for some type of assistance if we are to keep them from tossing their entire financial and physical plant burden upon all the taxpayers.

In the last Congress and again this year, I have sponsored legislation to provide a tax credit to parents and guardians to help offset their tuition burden.

Members of the House Committee on Ways and Means are sympathetic to the problem and supported similar legislation in the last Congress.

I am hopeful that the committee soon will act favorably on this subject. There are a number of variations on the proposal and I hope sincerely that we will not get bogged down on details. What we need is action in the best possible form.

Mr. Speaker, some 400 parents and school administrators gathered in Bishop Turner High School in Buffalo, N.Y., to discuss this problem. As part of my remarks, I include most of the story which appeared in the Magnificat, weekly publication of the Roman Catholic diocese of Buffalo:

TAX CREDIT PLAN SEEN BEST WAY TO BOLSTER NONPUBLIC SCHOOLS

(By Cecelia Viggo)

"The problem of aid to non-public schools is not a Catholic, Protestant or Jewish problem, it's an American problem . . . concerning the preservation of freedom of choice in education," Ivan Zylstra, executive director of C.R.E.D.I.T. (Citizens for Education by Income Tax Credit), told an audience of about 400 parents and administrators Tuesday, March 20 at Bishop Turner High School.

Zylstra, a member of President Nixon's Commission on School Finance and the White House Panel on Non-public Schools and Administrator of Government Relations for the National Union of Christian Schools, was principal speaker at a conference on federal tax credit legislation, sponsored by the Federation of Home School Associations, with the cooperation of the Parents' Council for Independent Schools and the Lutheran Church Schools, Missouri Synod.

"The two-year old organization of C.R.E.D.I.T. marks the first time we have had a coalition of multi-faith and independent school leaders interested in working for one goal—the continuance of pluralism in education," Zylstra said. The director commented that the issue of aid to non-public schools did not concern the merits of private versus public education but "the right of parents to decide what is best for his child in the area of education."

"There must be a realistic freedom of choice," Zylstra maintained, "in the areas of jobs, churches, neighborhoods and schools. If federal aid is denied non-public schools, I believe non-public education in this country will continue. But without aid, the schools will become more and more exclusive. Choice with economic sanctions is no longer choice."

TAX CREDIT IS ANSWER

He pointed to Federal tax-credit legislation as "the one form of aid around which non-public schools have rallied," and "one of the few viable options open for securing federal aid" because funds go directly to the parents, not the non-public schools. Other laws providing aid to non-public schools have been declared unconstitutional by the Supreme Court.

Zylstra urged parents to write their congressmen and senators to ask for their support of H.R. 49, a federal tax-credit bill currently under consideration by Congress. H.R. 49, is identical to the bill which received the support of a majority of members on the House Ways and Means Committee last year.

It would permit parents of children in grades 1–12 of non-public schools to substract one-half of the tuition paid (up to $200 per child) from the amount of federal tax owed. There is no limit on the number of eligible dependents for whom credits can be claimed, but a student must attend a school which conforms to the compulsory education laws of the state, and which meets the nondiscrimination requirements of the federal civil rights act (no discrimination on the basis of race, color and national origin). H.R. 49 also includes a provision that gradually phases out the amount of tax credit, once a family's adjusted gross income exceeds $18,000.

"Leaders and supporters of non-public schools should continue their fight for government support," Zylstra insisted. "We are an interest group, and in a democracy, interest groups work for their interests," he emphasized. "We must help our government and public officials understand what our non-public schools are. We are the only ones able to do it."

LOOPHOLES AND LITTLE GUYS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. FRASER. Mr. Speaker, there is little doubt the 93d Congress will spend a lot of time on the interfacing issues of tax reform and tax loopholes.

Hobart Rowen in his March 5, 1973, Washington Post article writes about

loopholes and little guys. I think the membership may find it interesting:

LOOPHOLES AND LITTLE GUYS

(By Hobart Rowen)

On ABC's "Issues and Answers" last Sunday, presidential aide John D. Ehrlichman said that "there is a lot of misinformation around in this business of tax loopholes," and then he did his best to spread some more of it around.

The basic point that Ehrlichman was trying to make is that it's not possible to raise a great deal of money by tax reforms, "unless you start digging into the average taxpayer's exemptions, or charitable deductions, or mortgage credits, or something of that kind."

That, as Mr. Ehrlichman must know, is simply not true. He was just trying the usual scare tactics that have been this administration's old reliable weapon against tax reform.

What is true is that the exemptions or loopholes he mentions account for a considerable part of the erosion of the tax base. But there is plenty more that he didn't choose to mention.

Could it be that Ehrlichman failed to point to other loopholes because the chief beneficiaries are businesses and the most affluent taxpayers?

For example, the exhaustive analysis of erosion of the individual income tax base by Brookings Institution economists Joseph A. Pechman and Benjamin A. Okner in January, 1972, for the Joint Economic Committee of Congress shows that under a comprehensive tax system, the Treasury would pick up $55.7 billion in revenue it now loses to the leaky tax structure.

Of this total, $13.7 billion would come from taxing all capital gains, and gains transferred by gift or bequest: $2.4 billion from "preference income" such as tax exempt interest, exclusion of dividends, and oil depletion; $2.7 billion from life insurance interest; $9.6 billion from owner's preferences; $13 billion from transfer payments (welfare, unemployment compensation, etc.); $7.1 billion for the percentage standard deduction; $2.9 billion for deductions to the aged and blind; and $4.2 billion for other itemized deductions.

