

said in the interview, about \$20-billion will be in "uncontrollable" programs such as Social Security and veterans benefits, where the scale of payments is fixed by law and the total spent depends on the number of persons on the rolls.

Of the remaining \$10-billion he continued, nearly all is equally beyond the Administration's control. It includes such items as pay increases for both the military and civilian personnel of the Government to keep up with inflation, and the impact of inflation in increasing "unit costs" of other programs, meaning more dollar outlay for the same program level of activity.

The spending total in the new budget will not be swollen significantly by new programs except for the previously disclosed doubling of outlays for energy research. The expected new health insurance program, for example, will not affect spending until after the fiscal year 1975.

LAWNDALE, CALIF.'S MAN AND WOMAN OF THE YEAR; FRED KNIGHTON AND MABEL McCULLEY

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 22, 1974

Mr. CHARLES H. WILSON of California. Mr. Speaker, on Saturday, January 26, the city of Lawndale, Calif. will honor two fine citizens as its man and woman of the year. Both Mabel McCulley and Fred Knighton have truly deserved these accolades, for these people are examples of what an individual can do to make a difference.

Fred Knighton has the distinction of being the first non-Rotarian ever nominated by the Lawndale Rotary Club for this high honor. In fact, Fred is an Optimist—and a leader in this outstanding service organization. He has been president, vice president, director of pro-

grams, and chairman of the Optimist Club of Lawndale and now serves as vice president and director of the Optimist Home for Boys.

His energy is seemingly boundless and his achievements legion. He was president of the Lawndale Breakfast Club and chairman of the Jane Adams Memorial Wall project. He has been active in the Lawndale Chamber of Commerce, serving in every capacity from director to fundraiser for every conceivable civic event. His artistic talents were brought into play as he designed the chamber of commerce emblem and Lawndale's map.

Fred's philanthropy knows no bounds. Asked by the sheriff's department to assist during emergencies, Fred has pulled many a stranded motorist from flooded waters and serves as the official photographer and official witness for the law enforcement agency. To Fred, time is not money but value, and he has unstintingly devoted his energies to helping others achieve more happiness in their lives. He has donated the bird of paradise plants for Lawndale's main street areas and barbecues for the all city picnic; he has spent countless hours helping cheer senior citizens and the ill.

The Rotary Club, in nominating Fred Knighton for this award, said:

No one is worthy enough to write about the contributions of another. The measure of life, after all, is not its duration, but its donation. Lawndale would be much less a place if it was not for Fred Knighton.

In nominating Mabel McCulley as Lawndale's Woman of the Year, the Rotary Club wrote:

This wife and mother of two sons and two daughters moved to Lawndale nearly 27 years ago and our community hasn't been the same since.

For aside from the scouting and PTA

activities in which Mabel serves so actively that she was given an honorary life membership and Continuing Service Award from two PTA's, Mabel's civic work has been far reaching and imaginative. Twenty-two years ago she joined the Monday Eves, Jr. Women's Club where she soon was elected president; under her leadership, "Operation Skyrocket," a free public fireworks display at Alondra Park, was initiated.

While continuing her active work with this organization, she directed her energies to youngsters. Besides her continuous work with the PTA over a 22-year period, she has served on the Centinela Valley High School Advisory Council for the last 3 years and as chaperone for Leuzinger High grad night celebration.

This last December, Mabel helped bake and deliver 78 birthday cakes for the lonely youngsters at Juvenile Hall. And she has chaired the Lawndale Angel Tree program during the last 4 years, a program which funds Christmas baskets for over 500 needy people each year. Were it not for Mabel McCulley, thousands of lives would be the poorer and, because of her selfless efforts, she has earned the respect of the community and the joyous love of children.

Ever generous with her time, Mabel has served on nearly every door-to-door campaign—from the United Way to the March of Dimes. Her husband, Howard, a successful and hard-working businessman beams with pride as he says:

I don't care if Mabel is away sometimes at dinner. I would learn to cook if it meant some hungry kid could eat.

The Rotary Club calls Mabel "Lawndale's First Lady." By means of her commitment to others and sensitivity to their needs, she has well earned the honor of being named Lawndale's Woman of the Year.

HOUSE OF REPRESENTATIVES—Wednesday, January 23, 1974

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Acquaint now thyself with God and be at peace; therefore good shall come unto thee.—Job 22: 21.

Almighty God, who art the Creator and the Sustainer of all mankind, without whose benediction our labor is in vain and with whose blessing our good efforts are crowned with success, we pray that our lives and the life of our Nation may be built upon the rock of truth and love and may this rock be the foundation upon which every American lives his life, molds his character, develops his faith, and increases his love for our beloved land.

Guide with Thy gracious spirit these Representatives of our people and all who work with them. May they now and ever look to Thee who art the source of all true wisdom and from Thee receive strength for daily duties, courage to do the right, and faith to live with love at the center of life.

Give to each one of us a mind open to the truth, a heart sensitive to human need, a spirit that seeks to be understanding, and a will ready to do what is noble and good.

In the spirit of Him who dared to live by His faith we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 413. Concurrent resolution providing for a joint session of the House and Senate on Wednesday, January 30, 1974, to receive the President of the United States.

ENERGY PROBLEM

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

Mr. DORN. Mr. Speaker, on returning to Washington I can report that my people are demanding answers to the energy problem. They are shocked and alarmed by incredible inflation and scarcity. There is widespread skepticism as to the real extent of the shortage. Mr. Speaker, I propose that we establish a Special House Energy Investigation Committee. This special committee could look into every aspect of the situation, including whether or not a shortage has been manipulated and whether or not there has been hoarding, profiteering and black-marketeering.

Our people will not stand for the present uncertainty and confusion. The elderly, the poor, and those in remote areas are most cruelly victimized by scarcity and outrageous prices. Service station operators and home heating fuel distributors bear the brunt of the uncertainty and are required to put into effect complicated allocation schemes. Tragically, many are forced out of business. Great industries are threatened.

Farmers have been promised high fuel priority, but these promises may turn out a hoax unless regulations are changed. Regulations base the farmer's allotment on the amount of fuel used the corresponding month last year. If he does not use it, he loses it. This completely ignores the realities of farming, where weather and other changes can completely alter farm activities from one year to the next. Severe fertilizer shortages aggravate the farmers' problems.

We receive reports that the price of butane and propane—used extensively for home heating in rural areas and for drying tobacco—has increased all out of proportion.

Before the Congress can act we need the right information. Mr. Speaker, we need the facts on the energy situation so that we can take the right remedial action and also prevent a similar crisis erupting with food and other basic commodities of life.

PERSONAL EXPLANATION

Mr. ANNUNZIO. Mr. Speaker, on roll-call No. 5 on H.R. 11809 on yesterday, January 22, I was listed as not voting. However, I was present and voted "aye." I would ask that the RECORD reflect my statement of my "aye" vote.

EDUCATION FUNDS

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

Mr. PERKINS. Mr. Speaker, today I am introducing a bill which will permit local school districts to carry over into the next school year unused Federal funds from this school year and will also permit them to carry over funds which have been recently released by the administration pursuant to court decrees. Congressman AL QUIE, ranking Republican on the Education and Labor Committee, is cosponsoring this bill with me.

The reason that we have to allow school districts to spend some of the fiscal 1974 appropriations during the next school year is that the education appropriations bill was not finally signed into law until almost one-half the school year was over. And since this appropriations bill provided substantially increased funds for a number of programs, many school districts will not be able to wisely spend all those funds this year. Ordinarily they could carry those funds over into the next school year, but the provision of Federal law which permits this carryover expires this year.

The reason that we must also permit these school districts to carry over the recently released fiscal 1973 funds is that

the administration only complied with the court decree ordering their release shortly before Christmas which was already well into the school year.

Therefore, it is only prudent that Congress allow school districts to carry over these funds into the next school year for the wisest expenditure of Federal funds.

It is my hope that the Education and Labor Committee will approve this bill next Tuesday and that we will have it before the House within 2 weeks.

THE SUGAR BOWL GAME

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

Mr. FLOWERS. Mr. Speaker, earlier this week the gentleman from Indiana gave a stirring speech in tribute to the Notre Dame football team and its outstanding coach, Ara Parseghian. Let me take this opportunity to add my own congratulations to this fine team and entire coaching staff.

All my life, Mr. Speaker, I have heard about the "Luck of the Irish" but it is interesting to note that none was required in their convincing victory of New Year's Eve. With the consummate skill of a vastly superior team, they completely dominated the Sugar Bowl game from the opening whistle until the final gun when the scoreboard reflected their lopsided 24-23 margin of victory. Yes, Mr. Speaker, we at Alabama appreciate the condolences of the gentleman from South Bend, but moreover, we appreciate the spirit of sportsmanship displayed by Notre Dame in holding down the score against us.

In spite of the murderous treatment accorded us by the fierce "fighting Irish," our team seems to be eager for another chance. Maybe a bit of that Irish luck—no longer needed at Notre Dame—will find its way down to Tuscaloosa and help us improve over this year's record. And, if we're really lucky, Mr. Speaker, we will get another chance to play Notre Dame in one of next year's bowl games.

TO EXTEND "TYDINGS AMENDMENT" THROUGH FISCAL 1974

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

Mr. QUIE. Mr. Speaker, today Chairman PERKINS of the Education and Labor Committee and I are introducing legislation to extend the so-called Tydings amendment through fiscal year 1974 and to make available for an additional year for obligation by local school districts those education funds impounded by the administration in fiscal 1973.

Both of these provisions are critically needed if we are to insure the wise and thoughtful expenditure of Federal funds for education. The problem this year is particularly critical since the administration released some \$520 million in impounded education funds just last month. The release of those impounded funds rather late in the fiscal year, added to the funds made available in the regular appropriations process means

that a great many school districts might be forced to spend Federal funds without adequate planning or face losing them by July 1, 1974. In order to prevent that situation from occurring, my bill insures that both fiscal 1974 funds and those fiscal 1973 funds released in December will be available for local district expenditure through the next fiscal year.

The basic Tydings amendment providing that education funds are available at the local level for obligation for an additional fiscal year has been a part of the law since 1968 and has worked quite well. I am told by school people wherever I go that this provision has done more to stop irresponsible expenditure of funds at the local level than any other administrative provision yet enacted. I concur with that view and urge rapid acceptance of my bill. It is my understanding that this action has the full support of the administration.

COMMUNICATION FROM THE CLERK OF THE HOUSE—IN RE UNITED STATES OF AMERICA AGAINST PODELL, ET AL.

The SPEAKER. The Chair lays before the House the following communication from the Clerk of the House of Representatives, which the Clerk will read.

The Clerk read as follows:

WASHINGTON, D.C.,
January 22, 1974.

The Honorable CARL ALBERT,
The Speaker, House of Representatives.

DEAR MR. SPEAKER: On this date, I received by certified airmail No. 134812, a certified copy of the Determination and Designation by the Honorable Robert L. Carter, United States District Judge, Southern District of New York concerning the Subpoena Duces Tecum dated December 19, 1973 that was served on the Clerk of the House of Representatives on December 26, 1973 in the case of United States of America v. Bertram L. Podell, et al., 73 Cr. 675 (RLC). The Determination and Designation was made in response to the attached Clerk's letter of December 26, 1973 to Judge Carter containing a copy of House Resolution 12 of January 3, 1973 as a reply to the aforementioned Subpoena.

The Determination and Designation declares the reports which are the subject of said subpoena "to be relevant and material to the trial of said case, 73 Cr. 675 (RLC)". The Determination and Designation is herewith attached for such action as the House in its wisdom may see fit to take.

With kind regards, I am,

Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

[U.S. District Court, Southern District of New York, 73 Cr. 675 (RLC)]

UNITED STATES OF AMERICA, v. BERTRAM L. PODELL, ET AL., DEFENDANTS

DETERMINATION AND DESIGNATION

In light of the subject matter of the above-captioned matter, such reports which were the subject of a Subpoena Duces Tecum, dated, December 19, 1973, duly served on the Clerk of the House of Representatives of the United States Congress, or his duly authorized representative, are determined and declared to be relevant and material to the trial of the above-captioned matter and it is further determined and declared that certified copies of such reports will serve as sufficient evidence of the originals and that said certi-

fied copies of said reports are needed for the proper adjudication of this pending action.

Now therefore, Theodore Katz, Law Clerk to the undersigned Judge is hereby designated and authorized to attend, together with counsel for the United States of America and counsel for the defendant Bertram L. Podell, at the office of the Clerk of the House of Representatives of the United States Congress, to obtain certified copies of said reports, the originals of which are in the possession and control of the said Clerk.

ROBERT L. CARTER,

U.S. District Judge, Southern District of New York.

Dated: New York, N.Y., January 8, 1974.