On the corporate side, Ehrlichman made no mention of the $2.5 billion in reduced tax burden that business will get this year through accelerated depreciation schedules (ADR); and another $3.9 billion via the investment credit. From 1971 through 1980, ADR will be worth $30.4 billion and the tax credit $45.2 billion (all U.S. Treasury calculations). And in that span of time, there will also be some $3 billion in give-aways through DISC—a tax shelter for export sales profits just created by the revenue act of 1971.

Another tax reform target Ehrlichman appears unable to see is income-splitting, which Pechman and Okner estimate causes a revenue loss of at least $21.6 billion annually, almost half of which is a benefit to a relative handful of taxpayers in the $25,000-$100,000 income brackets.

But there's more to it than that Ehrlichman pretends to be concerned about that "average householder" who would be hit if he couldn't take his mortgage interest as a deduction. But of the $9.6 billion that Pechman-Okner show lost to homeowners' preferences, defined as deductions for mortgage interest and real estate taxes, $5.3 billion goes to the tiny 5 percent of taxpayers with reportable adjusted gross income of $20,000 or more.

And how about Ehrlichman's warning that Uncle Sam can't raise tax-reform money in significant amounts "if you don't let the average householder . . . deduct charitable contributions to his church or to the Boy Scouts . . ."? Is he really worried about the little guy?

The Tax Reform Research Group (one of Ralph Nader's operations) showed last year that when you divided the number of taxpayers in each income group into the total tax preference benefits of charitable deductions, other than education, you find this:

Among taxpayers in the $7,000 to $10,000 income bracket, the average tax benefit for charitable contributions was $17.44; for those in the $10,000 to $15,000 bracket, $33.11; for those in the $20,000 to $50,000 bracket, $199.09; for those in the $50,000 to $100,000 bracket, $1,211.16; and for those making $100,000 and over, a whopping $11,373.56.

So who is Ehrlichman trying to kid? If the administration doesn't have a decent tax reform program, it's not because it could wring the money only out of the little guy, nor because there aren't outrageous loopholes waiting to be plugged. It's just because Mr. Nixon must believe that his constituency likes the inequitable tax system pretty much the way it is.

FOOD PRICES MUST BE REDUCED—OUR ECONOMY MUST BE STABILIZED

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. DONOHUE. Mr. Speaker, last January 11 when the President, for whatever reasons, saw fit to end phase 2 of the economy control program he had so reluctantly imposed, some very respected economists, together with a great number of those of us who lay technical claim only to the practice of studying history and the possession of commonsense, expressed grave fears that the sudden termination of this program was premature, inequitable, and injudicious.

Unhappily and unfortunately the worst of all the doubts and fears that we registered last January are now proved to have been forerunners of the facts, according to the currently released Government figures themselves. These figures show that the abandonment of the reasonably effective mandatory restrictions of phase II for a "voluntary" system has obviously resulted in a near disaster for our economy, which has suffered the second devaluation of the American dollar within a period of 14 months.

The very recent U.S. Labor Department statistics reveal that wholesale prices rose 2.2 percent during March, the biggest increase in 22 years and food prices climbed a record 4.6 percent. According to our knowledgeable economists, these tremendous increases in wholesale prices make it virtually inevitable that retail prices will persist in their continuing upward spiral for at least the next several months. The 2.2-percent wholesale price rise during this past month adds up to a projected annual rate of 26.4 percent, clearly indicating that a year from now prices will be further advanced by 26.4 percent if the March increase rate continues to prevail.

In executive response to the growing and rightful public outcry against this renewed and most startling inflationary price surge the President has placed a ceiling on beef, pork and lamb, which action is felt by a great many authorities to be too little and too late, especially if the administration is really sincere and earnest in their pledge to achieve the goal of reducing the inflationary rate at the consumer's level to 2.5 percent by the end of 1973.

Mr. Speaker in the face of all these distressing economic developments that surround us many economists believe that what the President should have done last Thursday night was to announce his establishment of a 90-day freeze on all prices, wages, interest rates and other significant inflationary factors, during which administrative attention would be diligently devoted to the creation and temporary imposition of a far more comprehensive economic control system specifically designed to sensibly restrain and roll back the very dangerous run-away inflationary fever that is causing such frightening inequities and imbalances in our staggering economic system. However it is somewhat comforting to find, in more recent hours, a few very highly placed administration officials indicating that the White House is at least thinking about the necessity of much firmer control action to calm the obviously heightening concern of the vociferous American majority.

In its own separate responsibility there is further and more encouraging assurance of the deepest concern and prompt action in the Congress where legislative action is now scheduled to take place, in resolution of this paramount problem, in the very near future. On this score, I, with many others, have urged the leadership, on both sides, to exert every cooperative initiative to present this issue to the Congress as speedily as it is procedurally possible.

Let me additionally suggest and recommend, Mr. Speaker, that this is no time to engage in any partisan provocative blame-placing by the Congress or the administration. Rather, let us, each and all, concentrate our attention and our diligence upon the absolute urgency of stopping the destructive plague of persistently rising inflation that is actually threatening to suffocate our entire economic system and that is actually thrusting intolerable financial hardships and suffering upon the poor, the aged and the low- and moderate-income workers and families throughout this country. To preserve our national integrity it is imperative that cooperative Government action be quickly taken to equitably return the costs of the necessities of modern American life to a level that is within the reasonable reach of the ordinary individual and family unit in this Nation.

Let us, therefore, put aside any further indulgence, within our executive and legislative branches, in useless and time-consuming competitive confrontations and unite the effectiveness of our separate governmental powers and resources in approving and applying whatever measures are necessary for whatever time may be required to return our collapsing economic system to its traditional operation realm of right, reason, and just standards, in order to restore the con-

fidence of the American people in the ability of the executive and legislative branches of this Government to work together in service to the common good. Any other course will only disastrously reflect a retreat from our separate responsibilities and joint duty.

UNITED FARM WORKERS UNION

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. ROYBAL. Mr. Speaker, my sympathy and support for the farmworker and the United Farm Workers union are well known to the Members of this body. Many times I have come before you in an effort to publicize their plight and to elicit support in gaining labor rights and adequate wages for them commensurate with other American workers.

For nearly 100 years the farmworkers have been unorganized and powerless. They have worked long hours at physically exhausting labor for very low wages. In their struggle against oppression by the farm industry, they have encountered many setbacks and suffered many defeats. Indeed, they have faced formidable opposition—better organized, more wealthy and more powerful. Even some friends of the movement have thought that the odds against the UFW were too great, that they could not possibly win their nonviolent struggle for survival. But the followers of Cesar Chavez say, "Yes, it can be done."

I would like to take this opportunity to share with my colleagues in the House the following account of the farmworkers' most recent victory in their seemingly hopeless contest with agribusiness and the Teamsters' Union.

[From America magazine, Mar. 17, 1973]

CHAVEZ AND THE TEAMSTERS: DAVID VERSUS GOLIATH?

(By James L. Vizzard)

"Chattel" seems to be Frank Fitzsimmons' favorite term when he talks about farm workers. Fitzsimmons, president of the scandal-ridden International Brotherhood of Teamsters, has been using the term often these days. While piously and indignantly asserting that farm workers should not be treated as chattel, Fitzsimmons carefully tries to conceal the Teamsters' sordid history and current practice of consistently doing just that.

By no strange coincidence, big farm employers think about farm workers in the same terms. In his famed 1960 TV documentary, "Harvest of Shame," the late Edward R. Murrow quoted a Southern grower as contemptuously spitting out: "We used to own slaves. Now we rent them." Ten years later Chet Huntley concluded his 1970 documentary, "Migrant," with the observation that that attitude hadn't changed in the ensuing decade. It hasn't to this day.

It's hardly a great surprise, then, to hear of the marriage of convenience, consummated just before Christmas, 1972, that brings together on a loveless bed the Teamsters' feudal leaders and the big growers' American Farm Bureau Federation. The alliance has but one purpose: to destroy a common enemy. That enemy, it turns out is the upstart United Farm Workers, AFL–CIO, which dares to assert that farm workers are not slaves or chattel, that they have dignity and rights for which the union is willing to fight.

The announced Teamsters-Farm Bureau strategy is an all-out effort, with the assured support of their political allies, to bring farm workers under the National Labor Relations Act, including, of course, the harshly restrictive Taft-Hartley and Landrum-Griffin amendments. With their entrenched power, the Teamsters know they can live and even prosper under the amended NLRA. They and the Farm Bureau are quite certain, however, that the United Farm Workers are not strong enough to survive the NLRA's present provisions, the legislative history and actual experience of which demonstrate their repressive intent and effect on weaker unions.

This Teamsters-Bureau coalition defies the longstanding traditional "hands-off" or even hostile relations between big agriculture and big labor. But with long histories of crushing opposition, both organizations are deeply frustrated by their inability in separate attempts to bring about the United Farm Workers' demise. Having found through bitter and costly experience that the fledgling UFW is unexpectedly too difficult for either of them to handle alone, they hope by joint effort to build enough political and economic—and even physical—muscle to do the job.

Meanwhile, farm workers, whose well-being is most intimately involved in the outcome of this power play, obviously haven't been asked whether they would welcome such strong-arm outside intervention into their lives and hopes. The Teamsters and the Bureau clearly feel that when you own chattel or rent slaves you don't ask them anything.

The Farm Bureau's interest in keeping farm workers "in their place," i.e., deprived of the organized power that Cesar Chavez and the United Farm Workers first demonstrated in the successful Delano grape boycott, is perhaps more obvious than that of the Teamsters. After all, the FB's slave-labor mentality has been notorious for generations. John Steinbeck's *Grapes of Wrath* made that clear, as have countless studies and reports. The Bureau's grower members and their allies in Congress thought it quite appropriate that for many years the House Agriculture Committee's group that dealt with farm labor was called the Subcommittee on Equipment, Supplies and Manpower. If that didn't make their attitude clear, nothing could.

Now the United Farm Workers' militant demand for an effective voice in determining the conditions of their own life and labor seems to growers like lese majesty. They feel that their sovereign power to control and command everything and everyone in their agricultural domain is being challenged by "revolutionaries" who would overturn the God-given (read: "grower-imposed") order of things.

In that regard, oddly enough, they are right. The Farm Workers are indeed in revolt against the system the Farm Bureau represents and supports, a system which oppresses the poor, which always attempts to enslave the weak and to build empires on the backbreaking work of others. The Union is equally in revolt against the Farm Bureau's multibillion-dollar government welfare programs for giant agribusiness, voracious raids on the public treasury and—most of all—their 18th-century mentality toward farm workers.

The Farm Bureau knows as well as everyone else that the Farm Workers' revolution is nonviolent, that they will not strike the first blow, or the second, or any. The growers, nonetheless, fear the union, fear the time when they will be forced to recognize the union's right to sit with them as equals at a bargaining table to negotiate binding contracts that will assure basic standards of decency in wages, working conditions and benefits for farm workers. When that day comes, the growers know they will no longer be absolute monarchs. They are ready, therefore, as they always have been, to do everything in their considerable power, or better, to cancel that day.