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 781) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 781

Whereas in the case of the United States of America against Bertram L. Podell et al. (73 Cr. 675 (RLC)) pending in the United States District Court for the Southern District of New York, a subpoena duces tecum was issued by the said Court and addressed to W. Pat Jennings, Clerk of the House of Representatives or his Duly Authorized Representative, directing him to appear as a witness before the said court at 10:00 ante-meridian on the 14th day of January, 1974, and to bring with him certain documents in the possession and under the control of the House of Representatives; and

Whereas the Judge of the United States District Court for the Southern District of New York did, on January 8, 1974, sign a determination and designation that the documents called for in said subpoena duces tecum are "relevant and material to the trial" of said case; Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That W. Pat Jennings, Clerk of the House, or any officer or employee in his office whom he may designate, be authorized to appear at the place and before the court in the subpoena duces tecum before-mentioned, but shall not take with him any papers or documents on file in his office or under his control or in possession of the House of Representatives; be it further

Resolved, That the said court, having determined that the documents called for in the subpoena duces tecum are material and relevant to the trial of said case, are authorized to attend with all proper parties to the proceedings and then always at any place under the orders and control of this House, and take copies of those requested documents which are in possession or control of the said Clerk; and the Clerk is authorized to supply certified copies of such documents in his possession or control that the court has found to be material and relevant and which the court or other proper officer thereof shall desire, so as, however, the possession of said documents by the said

Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under the said Clerk; and be it further

Resolved, That as a respectful answer to the subpoena duces tecum a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 11354, INCREASED U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 779 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 779

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d) (4) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11354) to provide for increased participation by the United States in the International Development Association. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 6]

Ashley	Gray	Rinaldo
Blatnik	Green, Ore.	Rooney, N.Y.
Burke, Calif.	Gubser	Ryan
Butler	Hanna	Sandman
Camp	Hébert	Sikes
Chisholm	Hollfield	Steed
Clark	Jarman	Stratton
Conyers	Karth	Taylor, Mo.
Dellums	Lott	Teague
Dickinson	Macdonald	Thompson, N.J.
Diggs	Malliard	Udall
Dulski	Mills	Vander Jagt
Edwards, Ala.	Obey	Walsh
Flood	Passman	Wampler
Ford	Podell	Whalen
Fraser	Powell, Ohio	Wyatt
Gialmo	Reid	

The SPEAKER. On this roll call 380 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 11354, INCREASED U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The SPEAKER. The gentleman from California is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 779 provides for an open rule with 1 hour of general debate on H.R. 11354, a bill to provide for continued participation by the United States in the International Development Association.

House Resolution 779 also provides for a waiver of points of order against clause 27(d) (4) of rule XI of the Rules of the House of Representatives—the 3-day rule.

H.R. 11354 amends the International Development Association Act of 1960 to authorize the appropriation of \$1.5 billion for payment by the Secretary of the Treasury for the U.S. share of the increase in the resources of the IDA. The U.S. share would be 33 percent of the total, a reduction from our previous 40 percent share.

Mr. Speaker, I urge adoption of House Resolution 779 in order that we may discuss and debate H.R. 11354.

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

Mr. Speaker, House Resolution 779 provides for the consideration of H.R. 11354, to provide for increased participation by the United States in the International Development Association, under an open rule with 1 hour of general debate. This rule also provides for waiving the 3-day rule in order that the House may consider this legislation today, since the report was not filed until Monday, January 21.

The primary purpose of H.R. 11354 is to authorize \$1,500,000,000 as the U.S. contribution to the fourth replenishment of the resources of the International Development Association—IDA. The U.S. share would be one-third of the total, which is a reduction from the previous U.S. share.

The International Development Association—IDA—provides credit on easy payment terms to finance high-priority development projects of the poorest of the developing countries.

By the end of June 1974 it is anticipated that IDA will fully commit all of its lendable funds. Replenishment of its resources is necessary if IDA is to continue its lending activities. The new resources are intended for commitment by IDA during the period up to June 30, 1977.

The committee notes that the developing countries are important to the United States because, as a group, they purchase more from us than we do from them. In addition, they provide us with one-third of our raw materials imports.

IDA's standardized credit terms involve a 50-year maturity period including a 10-year grace period. One percent of principal is repayable in each year

of the second 10 years of the loan and 3 percent in each of the remaining 30 years. An annual service charge of three-fourths of 1 percent is charged to meet IDA's administrative costs.

The cost of carrying out this bill is \$1,500,000,000.

Mr. Speaker, I urge the adoption of this rule.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I would like to ask someone who is sponsoring this bill and supporting it where it is proposed to get the \$1,500 million. Is this to be some more "printing press" money as the gentleman from Texas (Mr. PATMAN) so often advocates?

Where is it proposed to get the \$1,500 million for this purpose?

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

Mr. GROSS. I am delighted to yield to the gentleman from California.

Mr. SISK. Mr. Speaker, that is the purpose of the rule which we have before us. We wish to provide an opportunity for the Committee on Banking and Currency to debate the issue on the floor, I might say to my colleague, the gentleman from Iowa, and to explain the provisions of the legislation.

Of course, as I understand it, this money will come from the Treasury of the United States.

First, going back of that, it comes out of the pockets of the taxpayers, as I would assume does most money authorized by the House for such purposes.

Mr. Speaker, I hope that we will adopt the rule and then permit the committee to explain the legislation.

Mr. GROSS. Of course, Mr. Speaker, there might be such convincing evidence that we would not want to adopt the rule—that we might not even wish to consider the matter of tossing another \$1,500,000,000 to the four winds, thereby adding to the biggest foreign handout that has been approved by this House in a good many years. Bear in mind that the House, only a month ago, approved a \$6 billion foreign giveaway bill for this fiscal year.

Mr. SISK. Mr. Speaker, if the gentleman will yield, the matter was recommended to the Committee on Rules as having come out of the Committee on Banking and Currency, I believe almost unanimously. In fact, as I recall, it was indicated that there was no opposition, and both the majority and minority, of course, supported it in the Committee on Rules.

Mr. GROSS. Mr. Speaker, I will say to the gentleman and respectfully to the House that perhaps that because it comes out of the Committee on Banking and Currency with a substantial margin of affirmative votes may be an excellent reason for voting against it.

Mr. SISK. Well, Mr. Speaker, if the gentleman will yield further, let me say that I think the Committee should be entitled to make its presentation, and that is all we seek to do by this rule, I say to my friend, the gentleman from Iowa. I hope that we will adopt this rule and permit the debate to proceed.

Mr. GROSS. Mr. Speaker, let the record show that I am opposed to this rule.

I am opposed to the gouging out of the pockets of the people of this country or using the printing presses of the Treasury to print another \$1.5 billion to be broadcast to the four winds in foreign countries. Commonsense dictates that this is absolutely wrong.

I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time but reserve the balance of my time.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 11666, ASIAN DEVELOPMENT BANK

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 780 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 780

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 27(d) (4) of rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11666) to provide for United States participation in increases in the ordinary capital and special funds resources of the Asian Development Bank. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from California is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 780 provides for an open rule with 1 hour of general debate on H.R. 11666, a bill to provide for United States participation in the ordinary capital and special funds resources of the Asian Development Bank.

House Resolution 780 also provides for a waiver of points of order against clause 27(d) (4) of rule XI of the Rules of the House of Representatives (the 3-day rule).

H.R. 11666 amends the Asian Development Bank Act of 1966 to authorize the U.S. Governor of the Asian Development Bank to subscribe on behalf of the United States to 30,000 shares of the capital stock of the Bank. The bill also authorizes the appropriation of \$361,904,726 for payment by the Secretary of the Treasury for this increase in the U.S. subscrip-

tion. H.R. 11666 also authorizes the U.S. Governor of the Bank to agree to contribute on behalf of the United States \$50 million to the special funds of the Bank.

Mr. Speaker, I urge adoption of House Resolution 780 in order that we may discuss and debate H.R. 11666.

Mr. QUILLEN. Mr. Speaker, House Resolution 780 is the rule providing for the consideration of H.R. 11666, to provide for U.S. participation in increases in the ordinary capital and special funds resources of the Asian Development Bank. This rule is an open rule with 1 hour of general debate. In addition, the 3-day rule is waived because the committee report was not filed until Monday, January 21.

The primary purpose of H.R. 11666 is to provide additional funds for the Asian Development Bank.

First this bill authorizes \$361,904,726 so that the United States can subscribe to 30,000 shares of the capital stock of the Bank. This money will be used to replenish the Bank's ordinary capital. It will provide the bank with additional resources for its hard-loan operations.

Second, this bill authorizes an additional \$50 million for the Bank's Asian Development Fund, a soft-loan operation. The United States has previously authorized \$100 million for this Asian Development Fund.

The total amount authorized in this bill is \$411,904,726.

Mr. Speaker, I urge the adoption of this rule in order that the House may begin debate on this bill.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INCREASED U.S. PARTICIPATION IN INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11354) to provide for increased participation by the United States in the International Development Association.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11354, with Mr. BRADEMANS in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. PATMAN) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. PATMAN).

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to urge

my colleagues in the House to join me in support of H.R. 11354, a bill to provide for increased participation by the United States in the International Development Association. Briefly, the bill authorizes the U.S. Governor to agree to contribute \$1.5 billion to the association as the U.S. contribution to the fourth replenishment of IDA.

IDA has always received and fully deserves the active support of the United States. From the beginning, this support has been bipartisan in both the Congress and the executive branch. Four Presidents—Eisenhower, Kennedy, Johnson, and Nixon—have given IDA their strong endorsement. In October of last year, in a special message to the Congress on multilateral assistance, President Nixon gave firm support to the proposed fourth replenishment.

During its 13 years of operation, IDA has been a major force for the economic and social development of its least developed member nations. IDA credits are concentrated in countries with low per capita incomes, with serious debt service problems where concessionary assistance is essential if a satisfactory rate of growth is to be achieved. Through fiscal 1973, it had provided nearly \$6 billion of development credits in almost 70 countries and it is anticipated that over \$1 billion in additional credits will be authorized in fiscal 1974. These loans have been made on highly concessionary terms—IDA's standardized credit terms involve a 50-year maturity period, including a 10-year grace period. One percent of principal in repayment each year of the second decade of the loan and 3 percent in each year of the remaining 30 years. An annual service charge of three-fourths of 1 percent, but no interest, is levied and all credits must be repaid in convertible currency. These easy repayment terms are, however, accompanied by rigorous standards in the economic evaluation and selection of projects and programs. Benefiting from the same expert staff and the same competent leadership as the World Bank, IDA has thus used its funds prudently and efficiently to assist developing countries with those projects and programs most necessary to economic and social progress.

IDA exemplifies the burden sharing advantages of the multilateral approach. As other countries have gained in responsibility for development assistance within IDA and have increased their contributions. Thus, there has been a substantial decline in the U.S. share—from 40 percent in the third replenishment to 33½ percent in the current one. Moreover, since all the economically advanced countries participate in making IDA, of its excellent record and of the United States does not find itself in the position of providing bilateral aid on soft terms while some donors provide aid on harder terms than our own. It has also been gratifying to note that the World Bank continues to make annual transfers from net earnings to its soft-loan affiliate. Beginning with \$50 million from fiscal year 1964 income, these transfers had risen to \$107 million from fiscal year 1973 income.

I have spoken today of the need for IDA, of its excellent record and of the

financial contributions that other countries and the World Bank are making. However, I do not wish to minimize the budgetary and balance-of-payments costs associated with the proposal now before you.

We are being asked to contribute \$1.5 billion over a 4-year period and this will eventually become a budgetary expenditure. However, we plan to make our contribution in noninterest-bearing letters of credit which will be drawn down only to meet disbursement needs. Therefore, the budgetary impact will be spread out over a period of 10 years or more with virtually no impact in the early years.

The balance-of-payments costs of the fourth replenishment will also be spread over the same extended period amounting to \$50 million in fiscal year 1976 and about \$75 million in subsequent years. However, if transactions with the World Bank are taken into account, total balance-of-payments inflows will substantially exceed outflows.

I am firmly convinced that we can afford the budgetary and balance-of-payments costs of participating in IDA's fourth replenishment and that we should undertake this obligation to help the poorer nations. Therefore, I urge prompt passage of H.R. 11354.

Mr. Chairman, I rise in support of H.R. 11354 and yield myself such time as I may require.

Chairman PATMAN has explained the basics of this bill and I will not repeat that. What I would like to note is that he has the honor of having served longer in this body than any other member of the majority and I am very close to that honor on this side. We have differed on many matters during our years here together. I think it is significant—extremely significant considering the very controversial nature of so many of our foreign aid efforts—that with these years of experience we and the younger members of our committee have all supported the bills we bring before you today.

With some 30 years' experience in providing various kinds of foreign aid you could say it's high time we found some satisfactory operating arrangement—and I think we have. The multilateral banks and their soft loan counterparts have demonstrated a remarkable capacity to both enlist the assistance of more fortunate people in behalf of less fortunate ones and, even more remarkably, have made concrete beginnings toward the development of cohesive economic entities in geographic areas composed of divergent national entities.

It would be misleading to suggest that these accomplishments have been the product of the one entity—IDA—treated in this bill but it is an essential part of the whole effort. In fact it is today the largest single source of development capital. The reason this bill comes before the House without a dissenting committee vote is that our committee members are convinced of the moral rewards and the economic wisdom of assisting underdeveloped nations; and are likewise convinced, as I am, that IDA and the related organizations are doing the job well.

In real plain language—we are convinced this is a profitable investment.

I know there is a lot of resentment

about the oil crisis, wheat exports, the high price of scrap, and a host of other adjustments we are going through. To a very large degree these are reflections of the success of our past foreign aid efforts. These problems are a reflection of progress. In a way they remind me of our success in housing our own people in the postwar period. Unfortunately in the effort to create new housing we created a whole new world of suburbia and left our core cities to rot. The very success of our effort created new problems.

The United States is in this situation today. We have created a new world—a vital and growing world. If we are not to become the core city of that world we must move forward.

We must invest in sources of supply for our raw materials and in the development of markets for the productive capacity of our people.

I would like to call attention to an observation made by Secretary Shultz when he appeared before the committee expressing the administration's support of these bills. I quote from his statement.

Our relations with developing countries are important to the United States economically and politically. The developing countries provided a \$14.6 billion market in 1972 for U.S. goods and services. In fact, as a group, they purchase more from us than we do from them.

Perhaps more important, they provide us with one-third of our raw materials imports, and that proportion will only grow in the future. All nations are facing today the problems of inflation. More raw materials and products from the developing countries will help abate that problem. It makes good sense for us to utilize proven vehicles, such as the international development lending institutions, for aiding the growth of nations that are at the same time such important sources and markets for us. Our benefits need not be at the expense of others' losses, for with growth all parties can be better off.

In the past we have tended to think of this assistance in terms of developing markets for ourselves and the other contributing countries as the underdeveloped countries increase their economic activity.

We have tended to overlook the importance of these underdeveloped countries as sources of raw materials for ourselves and the other developed nations of the world. I find important and impressive the statement made by Secretary Shultz that the developing countries provide us with one-third of our raw materials imports, and that proportion will only grow in the future.

Mr. Chairman, the plain fact is that we cannot afford not to invest in the development of the world because we are a part of it. To think that because we are big and powerful we can say the devil with the rest is ridiculous. The truth is we have more to lose than any others. Our freedom and our future depend on an enlightened recognition of the developing world economy. We recommend this bill in that light.

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

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may require.

As chairman of the Subcommittee on International Finance, I undertook thorough hearings to assure that the In-

ternational Development Association has been performing as Congress expects and hopes; I can assure my colleagues that it has and on that basis I solicit your support for this bill.

The only question we have before us is whether we want to continue participating in the International Development Association—the most important source of capital on feasible terms that is available to the poorest countries of the world.

We have an agreement with other countries that will cause them to contribute \$2 for every \$1 that we put up. If this bill passes the United States can become a part of that agreement. But if this bill fails to pass, the whole agreement will collapse. Moreover, if the amount recommended by the committee is reduced, the United States would have to seek a renegotiation of the entire agreement. There is not time for this to be done; IDA runs out of money for new commitments at the end of this fiscal year. Therefore, any reduction in this bill would effectively kill IDA. That is why I say that the only question we face is whether or not we want the good work of IDA to continue, and whether or not we want to be part of it.

This bill would provide a U.S. contribution to IDA totaling \$1.5 billion, which would be one-third of the total resources being sought by IDA. This amount is substantially less than our previous share of IDA resources—33 percent as against the previous 41. This contribution would be paid out in 4 equal installments of \$375 million each, starting in fiscal 1976.

If the United States makes its contribution, IDA will make commitments to developing countries of about \$1.5 billion a year for 3 years, commencing on July 1.

I would like to emphasize that the replenishment of IDA cannot take place without the U.S. contribution. Unless we come in, IDA will not receive the amounts committed by other countries; and they have a right to withdraw, if we refuse to pay our share—which is, considering our resources, very modest.

The terms of IDA loans are soft—50 years for repayment, with a 10-year grace period. There is an administrative charge of three-quarters of 1 percent on these loans.

IDA operates in the poorest countries of the world, that is, countries with a per capita annual income of less than \$375. There are a billion people living in countries much poorer than that—countries where the per capita annual income is less than \$100.

In terms of budget impact, our outlays to IDA take place only as needed. When IDA makes a commitment, it draws down its resources only as required to make progress payments on the projects being financed. The rest is kept in the Treasury. We only make a full appropriation and authorization because it is required to make IDA commitments legal and binding. In other words, for this replenishment we would have to appropriate \$375 million in fiscal 1976, but that money would not

necessarily be expended for many years; it is simply made available. The outlay impact is very modest indeed, in any given year.

Once again, I emphasize that the only question we have before us is whether or not we will continue to support this organization, which was fostered at our initiative, and which has operated so successfully since 1960.

I think that the answer is "yes." In the first place, our share in these institutions is modest, compared to our economic strength. In the hardest business sense, our participation is a very good deal. In the case of the International Development Association, the share authorized in this bill would be one-third of the total—a substantial reduction from our previous share. Those countries that can contribute to these organizations are doing so, generally to the best of their ability.

Second, these institutions have a sound track record. They make loans, not gifts. They make loans based on solid plans for economic growth and achievement, and they reorient their lending policies to fit new knowledge in this complex and changing field.

But I want to point out something that is little appreciated, and what I think is the most important single argument for our continued participation in the International Development Association.

The world economy is not a one-way street. We are not talking about gifts from the rich to the have-nots. The fact is that our own welfare, our own progress and our own hopes for the future are linked with the economic realities of the rest of the world. The fact is that the developing world is important to us, not just politically, but economically.

The developing countries provide important markets to us—we sell them more than they sell us. The developing world is the market for \$14.6 billion in American goods, and it is a growing market.

On the other side of the coin, we get badly needed resources from developing countries. If we expect them to sell freely to us, we have to be willing to help them achieve their own economic goals. One-third of all our raw materials imports come from developing countries.

Out of 13 basic raw materials needed for American industry, we import over half our supply of six of these. For example, such countries as Jamaica and Surinam provide us with two-thirds of our aluminum ore and metal. Every ounce of tin we consume comes from developing countries such as Malaysia, Thailand, and Bolivia. We import no less than 94 percent of the manganese we consume from countries like Gabon, Zaire, and Brazil. There are other examples, but my point is clear: we need these countries as much as they need us.

Providing development capital is clearly no guarantee that these countries will cooperate with us—but it assuredly is one way of showing that we want a world economic order that is based on cooperation and mutual self-respect.

Our assistance is needed by these countries. They have raw materials but little capital to meet their national needs. We can help them, and they can help us. The International Development Association offers us a sensible way to provide the assistance these countries require. Our participation, our continued demonstration of good faith, is positive evidence that we recognize the legitimate needs of these countries and are willing to help them. It is not, I emphasize, a one-way street from us to them. We very much need the markets and materials that so many of these countries provide, just as surely as they need our technical and capital help.

We have supported the International Development Association in the past. It is workable, it is efficient and it is effective. I wholeheartedly support this bill, and hope that my colleagues will join me in an affirmative vote.

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

Mr. GONZALEZ. I yield to the gentleman from Kentucky.

Mr. CARTER. How did the nations you mention vote in the United Nations concerning the censure of Israel; Zaire, for instance?

Mr. GONZALEZ. If my memory serves me right, and I may be wrong, I believe that when that vote came up in the U.N. adverse to Israel, many of the developing countries voted adversely.

Mr. CARTER. If the distinguished gentleman would continue to yield further, I would like to ask him, what are some of the good projects which have been developed in these countries that make this worthwhile? Could the gentleman list them?

"By their works ye shall know them." What are these works?

Mr. GONZALEZ. One reason I say that the track record is excellent in Zambia is that since the beginning, which I believe was 1961, the first loan I believe was made to Nicaragua. I can get the full record, but I think the track record shows that every one of these loans was based on careful studies, some of the most detailed, scientific and excellent studies that have been made as the economic potentialities and resources and problems of the developing nations have been by the staff of the World Bank.

These loans were made on the basis of the need to check the programs of these developing countries toward some type of economic betterment, and they revealed a variety and complex activity ranging from technical assistance to actual physical construction of material needs and resources.

Mr. CARTER. Mr. Chairman, if the distinguished gentleman will yield further, what are some of these physical structures which he mentions, which he alludes to in his remarks?

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Mr. Chairman, I will recognize the distinguished Member of the subcommittee because he has indicated that he would like to participate in answering the question. I will recognize

the distinguished gentleman from Georgia so that he can offer a response.

Mr. YOUNG of Georgia. Mr. Chairman, I think one of the things we see in this kind of loan to developing nations is that it has really helped in the very thing we are desperately in need of, the gaining of natural resources for our country.

In many instances, when we have gone into countries to get natural resources that we need, a developing nation may request from the IDA funds for road-building, for electric supply lines that really aid in a world business mechanism.

We also saw, as our committee visited some of these projects, the kinds of things that help ordinary farmers develop self-sustaining, self-feeding 1- and 2-acre plantations of food and teak.

In the Caribbean, there were chicken brooders, the raising of chickens which help feed people who had been hungry for many generations, and the humanitarian fallout on this is good and it has paid back.

Mr. CARTER. Mr. Chairman, I thank the distinguished gentleman for his answer, but I would like to say that we really have not seen visible effects of this except that we have lost billions of dollars. We do not even retain the friendship of many of these countries, and in the United Nations they vote against us while here at home we actually need the funds we are spending there.

For instance, in water development, in which I am extremely interested, there are no funds today for grants to rural communities, for poor areas which need it.

To my good friend, I just say, are we not going in the wrong direction? Should we not take care of our poor people first?

Mr. GONZALEZ. Mr. Chairman, my answer to the question of the gentleman is that I say this was paramount in our minds. After all, we confront vetoes of such things as our appropriations for rural farm projects and municipal resources. This is a question we considered, and I want the good gentleman from Kentucky to know that a person such as myself would not come before the House to ask for this vote unless this question could be reconciled in our own minds first.

Let me say that we have to face it as a matter of national policy. The Congress has provided funds for the very programs that the gentleman has mentioned.

Now, the administration and the President, for their own reasons, have taken a stand. In two or three instances, the President has vetoed these money bills. In other instances, the reason the funds are not available is that they have been impounded, as we use the term.

Mr. Chairman, that is not the central issue here confronting us. That is a matter of national policy. The same President is stating most emphatically that this expenditure is not only inflationary but is needed for the purposes of carrying out the prime national interests and the fundamental policies which he wishes to establish for the Nation.

Mr. CARTER. Mr. Chairman, I thank

the distinguished gentleman for his explanation.

If the gentleman will yield further, I would say that if the administration or, if we wish, the President or whoever is responsible makes such a mistake in not providing funds for pure water in America, he can easily make the same mistake with regard to these other nations throughout the world, and I think he is making a mistake.

The people in our country, when they get loans for pure water, must pay more than these so-called developing nations at the present time are having to pay. I do not see how we can afford it; I do not see how our country can stand it.

Personally, I feel constrained to oppose the bill, as much as I admire the distinguished gentleman in the well.

Mr. GONZALEZ. Mr. Chairman, I sympathize with the good doctor, the gentleman from Kentucky. I think if he had been present at the hearings and had heard these questions answered and reconciled—and I refer the gentleman to the full copy of the record of the hearings—those questions would have been answered to his satisfaction, and the very problems that confront him, I think, would be reconciled in his mind.

Mr. WYLIE. Mr. Chairman, will the distinguished gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

I would like to respond further to some of the questions the distinguished gentleman from Kentucky (Mr. CARTER) has raised, because I have had some of the same reservations about IDA that he has had and, indeed, I have voted against the unilateral foreign aid bills because I have not seen too much benefit derived from them.

However, it was my privilege to go to the International Monetary Fund and World Bank meeting in Nairobi, Kenya, in September, and on the way we stopped in Senegal. There we saw people coming from under the load of a 7-year drought. We saw a people whose greatest export resource is peanuts. If you could see the object poverty of the people of a country in a situation such as that, then you would realize the need for a loan or loans from a fund such as that of the International Development Association.

Mr. CARTER. Mr. Chairman, if the gentleman from Texas will yield further on a matter of personal privilege, since the gentleman from Ohio mentioned my name, I will say that certainly I would be the last Member in this House who would refuse to go to the aid of starving peoples in this world.

Mr. WYLIE. Mr. Chairman, will the gentleman yield further?

May I just proceed with what I was saying?

Mr. GONZALEZ. Certainly, I yield to the gentleman from Ohio.

Mr. WYLIE. In any event, Mr. Chairman, we had an opportunity to visit a tea plantation in Kenya which was financed through IDA. We had the opportunity to visit a railroad shop and a factory in Senegal which was financed

through IDA. And I might add that as I went through the railroad shop, I noticed there were numerous pieces of equipment which had been purchased from the U.S. companies and placed in this railroad shop in Dakar, Senegal, made possible by IDA funds.

One of the projects which has been approved by the International Development Association this year is a \$4.5 million project to provide technical assistance for farming to raise rice and vegetable products in Senegal. Another one is for \$8.2 million to provide for a much-needed irrigation project for Senegal.

I could go on down the list. There are numerous projects of this kind which are made possible through these so-called soft loans.

And I use the term, "soft loans" advisedly. The terms are indeed unique. But, they are in the form of a loan, and there is an arrangement to pay them back. There is a management team which is provided for by the World Bank which goes to the scene to see that these funds are put to the uses for which they are intended.

Mr. Chairman, I am supporting the bill today because the International Development Association does have a good track record. As I say, I have seen some of the results of its work and some of the worthwhile projects which have been the result.

Mr. Chairman, I thank the gentleman for yielding.

Mr. GONZALEZ. Mr. Chairman, I wish to express the gratitude of the subcommittee to the distinguished gentleman from Ohio, who is a member of the committee.

I also took time to make this long trip to the Nairobi conference. I want to thank him for spelling out a few of the accomplishments of IDA.

Mr. J. WILLIAM STANTON. Will the gentleman yield?

Mr. GONZALEZ. I will be delighted to yield to the distinguished gentleman from Ohio.

Mr. J. WILLIAM STANTON. I wish to associate myself with the chairman of our subcommittee who has made an outstanding and excellent statement on the pending legislation.

There are several things that I would like to reemphasize.

First of all, we have been associated in this multilateral field for many years, I for the last 10 years and the gentleman for an equal number, I am sure. The gentleman stated properly that we have a problem today with regard to many of these countries. If we decide through the passage of this bill to allocate the money, for every dollar we put up somebody else is putting up almost \$2. This is almost a complete reversal from the position that we have had in the past. This is true not only of the position in the House but the Senate's participation, which has gradually dropped from 42 percent down to one-third.

Mr. Chairman, I do not know of a more important time in the history of our country when we are at a crossroads in the world to pass this type of legislation. We do recognize by passing this that we

do have a responsibility to the rest of the world. Certainly no country is an island, and as we stand at this crossroads we know that close economic cooperation is something that we need.

I urge my colleagues to support this legislation.

Mr. GONZALEZ. I thank the gentleman.