History records that the growers have used every direct-action weapon they could command, not even hesitating at situations where bloodletting or violent deaths resulted, to suppress farm workers' organizing efforts. So too, over many decades, they have manipulated political power, from the county level to the Congress, to block every attempt to legislate social and economic benefits for farm workers such as are guaranteed to all other Americans. During the 15 years in which this writer testified before Congress scores of times on farm labor legislation, the Farm Bureau appeared in opposition every time without exception—and almost always successfully.

On the other hand, leaders of the Farm Bureau have used that same power to force through punitive laws or executive department decisions intended to destroy farm workers' ability to organize in their own self-defense and legitimate self-interest. In 1972, for instance, legislatures in three states—Arizona, Idaho and Kansas—capitulated to Farm Bureau pressures and passed repressive anti-United Farm Workers laws.

But last year was not an unqualified success for them. In fact, it was the year of their greatest and costliest defeat. After having repeatedly failed to power anti-union proposals through the California legislature, the Farm Bureau strategists decided to try the initiative route. Through the lavish use of both money and deceit—Secretary of State Jerry Brown called it "the greatest election fraud in California history"—they secured enough voters' signatures to qualify an Arizona-type law for the November ballot. Buried in its many thousands of murky words, Proposition 22, as it was designated, contained at least a dozen provisions, any one of which would have achieved its objective of killing the United Farm Workers and guaranteeing that no other legitimate worker-controlled union would ever survive. Through highpowered public relations firms a media blitz was launched with the arrogant expectation that the FB could deceive the voters into believing that Proposition 22 would *benefit* farm workers, would protect and promote their rights. To no avail. The voters saw through the fraud and on November 7 resoundingly repudiated the agribusiness barons and their savage proposal.

It was that humiliating setback which finally propelled the Farm Bureau into the Teamsters' waiting arms. Like the Farm Bureau, the Teamsters' leaders are both scared of and infuriated at the United Farm Workers.

That the powerful Teamsters should be scared of the youngest and smallest union in the country may sound strange, even unbelievable. The Teamsters, of course, outweigh the Farm Workers by more than 20 to 1 in members, in income and in traditional power. Moreover, since the squalid election-campaign deal that delivered the Teamsters' endorsement to an anti-union President, they hope to count on the political clout even of the White House. Why, then, should they be scared of the UFW?

Well, if Goliath had had a second chance, he surely would have been properly scared of David. Not once, but many times in the past dozen years, the Teamsters' leadership scornfully swiped at the UFW and each time they were scorched. Licking their wounds and nursing their damaged pride, they drew back to regroup for another try. Frustratingly, they never have found enough skill or brute power to finish off the Farm Workers. And each time they failed, they became more infuriated and, finally, scared.

There was, for instance, the DiGiorgio fiasco. In 1966, after refusing for a year their field workers' demand for UFW recognition,

this $200,000,000 agribusiness conglomerate with a bloody history of farm labor suppression painfully discovered the power of the boycott. Hurting in their sensitive pocketbook and pridefully determined not to capitulate to the despised UFW, the DiGiorgio executives invited in the Teamsters' executives. If they had to accept a union, they infinitely preferred to deal with the "business-like" Teamsters who would understand and make allowances for the corporation's views and needs (i.e., sign sweetheart contracts?). Of course, there was also the matter of the Teamsters' known muscle power that would be useful in keeping the United Farm Workers out.

As usual, neither DiGiorgio nor the Teamsters' leaders cared one whit for the workers' rights, needs or desires. Why should they, when to them the workers were mere chattel or hired slaves? All that was necessary was to tell the workers that if they wanted jobs, they had to have Teamsters' dues deducted from their already meager wages.

Characteristically, the Teamsters' leadership was delighted to get this gravy, and moved in to claim it. They failed, however, to calculate the UFW's capacity to make life miserable for conspirators. The Farm Workers escalated the DiGiorgio boycott and aroused public opinion against the Teamsters' crooked deal.

Eventually, under great financial and social pressure, the corporation agreed to union representational elections; but then, in collusion with the Teamsters, it arranged a rigged ballot that only the Teamsters could win—and, of course, they did. Another round of intense UFW pressure led to that election's being thrown out and a new one scheduled under outside supervision. Both DiGiorgio and the Teamsters ended up in spluttering defeat. The United Farm Workers won the election hands down.

Soon after came Perelli-Minetti. P-M, a leader of the grape, wine and brandy industry, invited the Teamsters to a similarly grotesque pas de deux. After a whole series of tangled steps, the Teamsters were run off the stage, and once again the UFW took over.

The greatest confrontation by far, however, has been centered on Salinas, Calif., the home base of scores of huge corporations which operate in many crops and many areas but whose biggest and most profitable business is in lettuce. That is the struggle that was heralded to the nation by last year's Democratic National Convention in Miami. "Fellow lettuce boycotters," Sen. Edward M. Kennedy greeted the roaring crowd and millions of TV viewers.

The Salinas battle began in July of 1970, just days after the Delano growers, whose scorn had turned to panic at the effectiveness of the five-year grape boycott, finally gave in. Their begrudging recognition of the United Farm Workers flashed a clear signal to the Salinas growers that they were next. The latter already knew that UFW organizers had been working in their area, laying the groundwork for the demand for union recognition.

If the Delano growers were big and tough, their Salinas counterparts were giants, and much tougher. But they proved to be no smarter. They could think of nothing more innovative than to leap enmasse into the much-used bed of the ever-willing teamsters.

Almost literally overnight and in total secrecy, the Salinas growers signed five-year sweetheart contracts that gave their ally an exclusive "union shop" recognition. In exchange, the Teamsters agreed to substandard wages, hours and working conditions for the field workers. The growers thought they got what they desperately wanted: insulation and protection from the feared United Farm Workers; the Teamsters, without any cost or effort, picked up what they expected to be the treasury-fattening dues of some 30,000 farm workers in California and Arizona.

Satisfactory though this arrangement seemed to be to both parties, it wasn't the culmination of any long courtship. For almost a decade the Salinas growers had been ostracizing one of their own maverick associates, the Bud Antle corporation, for signing just such an agreement with the same Teamsters. That deal had come about when Antle in his hungry reach to be known as the "biggest lettuce grower-shipper in the world" ran short of cash. The Teamsters obligingly bailed him out with a million-dollar loan, but, as their pound of flesh, demanded and got jurisdiction over Antle's field workers. Though they knew the deal was fraudulent, the rest of the Salinas growers despised Antle for recognizing any union for farm workers, even the Teamsters. Still, in 1970 the past acrimony was forgotten in the glow of mutual advantage.

Forgotten also, as usual, were the farm workers. Neither side made any attempt whatever to find out what the workers might want, whether they had any desire to be represented by the Teamsters, whether the terms of the contract were acceptable. No elections, of course, secret or otherwise, were offered or allowed. The white grower executives and the white Teamsters' officials again casually dealt with the mostly brown farm workers' jobs and lives as though they were mere chattel or hired slaves.

It didn't take long though, for the conspirators to find out what the workers, already committed to the UFW, really thought. When presented with the cynical *fait accompli* and told they must sign up with the Teamsters or lose their jobs, the workers voted with their feet. In what the Los Angeles *Times* headlined as "The Largest Farm Strike in U.S. History," some 7,000 farm workers walked out of the Salinas fields. "Harvest, Shipping," said another *Times* article, "Near Standstill in 'Salad Bowl' Strike."

By conventional standards the battle should have been brief. The power of the Salinas growers and their various allies and friends—including, of course, the Farm Bureau—combined with the Teamsters, the nation's strongest union, should have been able to make short shrift of the outmanned and outdollared United Farm Workers. But Vietnam is not the only proof that overwhelming might can't conquer a small people who are fighting for a cause for which they are willing to struggle for years and for which they are ready, quite literally, to die.

Certainly, one consistent lesson of history has been that an idea whose time has come can't be killed by money, press releases, strikebreakers, clubs, bullets, courts, legislatures or prison bars. In the past two and a half years, the Salinas growers, the Farm Bureau and the Teamsters have used all of these weapons and more, yet they could not prevail. The United Farm Workers' nonviolent response has been peaceful but determined strikes, boycotts, picket lines, demonstrations and appeals to people of conscience for support.

Most particularly, the UFW has pushed the lettuce boycott. Scores of farm workers, whose previous experience had been limited almost exclusively to remote rural areas, venturesomely set out in family-filled cars and buses for distant cities to carry their story and their plea to the nation's shoppers: "Your simple decision not to buy or eat non-UFW lettuce will help to bring us justice." Joined by hundreds of volunteers from all walks of life, the boycott committees are bringing the field struggle of the farm workers right to the supermarket door and the dining room table. Tens of thousands of concerned citizens have signed the lettuce boycott pledge, including, interestingly enough, Jimmy Hoffa, Fitzsimmons' predecessor as Teamsters' president. When reminded of that, Fitzsimmons shouted in anger: "I'm the president of the Teamsters Union, and I'm the only one who is. I don't care what Hoffa says."

The battle has also been fought in the press and in the courts. Although that part of the press which the growers own or control has acted as their house propaganda machine, the major media, on balance, have been fair and objective in reporting both sides of the struggle. The courts, however, have been something else. With an occasional honorable exception, poor people, working people, minority people find themselves handicapped at the bar of justice. Thus it has been in the Salinas battle. At the growers' bidding, compliant courts throughout California's agricultural valleys served up a blizzard of injunctions prohibiting almost every UFW activity. Hundreds of farm workers were thrown into jail, both for violating these unfair, unwarranted restrictions, and for almost any other specious reason a police or court official could conjure up.

The most damaging injunctions of all were based on a Salinas (Monterey County) court's declaration that the UFW's strike was in violation of the California law against jurisdictional strikes. The UFW, of course, immediately appealed the finding and injunctions to a higher court and continued to insist that the conflict legally was not between two unions but between the employers and the one union that legitimately represented the workers. The growers and the Teamsters, however, exultantly worked their propaganda machine overtime, proclaiming that the United Farm Workers were engaged in illegal jurisdictional strikes, that the issue had been settled by the court.

Not quite. To the growers' and Teamsters' enormous dismay, on Dec. 29, 1972, the California State Supreme Court announced its 6 to 1 decision that the Monterey court had erred, that there was no jurisdictional strike under the clear meaning of the law and that the injunctions, therefore, were dissolved.

But the court didn't leave it at that. It seemed to go out of its way to lecture the miscreants: ". . . from a practical point of view," it said, "an employer's grant of exclusive bargaining status to a nonepresentative union must be considered the ultimate form of favoritism, completely substituting the employer's choice of unions for his employee's desires." The court further declared: "There is no suggestion in the record that the Growers, before taking such a step, attempted to ascertain whether their respective field workers desired to be represented by the Teamsters, or indeed, that the question of their field workers' preference was even raised as a relevant consideration."