Mr. REUSS. Will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman.

Mr. REUSS. I thank the chairman for yielding.

I would simply commend the gentleman from Ohio (Mr. WYLIE) for what I thought was a very clearcut and realistic answer to the question: "What does IDA do that is any good?"

The gentleman from Ohio gave an example of a specific project in Senegal that he saw. He mentioned also the Kenya situation, because I know the gentleman from Ohio worked hard there and went out and looked at another very good project under IDA. There landless farmers were enabled to buy land. Due to a rural credit project associated with IDA, they have been enabled to buy seeds and grow tea. Under a related project a tea factory has been set up, with farm-to-market roads, and they are now independent farmers.

I know all those who accompanied the gentleman from Ohio (Mr. WYLIE) on that trip can testify to the fact that Americans were highly thought of there, and that the people of Kenya were very grateful for our helpfulness.

Knowing the generosity of spirit of the gentleman from Kentucky (Mr. CARTER) I wish he could have been with us on that day.

Mr. GONZALEZ. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The Chair will advise the gentleman from Texas that he has 5 minutes remaining.

Mr. CARTER. Will the gentleman yield that I might ask my friend from Wisconsin a question?

Mr. GONZALEZ. I will be delighted to yield briefly.

Mr. CARTER. Is not Kenya actually a very excellent agricultural country, and does it not have wonderful land in that area?

Mr. REUSS. It is at once one of the richest and the poorest countries agriculturally. The tea plantations are in the fertile plateau, and what has been wasteland is well used.

Mr. CARTER. I would beg to disagree with the gentleman. As I understand it and from my knowledge of Kenya or parts of it at least, they are very rich agriculturally and many thousands of English people lived there but were disenfranchised, as I understand it. Is that not the same country where the Asian minorities were thrown out?

Mr. REUSS. No; you are thinking of Uganda, where the rule was under General Amin.

Mr. CARTER. How much of these loans will go to Uganda, by the way?

Mr. REUSS. The Uganda program is slight or nonexistent, on the very good

ground that a country so badly run is not a good economic risk.

Mr. CARTER. How much of these funds are we going to give to Uganda?

Mr. REUSS. I will get that for you. The net figures outstanding are \$8 million for Uganda in Bank loans.

Mr. CARTER. To Uganda \$8 million, a nation which throws its minorities out and has no regard for people who have lived there for years and years.

Mr. REUSS. There have been no loans since Uganda has been under an oppressive administration.

Mr. CARTER. I want to know what our country is coming to when it supports a nation that is throwing its minorities out. It is surprising to see the people who support that.

Mr. Chairman, the Chair stated a moment or so ago that I had 5 minutes remaining. Does that mean a total of 5 minutes remaining on our side?

The CHAIRMAN. The Chair will state, as the Chair advised the gentleman from Texas earlier, that the gentleman from Texas had 5 minutes remaining at that time, and the gentleman from Texas now has 3 minutes' time remaining.

Mr. GONZALEZ. That would be the total time available on our side?

The CHAIRMAN. The gentleman is correct.

Mr. GONZALEZ. Mr. Chairman, if that is the case, then I would like to comply with a promise I have made to recognize the gentleman from Wisconsin (Mr. REUSS) and the gentleman from California.

The CHAIRMAN. The Chair would ask the gentleman from Texas if the gentleman would prefer to reserve the balance of his time in order that the gentleman from Pennsylvania, who is handling the bill on the minority side, may now be recognized?

Mr. GONZALEZ. Mr. Chairman, I would like to do that. I reserve the balance of my time at this moment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of H.R. 11354. I think it is important to point out that this bill was reported from both the International Finance Subcommittee and the full Banking Committee by unanimous voice vote. This is not to suggest that our Members do not have some reservations about the activities of the multinational banks and our participation in them. What it means is that after giving full consideration to all the pros and cons we are convinced that it is in our best interest to continue our participation.

Foreign aid, be it bilateral or multilateral, is a grand whipping boy and I will admit before the opponents rise to be heard, that results have not always equaled our hopes. But taken as a whole, I sincerely believe we should view the results with pride. In addition, I think it is most significant that the beneficiaries of our early largess are today shouldering a larger share of the burden

of assisting the less developed countries than we are. We have encouraged their increased participation in the multinational lending institutions and they have responded generously.

Consideration of this bill—and H.R. 11666 dealing with the Asian Development Bank—which we also hope to bring up today—involves three kinds of considerations—moral, political, and economic. We believe these bills and the funds they authorize are justified on all three counts.

The moral issue involves the questions of whether we should try to help people who are less fortunate than ourselves and whether we should send funds abroad when we still have a multiplicity of social problems here at home. We believe the American people are still willing to lend a helping hand to those who would help themselves.

The funds we propose to expend under these bills are really very little when compared to our gross national product—GNP—or even the annual increase in GNP. The annual costs will be well below one percent of our GNP and are smaller both as a percentage of GNP and in actual dollar amounts than the sums being contributed by some of the other developed nations.

Mr. Chairman, having led the world to a new level of brotherhood, I do not think we should back away from our commitment because of some domestic concerns which, as difficult as they are, still result in a standard of living which is the envy of most people in the world.

Witness after witness appearing before us stressed the interrelationship between our political and economic goals and our relationships with the other nations of the world. People as diverse as Secretary Shultz, representatives of the State Department, Professor Bergsten of Brookings Institution, and David Rockefeller of Chase Bank all stressed that the United States is no longer capable of ignoring either the needs for raw materials from abroad nor the market potentials of foreign purchases. Enlightened self-interest demands that we awaken to the facts.

Figures supplied to us show that less developed countries presently supply us with: 99 percent of our imports of natural rubber; 37 percent of our imports of iron ore; 79 percent of our imports of copper ore; 98 percent of our imports of bauxite and some 62 percent of our oil imports.

The United States already depends on imports for over half of its supply of 6 of the 13 basic raw materials and every indication is that this dependency will increase.

We also sell abroad. Some 5 million American jobs depend on exports of our products. In 1972, our exports to the less developed countries amounted to some \$14.6 billion, close to 30 percent of total exports. Interestingly enough, our trade balance with the less developed countries was positive even when we were suffering an overall \$6 billion trade deficit. These markets can only grow as these nations develop.

Mr. Chairman, charity and good sense both dictate our continued participation and leadership in the multinational banking institutions. These are the best instrumentalities we know of to stimulate and encourage a cooperative world economy so essential to our own survival and growth.

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

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I have promised to yield first to the gentleman from Ohio (Mr. WYLLIE), and then I will be glad to yield to the gentleman from Kentucky.

I yield such time as he may consume to the gentleman from Ohio (Mr. WYLLIE).

Mr. WYLLIE. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding to me. I think the gentleman from Pennsylvania (Mr. JOHNSON), is making an excellent argument. I think that this is a viable way to help developing nations, the have-not nations in the world. We are a wealthy nation, and I do not believe that we can turn our backs on the poor people of the world most of them from nations where people have less than \$60 per year per capita income.

Additionally, I think the gentleman from Pennsylvania (Mr. JOHNSON), has made another valid point which I believe should be reemphasized here, and that is that we are in the process of attempting to help American businessmen penetrate into new markets and enhance their current sales positions in numerous underdeveloped countries around the world. These underdeveloped countries have one-third of all of the raw materials that are used in industry in the United States. Much of our needed raw materials come from these developing countries. Generally they are very rich in raw materials. We in this country are beginning to experience shortages in raw materials. Yet we have the technology to handle these raw materials, and these developing countries do not have such technology.

So, Mr. Chairman, again I say that I do believe we can have a working and viable partnership with them. I think the gentleman from Pennsylvania (Mr. JOHNSON), has made an extraordinarily good point in this record.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. REUSS).

Mr. REUSS. Mr. Chairman, I urge the passage of H.R. 11354 today, even though the \$1.5 billion contribution to the International Development Association provided by the bill was conceived under the old order that existed prior to what is now called the energy crisis.

That crisis has turned what looked like perennial balance-of-payments surpluses for most of the industrialized countries into perennial deficits. The new holders of excess reserves will be the oil-producing countries, mainly in the Middle East.

The proposed fourth replenishment fails to recognize this shift in world economic capacity and responsibility. With

this in mind, I recently wrote Secretary of State Kissinger asking for a revamping of the World Bank family so as to permit vastly increased contributions and control by the oil-producing countries, in order to make the international economic effects of the oil crisis more manageable.

Specifically, I suggested that the oil-producing countries "buy-in" to the World Bank family and similar lending institutions by massive increases in their paid-in capital subscriptions, in their purchases of lending institution bonds, in their contributions to IDA and similar special concessional windows; and by massive financing of a new "third window" at the lending institutions, midway between the hard loan and the concessional credit.

The full text of my letter to Secretary Kissinger follows:

JANUARY 21, 1974.

HON. HENRY A. KISSINGER,
Secretary, Department of State, Washington,
D.C.

DEAR MR. SECRETARY: The world's economy is being shaken by the oil crisis. Knowledgeable petroleum experts are predicting that if the oil-consuming countries use oil at 1972 levels, their total cost of imports in 1974 will be around \$100 billion, up from \$22 billion in 1972.

Of course, we shall make every effort to cut back our consumption well below the 1972 level. We shall intensify the search for new sources of energy. No doubt the oil-producing countries will vastly increase their imports from the industrialized oil-consuming countries, and invest vastly more in those countries. But even with all these limiting factors, the oil-producing countries will still end up, say the experts, with some \$40 billion of surplus reserves annually.

Troubling consequences may be seen in such a massive accumulation of reserves by the oil-producing countries at the expense of the oil-consuming countries. Some are concerned at the possible use of these huge reserves by their new possessors as an instrument of economic pressure. What is certain is that the industrialized oil-consuming countries will be tempted into disastrous competitive devaluations in order to shake off the effect of the higher oil prices on each country's economy. And the developing oil-consuming countries, already dangerously behind in their development schedules and faced with difficult debt burdens, will particularly suffer from the increased cost of their oil imports.

What is to be done?

Our Secretary of the Treasury has suggested that the oil-producing countries roll back their price increases. It is an admirable suggestion, even if open to the question why the Secretary of the Treasury does not request our own American oil producers to roll back their unjustified price increases. But it is plainly not enough.

May I respectfully suggest a proposal that would at least partially come to grips with the problems I outlined above, for possible presentation by the United States at upcoming meetings of the consuming and producing countries?

Let the producing countries "buy in" to the World Bank-IDA/Interamerican Development Bank/Asian Development Bank/African Bank family, and thus take over large portions of the developed oil-consuming world's aid burden, both bilateral and multilateral. The time-tested machinery of these institutions is vastly preferable to mere bilateral lending by the oil-producing countries

which might largely result in unplanned luxury imports on the part of the beneficiary country. This "buying in" would be achieved by:

1. Massive increases in their paid-in capital subscriptions in the lending institutions and in their purchases of lending institution bonds (approximately 20-years, 7½ percent).

2. Massive increases in their contributions to IDA and the other special concessional windows of the regional lending institutions (approximately 50-years, no interest charge).

3. Massive financing of a new "3d window" at the lending institutions, midway between the above hard loan and concessional credit (approximately 40-years, 4 percent).

The lending institutions, in effect, would be acting as intermediaries between the oil-producing countries and the poor countries.

In return, the oil-producing countries would get a vastly increased new stature in the international institutions, reflecting their increased quotas and voting power. In addition, the oil-producing countries should be given access at cost to the technical assistance available at the Bank to speed their own economic development.

This proposal attempts to recognize a new fact of life—the foreign-exchange strength of the oil-producing countries. It would enable those countries to stretch out the return from their oil over a long period—at least the 40 or 50-year life of the long-term concessional credits to which they would contribute. It would confer upon them a new and deserved status in the international institutions.

It would give the industrialized oil-consuming countries an assured export market, and thus minimize the temptation toward competitive devaluations by which each country might otherwise aim to secure for itself a larger share of a finite pie. It would also recognize their decreasing aid capability, perhaps by adjusting the current replenishment programs for IDA and ADB.

Most important, it would greatly help some 80 developing countries, which could readily absorb \$10 billion annually. I believe that the oil-producing countries would see the advantages to them in such a proposal, advantages clearly superior to playing the role of richest man in a global graveyard.

I know that the members and staff of the Joint Economic Committee would be happy to work with the Executive Branch in formulating the details of such a proposal. Indeed, such an example of current cooperation might have independent values of its own.

Sincerely,

HENRY S. REUSS,
Chairman, Joint Subcommittee
on International Economics.

Before the Congress completes action on H.R. 11354, I ask that action be taken to adjust the burden of the upcoming replenishment program. There will be plenty of time to do this before the Senate acts. Meanwhile, H.R. 11354 deserves support here today as general manifestation of the willingness of the United States to cooperate in world development.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. REES).

Mr. REES. Mr. Chairman, I appreciate the gentleman's yielding. I, too, want to point out some problems we are going to have to be facing in the next year or so because of the oil crisis, not so much the availability but the 400-percent increase of price of oil. We are going to be facing the situation probably beginning

in about 6 months where many of the lesser-developed countries that do not produce their own energy and are dependent upon oil imports are going to go broke. They are going to go bankrupt, out monetary reserves, because they will not have the foreign exchange to purchase the oil.

In Bangladesh they finally came up with a decent rice crop, and then they found that in order to make their minimal oil purchases they were going to have to export a good part of that rice crop. Here is the irony of a country solving part of its agricultural problem and now they are going to have to export the crop, and then as a result they are going to have serious domestic food problems.

I think IDA is needed today more than ever because as time goes by, we are going to have underdeveloped country after underdeveloped country going under because of the excess cost of energy today.

Mr. Chairman, I would urge an "aye" vote on this legislation.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Pennsylvania. I yield 1 minute to the gentleman from Maryland.

Mr. LONG of Maryland. I thank the gentleman for yielding. I am a little troubled by some aspects of IDA and various multilateral lending institutions. One concern is interest rates. I wonder if the gentleman can tell me at what the rates of interest IDA is lending to these underdeveloped countries. Could the gentleman tell me what rate of interest IDA charges?

Mr. JOHNSON of Pennsylvania. No interest, but a three-quarter of 1 percent carrying charge.

Mr. LONG of Maryland. When the borrowing nations turn around and lend to farmers and others, at what rates do they lend? They lend at the prevailing rates of the country, is that not right, at between 12 and 20 percent?

Mr. JOHNSON of Pennsylvania. Yes.

Mr. LONG of Maryland. That is what troubles me. We are lending to these countries at what is virtually a giveaway, but when they turn around and lend to these poor people, the people have to pay through the nose. Consequently we get a bad name and most of the good will from the aid is dissipated. Is this not true?

Mr. CARTER. Mr. Chairman, if the distinguished gentleman will yield, I find that the answer was a little confusing and somewhat wrong. Actually the hard loans carry an interest rate of 1 percent for the first 10 years and 3 percent for the next 30 years. Actually most of the soft loans under which most of this is loaned have no interest rate whatever for 50 years, as it is stated here. It amounts not to a loan, but to a giveaway.

Mr. LONG of Maryland. I agree with the gentleman, but when these countries lend this money to their poor, they are charging interest rates far higher than what the poor would pay in this country. I am wondering whether we should not have some arrangement where they lend to their poor at the same concessionary

rates as the international lending instrument does, or that we lend them the money, but at the same rate that the U.S. taxpayers have to pay on our national debt.

Mr. JOHNSON of Pennsylvania. Mr. Chairman, I yield 3 minutes to the distinguished chairman of our subcommittee, the gentleman from Texas (Mr. GONZALEZ), if he wishes to answer that.

I see the gentleman wants to take his own time.

Mr. Chairman, I yield to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES), such time as he may consume.

Mr. RHODES. Mr. Chairman, I want to take the opportunity to express my full support for both H.R. 11354 and H.R. 11666. We are considering H.R. 11354 today, and H.R. 11666 is scheduled for tomorrow. These bills would authorize the continuation of the International Development Association—IDA—and the Asian Development Bank—ADB.

As my colleagues know, these are multilateral development lending institutions which provide both soft and hard loans to developing nations. I favor our participation in these multilateral development lending institutions, and feel it is better than bilateral foreign aid in assisting developing nations within the world community. In addition, our participation in replenishment of IDA funds was negotiated down by Secretary Shultz from 40 percent to 33 1/3 percent.

The continuance of our participation in these institutions allows developing nations the opportunity to receive economic assistance from a cooperative group of nations, rather than as a "hand-out" on a bilateral basis. In addition, it is in the national interest for us to support developing nations through these institutions. Our future markets and our future sources of raw materials will depend on the developing countries sharing adequately in progress in the world economy. Thus, we have a stake in their future, yet we can share the cost of assisting the underdeveloped countries.

I am pleased to note that the programs represented by these bills have been developed through consultation and cooperation between the Executive and Congress. We all feel it is important for Congress to exercise its legitimate prerogatives in the formulation of this kind of economic assistance.

My support for these programs stems from my personal observation of their useful results. Last fall I had the valuable opportunity to look at a number of IDA-financed projects. I urge my colleagues to support H.R. 11354 and H.R. 11666.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Pennsylvania. I yield the gentleman an additional minute.

Mr. LONG of Maryland. Mr. Chairman, I do not think an answer to my question has been given; namely, why is it that we lend money to multilateral institutions at giveaway interest rates and they in turn lend money at their low interest

rates to the countries, but in those countries the money is loaned at very high interest rates to the very people we are trying to help?

Mr. JOHNSON of Pennsylvania. That is the very reason I wanted to yield to the gentleman from Texas, the chairman of the subcommittee, who has that information in his file.

Mr. GONZALEZ. Frankly, I think wrong answers have been given and there is confusion. I covered this in my statement. I think at this time no answer we could give the gentleman would serve. The gentleman is against the bill and he is not going to be for the legislation and he is not open to conviction, and I think we can wait for the answer as soon as we have our summing up. I would much prefer, rather than to exhaust our time on questions that will brook no answer, to have our distinguished minority leader state his position, which he was prepared to do, and I would be glad to yield the remaining time I have on this side to the distinguished minority leader, the gentleman from Arizona (Mr. RHODES). I think we can get more from his statement than we can by answering questions that are really useless to attempt to answer.

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

Mr. JOHNSON of Pennsylvania. I yield 2 minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, I take this time to say that after all these years of supporting this type of legislation I have come to a conscientious resolve that I can no longer afford to do so.

Yes, we have developed a great many things, helpful things. We have developed mineral resources all over the world, and in so doing we have closed down our own mineral resources.

This Nation today thinks it is in trouble on account of energy. If tomorrow the producing countries decided not to send us any chrome, or would double the price of chromite, this country would come to a standstill in 90 days.

Giving this aid to these countries without some kind of a string attached puts us in the position of being suckers to the point that an American no longer knows where to stand or how to stand.

I was in Venezuela on my own. I took a tramp steamer trip recently during the holidays. I was there when they raised the price of oil twice what it previously was.

Who developed the fields? Who owned them?

I was also there when the announcement was made that by 1980 there would be no American ownership.

You know that Chile expropriated and took our properties.

I have seen it go on all over the world.

We are talking about \$1.5 billion and we have plants closing down all over my area because they are paying 10 and 11 percent interest on their money. The amount they pay in interest is the difference between them being competitive with the very countries we have devel-

oped. Yet we are giving this money and billions more for 1 percent interest for 10 years and 3 percent for 30 years.

I have been here and I have voted for the bill all my political life, because I was brainwashed with the idea that it was a road to peace and a road to goodwill. Where is the goodwill today?

If tomorrow the mineral producing nations decided to close down, as they did recently on oil, the oil crisis would be a little Sunday school picnic compared to what it means to the economy of this Nation. We only have 2 years to get ourselves in a position to become free and independent for our Bicentennial birthday.

We will be solvent or insolvent, and what can we celebrate.

Our forefathers are turning over in their graves like the legendary whirling dervishes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Pennsylvania. The gentleman's time has expired and we are going to yield back the balance of my time.

Mr. DENT. I thank the gentleman for giving me only 2 minutes on a \$1.5 billion bill. At least I cost the taxpayers any money.

The CHAIRMAN. The gentleman from Pennsylvania yields back the balance of his time.

The gentleman from Texas (Mr. GONZALEZ) is recognized for the remaining 3 minutes.

Mr. GONZALEZ. Mr. Chairman, I wish to assure the chairman I will not take the 3 minutes.

There has been a lot of confusion and misstatements and some of the Members have their feelings hurt. They did not listen to my speech.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Not at this time.

Mr. LONG of Maryland. The gentleman has had a chance to clear up some confusion and he did not take it.

Mr. GONZALEZ. I do not know that I have the capability to clear up that confusion.

The 50-year maturity period and the 10-year grace period that I mentioned in my speech was a service charge of three-quarters of 1 percent, but no interest charge.

Mr. Chairman, I urge the enactment of this needed legislation and our continued participation in this very important world organization.

I yield back the balance of my time.

Mr. FRENZEL. Mr. Chairman, I rise in support of both H.R. 11354 and H.R. 11666, authorizing funds for the International Development Association and the Asian Development Bank. As a member of the International Finance Subcommittee which heard testimony on these bills and prepared them for the full committee's approval, I would like to say that throughout their consideration, the effort was completely a bipartisan one. I do not believe that there is a single member of the committee who will deny the need for continued U.S. participation in the multilateral lending agencies.

As pointed out in the committee report, the U.S. contribution to the IDA, while larger in the total amount of funds, is a much smaller share than we have been asked to contribute in the past. It is only appropriate that as other nations gain economic strength, so should their responsibilities for funding the multilateral lending agencies. In recent years our contributions have been 40 percent of the total replenishment; this authorization calls on us for only a 33-percent share of the replenishment.

The record of the international financing institutions has been a good one. The concept of a multilateral lending operation as opposed to the bilateral programs, which we have tried to rely on for aid to other nations, is proving to be more effective and more worthwhile. When we operate on a bilateral basis, it costs us vast sums of money and we never really know if it is doing any good. Through the multilateral route, we are guaranteed hard-nosed banking decisions which will insure efficient use of available funds. And with a banking operation, you always know how well your loans are doing.

Mr. Chairman, one of my concerns with this legislation is that it is overdue. The other member nations of these lending institutions have already contributed their shares of the replenishment, and we are just beginning to meet our responsibilities. I hope that my colleagues will recognize the importance of at least keeping up with the funding needs of these banks, and vote in favor of these authorizations. The amounts are fair and considering our tardiness, the terms are generous. In this time of tremendous potential for energy shortage and economic disaster, these lending banks should not be left without their full amount of resources.

It is true that the international oil price crisis does limit the ability all lending institutions, including multilaterals, to function effectively. The price basis, however, has to be viewed as a temporary aberration. The multinationals are surely better able to react swiftly to changing international market factors than our own national agencies whose policies are based on factors other than economic. Despite the price crisis, we need, and must support both IDA and ADA.

I urge an affirmative vote for H.R. 11354, and H.R. 11666.

Mr. BAUMAN. Mr. Chairman, I can see no other course left open to me as a responsible Representative of the people of my district except to oppose H.R. 11354 providing as it does \$1.5 billion for further loans to be made by the International Development Association.

As has been pointed out by the gentleman from Iowa (Mr. Gross), foreign aid in all its forms since its inception in 1947 now exceeds more than \$200 billion, all of which has come from the inevitable source of all our Government financing—the taxpayers' pocket.

The gentleman from Kentucky (Mr. CARTER) has made a valid point, and

made it well, that the terms on which these IDA loans are made are far easier than anything available to my constituents or other borrowers in this country and yet these very people are asked to finance such loans to foreign countries.

The line on such spending has to be drawn somewhere and today is as good a day as any to do it. I will accordingly vote "no" on this legislation.

Mr. VANIK. Mr. Chairman, earlier during this debate, I asked the gentleman from Texas (Mr. ECKHARDT) whether, under this legislation, a loan could be granted to Venezuela. I was, of course, gratified to learn that Venezuela does not qualify for loans, because of its level of income. My concern arose from the recent adjustment in taxes by Venezuela on oil. In December, Venezuela raised its tax export price from \$7.74 a barrel to \$14.08 a barrel. Under conditions operating in Venezuela, the oil producers pay 58 percent of the tax export price—now \$8.17 a barrel—to the Venezuelan Government. In my judgment, tax increases of this dimension constitute expropriation by excessive and discriminatory tax.

It seems to me that no loans should be granted to nations which impose a harsh and discriminatory export tax on oil which is created through the investment of American enterprise and capital.

I expect to raise this same question with respect to taxes imposed by other oil-producing states.

Mr. MATHIS of Georgia. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Sixty-three Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 7]

Bowen	Gilman	Passman
Burke, Calif.	Gray	Podell
Butler	Green, Oreg.	Pritchard
Camp	Gubser	Reid
Carey, N.Y.	Hanna	Rinaldo
Chappell	Harsha	Rooney, N.Y.
Clark	Hébert	Ryan
Conyers	Jarman	Satterfield
Dickinson	Jones, Ala.	Steed
Diggs	Leggett	Stratton
Foley	Litton	Taylor, Mo.
Fraser	Macdonald	Udall
Frenzel	Mailliard	Vander Jagt
Gialmo	Meeds	Walsh
Gibbons	Mills	Whalen

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BRADEMAS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11354, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 385 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, all time had expired.

The Clerk will read.

The Clerk read as follows:

H.R. 11354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end thereof the following new section:

"Sec. 14. (a) The United States Governor is hereby authorized to agree on behalf of the United States to pay to the Association \$1,500,000,000 as the United States contribution to the Fourth Replenishment of the Resources of the Association.

"(b) In order to pay for the United States contribution, there is hereby authorized to be appropriated without fiscal year limitation \$1,500,000,000 for payment by the Secretary of the Treasury."

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when the rule was before the House I sought to obtain some information from the chairman of the committee, the gentleman from Texas (Mr. PATMAN). I regret that the gentleman has left the floor. I was told at that time by the gentleman in charge of the rule on the majority side that the time to ask questions concerning this bill would be under general debate or under the 5-minute rule. But the gentleman is not here.

My question to Mr. PATMAN was: Where is it proposed to get \$1.5 billion for the International Development Association, otherwise known as IDA? Where is it proposed to get the \$1.5 billion?

Now I invite the gentleman from Texas (Mr. GONZALEZ), the substitute for the chairman of the full committee, or anyone on the majority or minority side, to tell me where you are going to get \$1.5 billion to dish out around the world, probably all of it soft loans, 40- or 50-year loans, with a 10-year grace period of no payment of any kind except a three-quarters of 1 percent carrying charge, and probably no true interest at any time. Please tell the House where you propose to get the \$1.5 billion.

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

Mr. GROSS. I yield to the gentleman who took a trip abroad a month or two ago apparently to investigate this situation, and who came back apparently a confirmed addict to spreading money around the world.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, believe me I am not a confirmed addict for spreading money around the world. As a matter of fact, I have voted against the foreign give-away program, the foreign aid bill, since coming to Congress in 1967. I support this legislation in theory that this is a viable alternative and that the money which I voted against spending through the foreign assistance bill some \$5.8 billion can be put to better use in this program. This bill represents \$500 million a year for the next 3 years, or \$1.5 billion, as the gentleman suggested, which is a very small percentage of the \$300 billion budget projected for next year.