Driving the point home, the court also found that the workers had not, in fact, been represented by the Teamsters, did not want representation by the Teamsters and never had been given an opportunity to examine the terms of the contract. Clearly understood, if not declared, was the fact that neither the growers nor the Teamsters ever contemplated allowing the workers any kind of election to determine their desires.

The Teamsters and the Growers, of course, were staggered by that blow. The cloak of pseudo-respectability was stripped from their relationship; it was exposed as nothing more than sinful cohabitation. Both of them, though, are accustomed to brazening out even desperately embarrassing episodes. Publicly, they castigated the court's decision, calling it, as did Teamster organizer William Grami, "shoddy" and "prejudiced." Privately, they huddled once again in conspiratorial urgency. The door that the court had opened for the United Farm Workers had to be slammed immediately in the enemy's face.

After days of tense haggling, the two parties merged on Jan. 16, 1973, to announce defiantly that the Teamsters' contract with the 170 major growers, most of them Salinas-based, had been renegotiated with purportedly improved pay and benefits for the covered

30,000 field workers. With supreme contempt, Les Hubbard, a spokesman for the growers' negotiating committee, observed to the press: "We demanded no more evidence of Teamster support than we did on the original contract." No court, the growers and the Teamsters made clear, was going to force them to change their attitudes toward farm workers.

Neither the court's decision nor the Farm Bureau-Teamsters' reaction was a great surprise to the United Farm Workers. During the two and a half years from the strike's beginning, they had suffered injunctions, jailings, bombings, beatings and all kinds of violence with the strong confidence that once the matter had been taken out of the growers' captive local courts into the State Supreme Court, they could expect and receive vindication. Their only question was why they had to wait so long to get a full hearing.

As to the latest Farm Bureau-Teamsters' contract ploy, the UFW is undauted. "Our first task," said Cesar Chavez, "is to go and let the whole country know that our cause is just, that there never was a jurisdictional dispute and that the contracts between the growers and Teamsters are a sham. We are going to take full advantage of the supreme court's emphasis on our right to boycott and strike. We are starting right this minute."

So, while calling on the federal and state legislatures to block the Teamsters-Farm Bureau punitive legal proposals, the UFW's continued strategy is to boycott and strike, strike and boycott, until scab lettuce is off the supermarket shelves and scab workers are out of the fields.

Many people, even some friends, think that the odds against the United Farm Workers are too great, that they can't possibly win their nonviolent struggle for survival. But with a confidence and courage that comes only to those who have lived with great hardships and who have overcome in many a seemingly hopeless contest, the Farm Workers reply to doubters, *Si, se puede.* "Yes, it *can* be done."

QUALITY GROWTH FOR WYOMING

HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. RONCALIO of Wyoming. Mr. Speaker, in its first issue, Executive West magazine featured an article on Wyoming's unique opportunity to "grow" its own industries, learning from the mistakes of its neighbors.

The article, "A Wyoming View of Economic Development," was written by Bill Burnett, economist in the Wyoming Department of Economic Planning and Development.

In it, he describes why Wyoming views its 49th ranking among the States in population as an opportunity and not a problem and why it has a welcome, but wary attitude toward new industry.

I recommend it to my colleagues as an insight into how a State whose beauty attracts some 7 million visitors annually is viewing economic development:

A WYOMING VIEW OF ECONOMIC DEVELOPMENT

(By Bill Burnett)

When the Governor of Oregon made his famous statement, which in essence said, "Visit us, but don't stay," many other leaders and people vitally concerned with the Western states were comforted because they were being faced with the same decision and were coming to the same conclusion.

No longer is the promotion of growth as popular a goal as it once was, particularly if the growth would mean more people. Today, the mass of humanity is a real source of consternation.

This antipathy to population growth does not mean that the states have developed no-growth policies. Although most states no longer engage in some of the more apparent promotion that was once popular, they still are not turning away industries interested in establishing or relocating facilities within their jurisdictions. In Wyoming, any business interested in establishing there still gets an enthusiastic welcome and probably more professional assistance than ever before. But there is no more hoopla, no more delegations to the large industrial areas to attempt to entice companies to relocate or build facilities in Wyoming.

However, Wyoming still needs and is vitally interested in expanding its manufacturing sector for two very good reasons. First, employment opportunities in agriculture have continued to decline fairly steadily over the past two or three decades. This is, of course, true throughout the nation, but the trend came later to Wyoming because of the nature of its agriculture. In addition, the new surge in mineral developments is much more capital intensive than it once was and even with a lot of activity there just is not a lot of employment. In short, Wyoming needs more employment opportunities, particularly for its young people.

A second reason can be seen in the per capita personal income graph. Wyoming has fallen below the national rate in this important economic indicator. As long as the statistics have been collected, Wyoming has had higher average income than the rest of the region. Until 1960, when Colorado took the lead, Wyoming had the highest per capita income in the region and was normally higher than the national rate until 1963.

The Rocky Mountain states and their per capita incomes in 1971 were:

United States	$4,156
Colorado	4,153
Wyoming	3,929
Arizona	3,913
Montana	3,629
Utah	3,442
Idaho	3,409
New Mexico	3,298

Naturally this income gap is of much concern throughout the Mountain states. In Wyoming, thanks to minerals activities and cattle-price improvements, there has been a narrowing of the gap in the past 3 or 4 years. But to get back on a par with the nation and to sustain this equilibrium, Wyoming needs to broaden its economic base by expanding its manufacturing sector.

However, in their development strategy, Wyoming and most other Mountain states have an interesting problem. That is, the average educational attainment here is of the highest in the nation. As a consequence, one of the major problems facing the region is *under utilization of the capabilities* of those who stay and outmigration of those looking for jobs commensurate with their abilities. The education many young people receive today prepares them for jobs that are technical, managerial, clerical, scientific and professional.