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

Mr. GROSS. I am glad to yield to my friend, the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding.

Mr. Chairman, the concern that I have, along with the gentleman from Iowa, is that obviously the place where this money has to come from is that we have to go further into debt, because even though it is included in the budget, it is a deficit budget, so we will have to borrow probably at 6 or 7 percent, maybe 8 percent. Then we turn around—and this is known as the soft window loan in the international field—we loan it out for nothing more than a service charge. Then we ask our constituents and our taxpayers in effect to put up the money for this very soft position in the international field.

I am sure that we can find many worthwhile projects that have occurred under this program and that we would say were very excellent, but our own taxpayers at home have to pay anywhere from 8, 9, 10, and 11 percent, or more. Yet we turn around and ask our taxpayers to help finance this kind of activity in the international field.

I think it is a grave mistake. I appreciate the gentleman from Iowa's bringing up the point. It is, in fact, a soft window or no-interest-charge kind of loans that are made.

Second, we will probably have to go into debt to make it up.

Mr. GROSS. Of course, that is what we will have to do. We will use the Government's printing press and printing-press money, which the gentleman from Texas (Mr. PATMAN) advocates. No matter what the source, it is a mortgage upon this country and it is a mortgage upon future generations.

Let me say to the Members that they are going to get President Nixon's budget next week, probably calling for a minimum of \$300 billion—\$300 billion for the next fiscal year. It will be the first time in the history of this country, so far as I know, that Congress has been confronted with a \$300 billion budget and, of course, with a built-in deficit. Yet the Banking and Currency Committee has the gall to come here today and ask the House of Representatives to authorize \$1,500,000,000, almost three times what any other country in the world contributes, to replenish the funds of the International Development Association.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. Gross was allowed to proceed for 5 additional minutes.)

Mr. GROSS. Yes, the gall to come here under the circumstances confronting this country—which has more debt than all the rest of the nations of the world combined—and with the effrontery to ask Congress to dish out another \$1,500,000,000—almost 3 times the contribution of any other one of the 24 other countries involved.

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

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

Mr. GONZALEZ. I thank the gentleman for yielding.

The reason I asked the gentleman to yield is that a few minutes ago he addressed himself to the chairman of the overall committee, and in his absence then addressed himself to me as chairman of the subcommittee. In the meanwhile, the distinguished and very able member of the committee from Ohio sought recognition in order to answer the question. I think we should thank him. He did a good job.

However, I cannot agree with the gentleman's statement with respect to having the effrontery and having the gall, because we are sensitive. I think that every single member on this subcommittee and committee on both sides—this bill came out unanimously of the subcommittee and the full committee—is very sensitive to this very same question.

Mr. GROSS. Let me ask the gentleman a question. What did we spend \$260 billion of foreign aid for if it was not, at least, in part, to build a climate in foreign countries favorable for private investors of this country to go in and invest their money in the production of raw materials in those countries? What have we accomplished with \$260 billion of outright foreign aid already expended or in the expenditure pipeline?

Mr. GONZALEZ. The gentleman knows this is not foreign aid. We are not discussing foreign aid.

Mr. GROSS. What is this if it is not foreign aid? The gentleman from Texas (Mr. GONZALEZ) will not be around here 40 years from now when the due date on these so-called loans arrives.

Mr. GONZALEZ. Neither will the gentleman from Iowa.

Mr. GROSS. He will not be around here then to apologize to the House and neither will any of the other sponsors of this bill be here to apologize to the House for the mistake they are making today and which they have made in the past on this same subject.

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

(On request of Mr. FLYNT, and by unanimous consent, Mr. Gross was allowed to proceed for 3 additional minutes.)

Mr. GROSS. It is about time that the House of Representatives practices some fiscal responsibility. It has been content to load upon the generations to come a burden of debt those generations can never repay by orderly means. How cowardly can we be, all of us here, to pass bills of this kind loading onto the backs of our children and their children this debt? It is time to display commonsense and a regard for the future of this country.

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

Mr. GROSS. I yield to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, I subscribe to the statements which have been made in this debate on this bill by the distinguished gentleman from Iowa.

This bill like many others falls into the

category of those things which would be nice to have if we had the money to pay for them and if the country could afford them.

There is nothing that is a bargain, there is nothing that does long-range effective good if we cannot afford it at the time we get it. I remember when I was a boy and saw something advertised in a wish book that looked to me like a pretty good bargain. I went to my father. I said: "Father, I would like very much to buy this. Think of the money we can save." He said: "No, you cannot save any money with it." He told me 50 years ago that nothing is a bargain if we cannot afford it. That same principle applies today to this bill and so many others we will be considering during the 2d session of the 93d Congress.

If we had the money in the budget, if we were operating at a surplus or at a near break-even point I would have no objection to legislation of this kind. I would want to do everything I could. But when I see legislation like this come up on the floor of this House time and time again, year in and year out, that is further plunging this country into a chaotic economic situation from which we may never recover, I think the gentleman from Iowa is eminently correct when he says that this bill should be defeated.

Mr. GROSS. Mr. Chairman, I thank my good friend from Georgia for his statement, and I do appeal for the defeat of this bill.

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

Mr. Chairman, I have been amazed in previous years to see bills authorizing funds for such things as the International Development Association pass through the House by rather large margins and then when the money to pay for the bill is in the foreign aid appropriation bill, the Members wring their hands and say they are against giveaway programs and they are not going to vote for foreign aid. Then the vote is very close.

Here is the time to decide whether or not we are for increasing foreign aid, because that is what this is. I have voted for these programs in the past and I would vote for the existing level of commitment today, but I am not going to vote for the higher level of \$1.5 billion.

I am not going to vote to increase our commitments at a time when we cannot take care of folks at home, when the dollar has been under heavy pressure, when the national debt has increased by about one-fifth in the last 4 years, and when we are going in debt this year another \$15 billion.

I am not going to tell the people, on the first significant vote of this session, that I voted to go over the previous program by several hundred million dollars. I am not going to do it.

Under leave granted to revise and extend my remarks, I wish to provide certain clarification and amplification for my position with respect to the matter before the House today. I do not want to deal in oversimplifications. I want to be totally objective. I want to try to put

this whole matter in perspective and share with you the factors which I have taken into consideration in reaching a judgment on this subject.

Our original contribution to the third IDA replenishment amounted to \$320 million a year for a 3-year period, or a total of \$960 million. Now, the President proposed and the Congress approved a devaluation of the dollar. Our agreements with the various international financial institutions contain so-called maintenance of value clauses which compel us to make additional payments to the international financial institutions in the event our currency is devalued.

So, in October, the appropriations bill for this purpose became law. Contained in this bill were funds for IDA attributable to the third replenishment amounting to \$64 million for each of the 3 years involved. Therefore to compare the size of the third replenishment to the fourth replenishment which is proposed in the bill before the House today one must add the \$64 million associated with dollar devaluation to the \$320 million thus arriving at an annual level of \$384 million.

Multiplying the \$384 million by the 3 years involved yields a total for the third replenishment of \$1.152 billion adjusted for dollar devaluation.

The total of the proposed fourth replenishment before us today is \$1.5 billion or an increase of \$348 million over the third replenishment.

Now the question of the stretchout of the fourth replenishment enters the picture. It is argued that by stretching out \$1.5 billion payment from 3 years to 4 years—from \$500 million per year to \$375 million per year—we are not actually increasing our contributions to IDA.

I point out that we are already in arrears 1 year in our IDA payments. This proposal would place us 2 years in arrears. It merely postpones the payment of our commitment pursuant to the fourth replenishment. It does not alter the fact that our commitment to the fourth replenishment is \$1.5 billion compared to \$1.152 in the third replenishment.

The proposal before us just delays the day of reckoning. This is what we have been doing in many of our other programs in the budget and this is how we, to a considerable extent, tend to mortgage our future budgets.

In the budget we will receive early next month we will be asked to pay the bill for many commitments that we have made in years long gone by and there will be a lot of moaning and groaning about the size of the budget. This is one way we get into this position.

Before the Nairobi negotiations the Secretary of the Treasury visited with me about the serious problems confronting the U.S. delegation. After our meeting, I wrote him a letter and expressed my view that the proposed stretchout of the fourth replenishment would tend to veil the magnitude of the U.S. commitment and would place the United States in the position of lagging sub-

stantially behind in payments as compared with other nations at the time a fifth replenishment might be negotiated.

I went on to express some further reservations in the letter I wrote to the Secretary and I quote the following:

In my judgment, our government should approach with a great deal of caution the proposition of making commitments which in fact represent an increased drain on future financial resources at a time when we are struggling to gain an improved fiscal position and grapple with many complex economic problems.

It is also difficult to justify increasing our commitments to foreign governments at a time when we are finding it hard to fund our own existing domestic programs.

During the forthcoming meetings in Nairobi, you and our other representatives will be engaged in very important negotiations which will have far-reaching ramifications in the foreign assistance field. I believe we must undertake to follow a course of caution and restraint.

I have a great deal of respect for my colleagues on the Banking and Currency Committee and I have a great deal of respect for the U.S. Representatives to the Nairobi meetings. As I stated earlier, they faced some tremendous problems. But I just feel it is time to say something about this matter and time for us to consider whether or not, in light of the fact that we have had to devalue the dollar twice, and have had to appropriate \$2.2 billion for dollar devaluation for international financial institutions last year and \$1.6 billion the year before, we should at this point in time commit ourselves to another increase in foreign aid. I just feel it is time to say no to an increase.

I regret very much to find myself at variance with the distinguished committee and with my distinguished colleagues, even from my own State, in connection with this matter; but I feel strongly about it.

I think we ought to be aware of what we are walking into in this first significant bill of the session.

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

Mr. Chairman, I am certainly impressed by the remarks of the distinguished gentleman from Texas, who has served so worthily on the Committee on Appropriations of this House for many years. As he states, this bill costs our country \$1.5 billion. At the present interest rates, this will cost our country in interest alone \$90 million at 6 percent, if we are fortunate enough to get it at 6 percent.

We loan this to other countries—actually, we give it to them. We are supposed to charge 1 percent for the first 10 years. How are we going to go back to our districts and explain to the young people in these areas who want to build homes, "You are going to have to pay a minimum of 8¼ to 10 percent for your homes," while we are giving it to countries all around the world at 1 percent interest, mark this; while we ourselves are additionally compounding this by paying a minimum of 6 to 7 or even 8 percent on the money which we are spending, the \$1.5 billion.

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

Mr. CARTER. Mr. Chairman, I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I think the gentleman from Kentucky makes an excellent point. I have the privilege of serving on the Housing Subcommittee of the Committee on Banking and Currency. We have talked extensively about the shortage of mortgage money in this country, right now. Many of our constituents are concerned about this real problem.

Here we are in this bill turning around and providing in many cases noninterest loans for foreign countries, yet our own people are having a struggle to obtain mortgage money at home. In addition the U.S. Treasury is probably going to have to subsidize the \$1.5 billion out of the U.S. coffers to do that.

Mr. Chairman, I think the gentleman makes an intelligent point. I appreciate his raising the idea. Everyone in this House who has been concerned about the problems of mortgage money will agree that this just takes that much more away from our U.S. Treasury and in turn the private money market.

Mr. CARTER. Mr. Chairman, I thank the distinguished gentleman from California for his contribution.

Mr. Chairman, if in our rural areas we want to build water systems, our communities, counties, water districts have to borrow that money now at 7½-percent interest while we are building water systems in Uganda, in Kenya, in Brazil, and other areas at a rate of 1 percent to them, which in turn is costing the taxpayers of this country at least 6-percent interest or more.

Mr. Chairman, I think it is time to call a halt to this. We have got to retrench. We have got to build our own country strong internally and eternally, and we are certainly not going to do this by spending ourselves poor.

Furthermore, how are we going to face the voters of our districts when they say to us, "You loan our money to foreign countries, but when we want to build our homes, we are paying 8¼-percent, 9½-percent interest."

How can we explain that? Every one of us this year will face our electors. How are we going to answer them? There is no answer. We must retrench.

Some of the people have talked to us today about the effectiveness of this program. I have had some acquaintanceship with people who serve with the AID. One University of Kentucky professor served 17 years with it, and when he returned he told me, "Cut out at least 90 percent of it."

I had another young man who was in Guatemala and had one of those famous water projects which they are talking about there. This man told me—and I can name names and I can give locations—he said they had a water project there and they had the pipes out on the ground. Three times these pipes were stolen.

So, where is the money really going? We are raiding Uncle Sugar. We are get-

ting too soft. It is time for us to use good commonsense and save the taxpayers of this country \$1.5 billion.

Mr. Chairman, I urge the Members to vote against the bill.

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

Mr. CARTER. Mr. Chairman, I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, the gentleman from Texas, (Mr. MAHON) mentioned the cost to us of the devaluations of the dollar that have already taken place. I hesitate to ask the gentleman from Texas how many billions of dollars the two devaluations of the dollar have cost the people of this country in simply maintaining the value of dollars we have contributed to these international financing outfits. Of course, no one knows what the next devaluation will be—but unless things change, there will be another devaluation requiring an additional appropriation to take care of the shortfall in this \$1,500,000,000 if the House is foolish enough to approve it.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think I can say that in the past I have been a friend of foreign aid where I possibly could, but as I examine this bill and think more and more about the colloquy that took place between myself and the manager of the bill, the gentleman from Texas (Mr. GONZALEZ) the more uneasy I become.

The first thing that troubles me about this is not just the \$1,500 million that we do not have, but the three-quarters of 1 percent, 10-year grace period, 40-year repayment period. We are asking that money be loaned to the poor countries of the world at almost infinitesimally small interest rates.

This is happening in a part of the world where interest rates range from 10 to 20 percent and where the marginal productivity of capital, to use an economic term, should be very high in the sense that the tremendous number of available investment projects combined with the scarcity of capital, should make capital enormously productive. Yet somehow we are assuming that capital has no real productivity in poor countries and that, therefore, we have to lend it to them at almost nothing.

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

Mr. LONG of Maryland. Not at the present time.

Mr. WYLIE. I just wish the gentleman to yield for a question.

Mr. LONG of Maryland. Mr. Chairman, I do not wish to yield at this time.

Mr. Chairman, we in this country are lending money or trying to lend money to small business at rates that are astronomical compared to this.

The other day a small businessman came to me. He was trying to get a loan for a small business. The SBA was out of money. He wanted to pay the 5¼ percent, or whatever they charge. But there was no money for direct loans from the SBA.

I said to him, "The SBA is guaranteeing loans from banks, is it not?"

He said, "Yes. But a loan that a bank will make to me would cost 12 percent." "Even though it is Government guaranteed," I asked? "Yes," he said.

I called the bank up and asked them if this were true, and the bank said that it was.

I said, "Do you mean to say to me that with a Government guarantee that makes this an absolutely riskless loan, you will charge this man 12 percent?"

He said, "That's right."

I said, "How in the world is that going to help a small businessman?"

I asked the bank that, and I asked that question of the Small Business Administration.

He said, "Without this, they wouldn't get the money at all."

I have asked for a long time why we cannot lend money out or ask the development institutions to lend money out at the rate we think is reasonable for a small businessman to pay in this country, or at the rate which we are paying on our national debt. Why does it have to be three-quarters of 1 percent? The answer is because, most people say, if we do not lend it at that rate, they cannot pay it back.

I say that the reason that developing countries cannot pay back these loans, is that they are investing the money in poor projects. Why? Because the money is so cheap that they do not value it.

I might point this out, Mr. Chairman: There have been 25 reschedulings since 1956 involving 12 developing countries and \$5.9 billion. Since 1966, Ghana, Indonesia, and India have had 10 reschedulings, involving over \$3 billion. Even when we lend them this money at almost zero rates of interest, they still find it impossible to pay it back, because the truth of the matter is that they do not put the money where it belongs; they put it in valueless projects—roads to airports, luxury hotels, and office buildings.

I feel very strongly that we ought to vote this bill down and ask the committee to come back with a bill which cuts the sum of money down to much more reasonable amounts, in view of the great troubles we are in in this country. We should insist that rates of interest on these loans be at least what our own small businessmen have to pay and what our Government has to pay when it borrows money.

Mr. Chairman, we cannot continue to tell the people of this country that we are lending money and we are giving money away to other countries when our own citizens cannot get money for good projects here.

It would be reasonable to tell Americans this and justify this if we were doing some good abroad; but when I listen to some of the gentlemen tell about their visitations to all the wonderful projects in these countries, I wonder who on earth took them. I have been to no less than 20 countries, and the first thing I say to our aid people when I get to any country is: "Show me something that helps the ordinary man, something that helps the poor man."

Almost never are they able to show me

anything that goes to help the poor man, the ordinary person.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. LONG) has expired.

(On request of Mr. WYLIE and by unanimous consent, Mr. LONG of Maryland was allowed to proceed for 1 additional minute.)

Mr. WYLIE. I just wanted to ask the gentleman how he voted on the \$2.2 billion aid for Israel bill.

Mr. LONG of Maryland. That is a national security matter.

Mr. WYLIE. But how did you vote on it?

Mr. LONG of Maryland. In that loan we were trying to preserve a country from Soviet-inspired aggression—that is all—just as we did in Southeast Asia.

I may point out to the gentleman from Ohio, if he will just listen to me, that when I voted money to provide weapons to Israel I did exactly the same thing as when I voted for money to provide weapons to Vietnam and Cambodia.

Mr. WYLIE. The gentleman, then, is in favor of providing military aid to other nations but not economic aid. Is that it?

Mr. LONG of Maryland. I am in favor of military aid when it is helping our friends fight their own wars for their own security instead of our sending American troops, and I am in favor of economic aid if it aids development for many instead of cushioning the well-off few.

Mr. BUCHANAN. Mr. Chairman, I move to strike the requisite number of words.

First, I would like to thank the distinguished chairman of the Committee on Appropriations for his remarks today. The gentleman has shown his typical statesmanship, in my judgment. His good judgment is one of the real assets of this House. I hope the Members were listening to what he said.

As a convert to foreign assistance and a proponent of the foreign assistance program, in fighting this hard battle for the AID program year after year in this body, I hope that everyone was listening when he underlined the fact that you are voting for foreign assistance when you vote for this bill.

Mr. Chairman, if there is a moral obligation involved, I would maintain it is not the obligation of the Committee on Appropriations to accept what we may authorize without question and without criticism. I would urge the chairman to continue the good policy of taking a hard look at what should be appropriated out of what we have authorized rather than accepting authorization as some kind of a mandate to appropriate.

However, there is an obligation, it seems to me, for a man who votes for this authorization to vote for the funding. I cannot understand the dichotomy between the votes for legislation like this and votes for the foreign aid appropriation legislation. This is the same thing. I think we ought to understand that if we vote for it today, if there is any kind of

an obligation involved, we are committing ourselves to the support of something that we also ought to support when the appropriation comes up.

Second, Mr. Chairman, I would say that I do not know whether I can buy the idea that we ought not to pass this authorization. I would like to know something about what is going to be done with the money. My fellow convert from Ohio may be able to tell me something about where the money goes. Is any of it spent in this country?

Mr. WYLIE. Will the gentleman yield? Mr. BUCHANAN. I yield to the gentleman.

Mr. WYLIE. The answer to that is yes. I mentioned during general debate that IDA money is used to buy products from companies in the United States. I would like to respond to another part of the gentleman's argument, if I may, about the fact that IDA loans are foreign aid.

Foreign aid is a unilateral arrangement. IDA is an affiliate of the World Bank and it has the benefit of the same management practices as the World Bank. IDA is a multilateral loan arrangement where many, many countries—42 all together, I think—are involved and all contribute some money to the fund. So IDA is not a direct grant or giveaway program, as I understand the gentleman to be saying, in my judgment.

Mr. BUCHANAN. I did not say anything about a giveaway program but, rather, said it is foreign aid. Not everything in the aid program is strictly a giveaway.

Mr. WYLIE. I got the impression from the gentleman's statement that he was making an analogy to the unilateral giveaway arrangement which we have come to know under the general foreign assistance program.

Mr. BUCHANAN. It is multilateral loan program, but we are appropriating U.S. funds to participate in that program.

Mr. WYLIE. This is a loan arrangement and there is a management and accounting operation of the loan fund which is not the case in the general foreign aid program.

Mr. BUCHANAN. There is a form of management here, but management by an agency is also available in foreign aid of other kinds. There is both loan money and grant money in the foreign assistance program generally.

Mr. Chairman, I will not take any further time except to say I am inclined to vote for this legislation, but I think the chairman of the Committee on Appropriations made a telling point.

I hope all of the Members were listening, and I hope that those who join me in voting for it will be prepared to vote for his appropriation when the time comes.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the full 5 minutes, but I do want to remind the Members of the House that the latest estimate from the administration is that

our national debt will be increased by \$15 billion in fiscal year 1974. The distinguished chairman of the Committee on Appropriations has used the figure of \$20 billion, and I believe that the gentleman is closer to accuracy than is the White House in this instance. I have not seen anything to indicate that fiscal year 1975 will be any better.

Contrary to the distinguished chairman of the Committee on Appropriations and some others who have spoken on this issue, I have always voted against foreign aid, and I think that many of the arguments presented today on the floor of the House just reinforce the wisdom and sagacity of my position in the past. I hope that the House today will make known in no uncertain terms that America is ready to start taking care of the problems in this country, and will not continue to provide support for the rest of the world.

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

Mr. BURLISON of Missouri. I am happy to yield to the distinguished gentleman from Texas, the chairman of the Committee on Appropriations.

Mr. MAHON. Mr. Chairman, again may I say that this is not unilateral, but rather multilateral foreign aid. I think that it has done some good through the years.

But, here is one of the problems, as I pointed out: This bill is for the fourth replenishment. You see, we are moving out of the third replenishment, and now we are going into the fourth replenishment. Instead of the figure of \$1.154 billion which I referred to earlier, it is for \$1.5 billion. Although it is stretched out for a longer number of years, it is still a larger amount of money.

So that is the reason why I say that we should proceed with caution, and we should not, in my judgment, pass this bill over and above the amount which was in the previous bill at a time when we claim, and properly so, that the country is in bad fiscal condition, and we are confronted with very serious economic problems. Why should we vote for such a financial commitment as is represented in this bill?

Mr. BURLISON of Missouri. Mr. Chairman, I thank the distinguished gentleman from Texas for his remarks.

Mr. RHODES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I intend to support this legislation. I am not one of the great proponents of foreign aid, but to me this type of a bill does the things which I have always thought foreign aid should do. If I were going to attack foreign aid, I certainly would not start with this bill.

As a matter of fact, I think that most of the Members, when they first came to the Congress, had a mental picture of foreign aid which would help those countries that were trying to help themselves, which were developing, but who did not have the advantages that many of the industrial nations have. This is exactly the approach of this bill.

I also believe my colleagues have had the same feeling that I have had for years, that our unilateral aid was mainly "come a cropper," and it has. There is no doubt but that one of the best ways to make an enemy is to try to do him a favor, and we have made our share of enemies around the world by the wrong type of foreign aid.

But, as I say, this is a multilateral situation. We do not make any enemies, and we probably do not make very many friends, but we do use the American taxpayers' money to do some of the things which I think the American taxpayer wants to do.

I think that most of our people do want to help the underdeveloped countries, and do want to help them on a loan basis that those people can afford to repay. If we try to give these countries loans under the usual Export-Import Bank terms, which are mainly hard loans, they could not pay them back again; they would have to default.

They would suffer all of the indignities and all of the loss of pride which would come from having to default on a loan which they could not pay back in the first place. These loans are admittedly soft. There is no doubt about it. They are as soft as mush. There is not any likelihood at all that we are going to get back the same purchasing power that we put in, but at the same time we are giving these people a chance to develop their economy and perhaps—just perhaps—be able to get into a situation where they can return some of the purchasing power at some time in the future.

It was said by my good friend, the chairman of the Committee on Appropriations, the gentleman from Texas, for whom I have the highest respect, that this bill is too high, that this is a raise. Of course, it is. It is a raise mainly because the whole world is inflated. The purchasing power which is represented here by this bill, I am satisfied, is no more purchasing power than the third replenishment was.

Another point that I think must be made is that the people who negotiate on things like this have been able to negotiate a much smaller share of the total payment of the United States than previously had been the case. We have been in this business of cooperation with the other nations of the world trying to help the underdeveloped countries. I think it would be a very bad mistake if we were to pull the rug out from under what I think may well be the most successful part of our whole foreign aid program.

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

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

Mr. ECKHARDT. I thank the gentleman for yielding.

I am very impressed by the gentleman's statement. I notice, to fortify that statement, on page 4 of the report it is shown that the United States put up about one-third of the money; Japan, Germany, and the United Kingdom another third; and other countries, includ-

ing such countries as Luxembourg, Belgium, and Kuwait are putting up the other third. That impresses me tremendously. That is a great improvement over what existed in the past, as I understand.

Mr. RHODES. I agree with the gentleman from Texas. The whole world which can afford to do it has united in an effort to help that part of the world which has not developed. As I say, I have always thought this is what the best type of foreign aid is all about.

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

Mr. RHODES. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

I find it interesting that some of those who have gone into the well of the House and otherwise spoken in behalf of this bill today have opposed mushy foreign aid in the past. Now they are biting the sawdust trail. They have become converts.

Would the gentleman say that a citizen of Arizona or Iowa could borrow money and finance a mortgage on his home under the terms and conditions of the so-called loans that are to be made under this bill? If not, what logic is there—what business have we pouring out \$1,500,000,000 around the world on these terms, and raiding our taxpayers to do it among them the workingmen and women who are trying to establish homes?

Mr. RHODES. The gentleman from Iowa has answered his own question. The answer is, of course, the people of Iowa and the people of Arizona cannot borrow money under these terms. If they needed to, we would be in a sad situation in this country. They do not need to; they are perfectly capable of borrowing money in the money market and paying back the people to whom these loans are owed. The people to whom these loans are going are not so capable.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG of Georgia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I hesitate to take the Members' time to discuss these questions with them, but there are three or four things I should just like to raise which those who plan to vote against this bill ought to think about.

One is I can understand all of those arguments that have been made about our taking care of our own, but I do not think we can take care of our own citizens if we divorce ourselves from the world. In order to take care of our own, we are right now dependent upon the rest of the world for 6 of the 13 natural resources that we need to take care of our own, and by the end of the decade, that number of natural resources will be up to 9.

We also find ourselves in a very vulnerable position already financially, because if we vote down this bill, we then send our representatives to the committee of 20, of the International Monetary Fund, who are negotiating on the value of the dollar and developing a system of monetary reform into those meetings with a

severe handicap. Already we have a dollar overhang of almost 80 billion surplus dollars, which we cannot buy up or pay for, in the hands of the rest of these nations.

We send them into those negotiations really extremely vulnerable, saying we do not care about the rest of the world, and the world naturally will say, OK, we do not care about the United States on that question either.

We also send our negotiators into the GATT agreements on tariff and trade, sitting down with some of these same nations, and it is inconceivable for me to believe if we divorce ourselves from the rest of the world that the rest of the world will not gang up on us.