As a consequence, Wyoming not only needs to increase the number of manufacturing plants, but also needs somehow to increase the number of home offices plus research and development facilities. Because of constraints resulting from geography and the dispersion of populations, there will not likely be a great rush by companies to establish these types of facilities in Wyoming in the very near future. Therefore, if Wyoming wishes to provide the job opportunities commensurate with the abilities of an important segment of its population, it will have to "grow" its own industries. In other words, it needs to create an environment conducive to companies being created and "started-up" within the State.

Such a strategy is, obviously, quite ambitious and there is no certainty of success, but with the activities in minerals, tourism and an increasingly healthy agricultural sector, Wyoming has been given some time to develop toward what Governor Stan Hathaway calls "Quality Growth." This approach will, of course, take a lot of time. Meanwhile, Wyoming will continue to welcome and encourage most out-of-state companies wishing to build facilities there. Wyoming still has room to grow before it needs to "close its gates."

Being the second least populated state might have at one time been an embarrassment to the people of Wyoming, but now there is developing a strong belief that this is a real asset. There is still the desire for development, but it is tempered by the demand that it be of high quality. And now the need for growth is to improve the social and economic environment of the State and not simply to provide evidence that living in Wyoming is a good decision. The 7 million visitors to the State each year provide ample proof of that.

PROS AND CONS: SHOULD OLD FOLKS PAY MORE FOR MEDICARE?

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 5, 1973

Mr. FRASER. Mr. Speaker, the Nixon proposal to increase the medicare charges paid out-of-pocket by the elderly should be contested by the Congress.

The administration says this will save $1 billion the first year. They assert this is part of their effort to hold down Government spending.

The present projections indicate a medicare intake of $16 billion—derived from the payroll tax—and an outflow of $13 billion. The surplus of $3 billion would be further increased by the $1 billion in revenues extracted from the elderly through increased medicare charges being pushed by the Nixon administration.

In fact, the surplus should permit a substantial reduction in the payroll tax that finances medicare, hospital, and doctor coverage. But nowhere in the administration's proposal is such an adjustment planned.

The Wall Street Journal, March 23, 1973, edition, makes the point that the administration is also counting on higher costs to the elderly to result in reduced use of medicare—thus helping to further reduce the budget deficit. The elderly are going to pay more and get less.

The article follows:

[From the Wall Street Journal, March 23, 1973]

PROS AND CONS: SHOULD OLD FOLKS PAY MORE FOR MEDICARE? WOULD THAT CURB THE MISUSE OF SERVICES?

(By Jonathan Spivak)

WASHINGTON.—Mary W., 75 years old, en-

tered Washington Hospital Center here last November with diabetes and cancer. Though her seven-day stay cost $903.35, she paid only $72; medicare took care of the rest.

But, under a Nixon administration proposal, she would have to pay nearly twice as much, or $142.13, for the same care.

That is a fair sample of the dollar-and-cents effect of one of President Nixon's most hotly disputed economy plans—one that proposes the elderly foot more of their health bills while the government pay less. The biggest change: Starting next January, the aged would have to pay 10% of their hospital bills. Their contributions now total far less than that. And though a few medicare beneficiaries would gain by the change, many would find their pocketbook burden doubled.

Against these presidential intentions, the elderly and their liberal friends in Washington are employing strong language. "Savage cutbacks proposed for the medicare health insurance program . . . represent a shameful repudiation of a pledge made older Americans by the President," charges Nelson Cruikshank, 70, president of the National Council of Senior Citizens.

But Nixon spokesmen, denying any breach of promise, are pouring forth soothing reassurances. Caspar Weinberger, Health, Education, and Welfare Secretary, says: "We believe that the medicare reforms . . . won't impose financial hardship on the program's beneficiaries."

EMOTIONAL DEBATE

In the often emotional debate, serious economic issues are being thrashed out. The administration, backed by congressional conservatives, believes the rapid escalation of medicare costs must be halted. The proposed changes would mean a cut of 10%, saving an estimated $1.3 billion annually at the start and much more later on.

The advocates of the cutback argue, too, that the tightening-up would eliminate wasteful use of health services, make physicians more cost-conscious and tie medicare patients' payments closer to the actual cost of care.

"It seems clear that someone with a pension or even Social Security income can and should pay a small percentage of his income if he is going to stay in a hospital bed that is going to cost other people as much as $50 to $100 a day," insists Nixon aide John Ehrlichman.

Critics complain that the changes would impose a financial burden on the aged, prevent them from getting necessary medical care, produce a medicare fund surplus without passing the savings along to taxpaying workers and do nothing to solve the problem of rising medical costs. One Democrat, Sen. Edmund Muskie of Maine, even suggests "this plan could in fact increase costs for all concerned—the elderly, the government and the health industry."

The critics do concede one point: Charges paid by patients would be more closely related to actual hospital costs. Currently the aged must pay the national average cost for their first day of hospital care, regardless of what the hospital charges and what the illness is. They then get 59 days of free hospitalization. For the 30 days following they pay 25% of the average daily cost and for the 60 days following that they pay 50%. This arrangement plainly puts a burden on patients who are more seriously ill and stay in the hospital longer, and it ignores wide cost variations among individual institutions in different parts of the country.

Instead, the administration approach would have patients pay the actual charges for the first day of care. These range from $15 in small hospitals to $100 in big-city institutions. The national average is $72 a day. After the first day, patients would pay 10% of all hospital charges.

Some patients, particularly the 1% hospitalized for more than 60 days, would save money by the change. But most patients would pay more than at present, since the average hospital stay for medicare beneficiaries is only about 12 days. Secretary Weinberger concedes that the patient's payment for the average stay would rise to $189 from $84.

Other burdens for medicare beneficiaries would also rise. Under the program's separate coverage of doctor bills, patients would have to pay a higher "deductible" amount before the government would start shelling out. These payments would increase in the future by the same percentage that Social Security benefits rose.

COUNTING ON MEDICARE

The savings resulting from the proposed changes would permit a reduction of 6% to 7% in the payroll tax that finances medicare and would allow a cut of 30 cents from the $6.30 monthly premium for doctor-bill coverage. But the administration isn't proposing such adjustments. Instead, it is counting on the medicare cutbacks to help reduce the budget deficit.

Nixon men argue, moreover, that reducing medicare outlays would allow them to maintain spending for other health programs. But Congress likes to look on medicare and Social Security as a separate compartment of the budget and balance the tax revenue taken in and the benefits handed out.

Beyond that, Congress simply doesn't like the notion of curtailing basic benefits that so many voters count on. And this is one Nixon economy plan that would clearly require legislation to enact. Last year a much milder proposal to increase patients' hospital payments came to grief in the Senate Finance Committee. This year's tougher plan seems sure to meet even stiffer resistance, as Secretary Weinberger's stalwarts themselves concede. "There's a one-in-twenty chance to get the legislation," one HEW official says.

The clashing assessments of the Nixon proposal spring partly from conflicting views of medicare priorities. To those who see lowering of financial barriers to medical care as the overriding aim, any increase in payments to the elderly is a step backward. Certainly when medicare was adopted in 1965, Congress was more intent on increasing the aged's access to health care than on holding down the cost.

"The whole principle of medicare was that the elderly weren't getting the care they need because they couldn't afford to pay for it," insists Bert Seidman, Social Security director for the AFL–CIO.

To those more concerned about costs, the view is different. Since 1965 the price of medical care has skyrocketed, and the government has already imposed limits on physicians' fees and the length of hospital stays it will pay for. The proportion of the aged's total health expense covered by medicare has fallen to 42% from a peak of 45% in 1969. And by some estimates, the new Nixon plan would reduce the share to 35%.

Those eying medicare costs look also at the elderly's income and find it has risen sharply. Since 1965 Social Security benefits have increased 70%. The administration argues this rise should permit an increase of 70%, to $85 from $50, in the payment that a patient must make for doctor bills before the government pays. Thus, the aged wouldn't be any worse off financially under this part of the program than when it started in 1966, the economizers reason.

The proposed increase in patients' payments for hospital care is defended on the broad ground of promoting economy and efficiency in health care. Proponents contend that making patients share in the cost would deter needless treatment and increase price competition in the medical marketplace.

STOP-AND-LOOK ATTITUDE

Imposing a 10% patient payment for hospital care would act as "a reminder that these resources aren't free, and for a fair fraction of the aged it's probably a meaningful enough amount," Martin Feldstein, a Harvard economist, says.

"It achieves a stop-and-look attitude: Do I need to be in the hospital an extra day? Do I need this test?" argues Peter Fox, a HEW health expert.

Mr. Fox and colleagues contend that patients facing larger bills would seek to be admitted to lower-priced hospitals, to avoid costly tests and to shorten lengthy hospital stays. Admittedly the decisions are made by doctors, but proponents reason that patient pressure would make the medical men more cost-conscious and would minimize intervention by Washington. "My personal preference is to let doctors and patients make the decision, not the federal government," says Stuart Altman, a deputy assistant secretary at HEW.

There is little doubt that increasing charges to patients decreases their use of medical care. When a 25% patient payment was imposed by a Palo Alto, Calif., medical clinic, use by Stanford University employes covered by a university health plan dropped 24%. Studies of other health plans show similar effects. "If you put in a big enough financial barrier, you will have a diminution in use," concludes Howard West, director of the Social Security administration's division of health insurance studies.

Unfortunately, it is difficult to determine whether essential or nonessential medical services are cut back in such cases. Statistics are sparse and subject to differing interpretations. Moreover, there isn't any agreement on what is a proper amount of care for the aged or any other population group. Medicare enthusiasts tend to measure progress in dollars spent, but dollar amounts can't express the quality of care.

When medicare began paying the bills for the elderly, their use of health services jumped 25%. At the same time, use of health services by younger people fell, presumably because medical-care costs were vaulting. But since 1969, hospitalization rates for the elderly have declined; the average length of stay has dropped sharply under pressure from medicare's managers. "I don't see any evidence there is overutilization or underutilization now," says Herman Somers, a Princeton University health insurance specialist.

The idea of making the medical marketplace more responsive to price competition is appealing, but skeptics detect several drawbacks. How hard-headed can a worried, impoverished and medically unsophisticated patient be? Does a sick person want his doctor to skimp on the costs of his medical care?

Moreover, there are many of the aged who can hardly become more cost-conscious because of the administration's proposal. Some are so poor that medical-welfare programs take care of any payments they incur that medicare doesn't cover. Others are wealthy enough to buy supplementary private insurance to fill medicare's gaps. The existence of these groups weaken the case for the cutbacks.

The underlying question of how much individual patients should pay for their health care is an issue sure to arise in any future broad national health insurance program. Congress is already considering possibilities that range in generosity from an AFL–CIO proposal for paying the full cost of most care to an American Medical Association plan for providing limited financial help to low-income patients. The medicare outcome will show which way politics points.