Finally, I think that all of us now who are speaking against and voting against this bill will come back in a month or so and vote for military aid. I think maybe we are too patriotic to see the folly of that act, but perhaps we can look at the results Russia has achieved in the Middle East as a result of its military aid to Egypt. There we see that because of the heavy-handed domination of military assistance by the military of another country. Inevitably military aid brings a kind of backlash and reaction that makes them want to kick out the people who are defending them because they think there is a desire to take them over—and that is exactly why Egypt is now leaning toward us rather than toward Russia to whom they have become so much indebted for military assistance.

I hope we do not make those same kinds of mistakes.

There is one other thing I want to observe. I have poor people in my district also and I really consider myself very much a friend of the poor in this Nation, but we do not have any poor in this Nation such as the poor people we are talking about. We are talking about here a distinction between relative poverty which we have in this Nation, where we have people with \$1,000 to \$3,000 a year income, and in aid to these developing nations we are talking about aid to countries where the per capita income is less than \$100 a year.

I think that is a distinction which added to all these other questions I would just like to lay on the hearts of the Members before they vote against this legislation. I urge them to reconsider and to vote for this bill.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Georgia. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, the gentleman has made a very moving statement on behalf of helping the poor people of the world, and I could not agree with him more, except perhaps to observe that every person now studying and writing about foreign aid in the universities and elsewhere is pointing out that this foreign aid has not helped and is not helping poor people. It is going to the cities—to the bureaucrats and to the well-to-do of the world. The amount that trickles down to the poor is very tiny.

Mr. YOUNG of Georgia. If the gentle-

man will let me have back my time I would like to make an observation.

Mr. LONG of Maryland. Let me answer the military aid part of the question first because I think that is important.

Mr. YOUNG of Georgia. Will the gentleman request his own time for that, and let me speak to the first question. The gentleman was with me when we visited a poor farm in Jamaica and saw the shack there and what the people had done with a \$10,000 loan from IDA in terms of developing their own independent resources in the chicken-producing operation.

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield, we must not have visited the same place, although it certainly seemed to me we did. Whenever I have looked and seen the shacks of poor people, those people have not been getting the aid. The people in the two or three projects that we went to see in Jamaica were by the standards of those countries in the upper 10 percent of their populations.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have never voted against this bill before but I am going to vote against it this time and I will tell the Members why.

The amount of money we are asking for today will not even soak up the amount of money that the Arab States are taking away from the underdeveloped nations in the price raises they have put on oil in the last 90 days. The billion and a half will not even touch the bill that these nations are going to have to pay for oil. We can talk about what we ought to do for the poor of the world and all that, but what this is going to be is another subsidy for Kuwait and Saudi Arabia and the rest of the oil producing nations who are striking not only our Nation but also mangling the poor of the underdeveloped nations of the world.

I had a chance, by coincidence, to come home from London back in November on the same plane with the Ambassador from Saudi Arabia, and since he had the only vacant seat on the plane beside him, I moved in and gave him some unsolicited advice. He had all the reasons in the world why they should do this to us. I think he knows or thought or believed that we did not have the guts to do anything in return. He is gliding around this city right now in his Cadillac limousine with a chauffeur using gasoline that Americans cannot get, at the same time they will not sell us any, not even at the inflated prices, because they are too busy squeezing the intestines out of the underdeveloped countries of the world. They can get it, because the world has to have the oil.

I think this might be a great place in the first week of the new session for the Congress to sort of serve notice that we are not going to be pushed around by these people; that we are going to be hard-nosed; that we are going to do a little bargaining and if they want to meet us half-way, we are willing to talk to them; but we ought not to give this to them willy-nilly.

I would like to say something to the Republicans. It has not been too long, just the administration before the present President, that a great many Republicans were bemoaning the fact that we were approaching a \$200 billion budget and they were saying that we did not have the money to pay for it.

Now, in the tenure of the present President, we have never had a balanced budget. We have had the highest deficits in history and now we have a \$300 billion budget, a 33-percent increase in 5 years.

Now, some of the Members can go home if they want to, and I hope they want to—and tell their constituents they voted for this \$1.5 billion and at the same time tell them this money goes to these same countries that caused the price of gasoline to go up to 50 cents a gallon, the price of fuel oil to go up 100 percent.

The Republicans can just keep voting like that and talking like that and I probably will set the record straight, and we Democrats probably will take more seats in the House than any party since this Republic was founded.

I know some Members will not like this. I can say that my good friend on the committee, Mr. FRELINGHUYSEN, will not like it, and I do not want him to; but I am going to give it to him and it will not cost him anything. This vote may cost some Members very dearly and some of my friends on this side likewise.

Let me give you one further thought. Oil prices have gone up fantastically and every time oil prices go up, it means the oil companies can deduct those costs from the income tax they pay in this country.

The price of crude oil has averaged out worldwide to an increase of 21 percent in the last 60 days and the price of fuel to heat the homes of this country and the price of diesel fuel to power the tractors in this country has gone up 121 percent, or 100 percent more than the cost of crude oil; yet today some are asking me to vote \$1.5 billion to take up the slack of the money that these Arab nations are squeezing out of the underdeveloped countries of the world.

I say that if we say no, we may help the underdeveloped nations a great deal more than if we say yes.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words.

I shall not take any time except to say I have looked at the table of all who are to receive funds under this act, and find not a single one of the great oil-producing nations receiving a dime from this.

I fail to see the means by which we get even with the Arab countries by denying aid to a country like India.

Mr. YOUNG of Georgia. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Georgia.

Mr. YOUNG of Georgia. I would like to associate myself with the gentleman's remarks and point out that the nations of Africa, where there are tremendous oil reserves, will have been forced into the

hands of the Arab nations as the result of our turning our backs on them.

I think we are really not doing so much to help other nations in this authorization. We are really doing something to help ourselves in relation to the rest of the world.

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

Mr. ECKHARDT. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I would like to ask the gentleman if Venezuela, which has imposed a tremendous import tax on oil coming into this country, would be eligible for apply for a loan under this act, because I think the tax that is imposed constitutes expropriation. I think we can expropriate by taxation.

I wonder whether the gentleman can tell me whether or not Venezuela, under these circumstances of \$7.50 per barrel tax on oil coming into this country, is eligible for loan contributions in this bill?

Mr. ECKHARDT. Mr. Chairman, Venezuela gets no money.

Mr. VANIK. Mr. Chairman, my question is, is the country eligible or is it eligible through inter-American—

Mr. ECKHARDT. The income of citizens of that country is too high for it to qualify for a loan.

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

Mr. ECKHARDT. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, the gentleman either was not listening or I did not make my point clear about the Arab countries. What I am saying is that the price that they have increased their oil to the underdeveloped nations will total more than the whole one and a half billion dollars in here that the underdeveloped nations would have to get to pay for that oil.

Mr. ECKHARDT. Mr. Chairman, I well understood the gentleman's point, but it seems to me still that we do not remedy that defect by denying loans to those countries which are developing. We merely exacerbate their difficulties.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to take a little time to associate myself with the remarks of the gentleman from Georgia (Mr. Young). He made the points, which I wanted to make originally, very clearly, and very well. I want to be on record as supporting him strongly.

I would also like to comment a little bit on what happens to the money when it is given to IDA. I am going to read from the letter of Mr. George Schultz of October 1973.

The letter says:
During the first 13 years of its existence—through June 30, 1973—U.S. payments to IDA totalled \$824 million and IDA procurement in the U.S. totalled \$426 million. In addition, IDA earned interest on cash contributions by certain members invested in the U.S. and incurred administrative expenses in the U.S. The average impact of the IDA on the U.S. balance of payments of these items has been less than \$30 million per year.

As a matter of fact, in addition to the self-interest that we have of developing markets abroad, there is the additional self-interest that our payments to IDA come back to us in terms of procurement in this country. Those of us who are not satisfied with trying to bring the rest of the world up to a reasonable standard of living and human decency could well be satisfied with the idea that we are doing something to benefit ourselves, both in the short term and in the long term, through the development of these markets.

Mr. Chairman, I would like to comment further on a remark made here that foreign aid of this kind does not benefit the poor. Direct bilateral foreign aid which may go to the government and may affect military purposes may not benefit the poor. What we are talking about now are loans which are scrutinized by bankers for development within the country. The loans are not offered to the leaders of a country. They are made for specific development projects.

They are supervised by hard-nosed people, even though they are soft loans, and in most instances they do contribute to the development of the country and to the development of the disadvantaged people within those countries.

Mr. Chairman, the final point I would like to make is a comment on the question whether in making loans to underdeveloped countries we do not help the Arabs. None of us want to contribute to the oil price crisis or to line Arab pockets any further.

Nevertheless, to use the underdeveloped countries, the emerging Third World, as a means of negotiations with or punishment of the Arab emirates in the Persian Gulf seems to me to be the worst kind of cruelty to the nations we are trying to help develop. We would hope that through negotiations we can relieve the oil crisis, but we will not relieve it by putting more pressures on the underdeveloped nations of the world.

As a matter of fact, the more we do to improve the lot of the underdeveloped nations, to help them, the more we are going to encourage their support for the negotiations that must take place on a global basis to relieve the oil crisis.

Mr. Chairman, I strongly urge that this bill be passed by a resounding majority.

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

Mr. FRENZEL. I yield to my friend, the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Chairman, the gentleman proposes to take care of everyone in the world. Apparently he would raise every foreigner to the so-called standard of living of this country. I do not know just what his objective is, but let me say to the gentleman that with the appropriations voted through the House last December, this country will have spent at the end of this fiscal year \$260 billion—and I said, "billion," b-i-l-l-i-o-n—on foreign aid since its inception in 1947.

How much more do the taxpayers of Minnesota want to spend on foreign aid under the circumstances?

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for his comments.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Maryland (Mr. Long).

Mr. LONG of Maryland. Mr. Chairman, I wonder if the gentleman realizes that, noble as are his purposes to help poor countries through the multilateral development banks, the Congress and its investigative arm, the GAO, does not have access to all the information the Treasury Department has on the projects of the multilateral banks.

In testimony before the House Committee on Government Operations, April 3, 1973, Mr. Paul Dembling, General Counsel of GAO, spoke of difficulties that the GAO encountered in reviewing the U.S. participation in 4 of the multilateral banks—the World Bank, the International Development Association, the Inter-American Development Bank, and the Asian Development Bank:

We experienced long delays in obtaining certain information. . . . We were refused access to several categories of documents by Treasury Department officials. These included the recorded minutes of the meetings of the institutions' board of directors, periodic progress reports on the status of projects being financed by the institutions, and a consultant's report on management practices of one of the institutions.

When we provide funds to institutions like IDA, we are giving up all congressional control.

I have no objection to helping the poor. I want to help the poor. My only objection to this bill is that it does not help the poor. These funds will go to the well-to-do and to the big cities, and it is about time, after 20 years, that the Congress recognizes this fact.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER resumed the chair.

The SPEAKER. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries.

The SPEAKER. The Committee will resume its sitting.

INCREASED U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. MILLER).

Mr. MILLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hear a great deal today about foreign assistance. Last July 26, I offered an amendment to the foreign assistance bill that would establish a barter system whereby our foreign assistance would go to another country

in exchange for fossil fuels and strategic raw materials that are either in short supply or are depleted in this country.

Today we have in our 50 States people desperately needing energy and needing the fossil fuels. Within just a couple of generations we are going to have those people on their knees begging for strategic metals such as copper, zinc, iron ore, and aluminum that may only be available from foreign sources.

It is estimated that by the year 2000 strategic metal mining in this country will be virtually nonexistent. Studies have shown that 12 of the 13 basic raw materials used by our industries will be supplied by foreign imports.

Hopefully, during this session Congress will have an opportunity to again consider any amendment to barter foreign aid. Last July 26 Mr. MORGAN, the chairman of the Committee on Foreign Affairs, stated he would hold hearings on the amendment.

We have to turn this foreign giveaway program around. The taxpayers of this country deserve to get something in return for the dollars spent under this program. The barter approach I suggest can offer the leverage to give us accessibility to the world's mineral resources that we can use to meet current requirements or stockpile for future demand. Let us barter this aid for bauxite, lead, chrome, cadmium, and all of those metals we need or will need to run our economy and maintain our lifestyles. If we do not act now to stockpile critical raw materials, we will soon face a mineral crisis and future generations of Americans will have to go begging for them.

Therefore, Mr. Chairman, I would urge we vote down H.R. 11354 and work out a barter system whereby the taxpayer will finally get something in return for the money the United States gives away.

The CHAIRMAN. If there are no amendments, under the rule the committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BRADENAS, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H.R. 11354) to provide for increased participation by the United States in the International Development Association, pursuant to House Resolution 779, he reported the bill back to the House.

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

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

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

MOTION TO RECOMMIT

Mr. ROUSSELOT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ROUSSELOT. I am, Mr. Speaker, absolutely and completely.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ROUSSELOT moves to recommit the bill H.R. 11354 to the Committee on Banking and Currency.

Mr. GONZALEZ. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

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

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 155, nays 248, not voting 27, as follows:

[Roll No. 8]
YEAS—155

Abzug	Forsythe	Nix
Adams	Frelinghuysen	Obey
Anderson, Ill.	Frenzel	O'Hara
Ashley	Gettys	O'Neill
Aspin	Gibbons	Patman
Badillo	Gonzalez	Patten
Barrett	Green, Pa.	Pepper
Bergland	Griffiths	Pike
Blester	Gude	Preyer
Bingham	Hamilton	Price, Ill.
Boggs	Hansen, Idaho	Pritchard
Boland	Harrington	Quile
Bolling	Harvey	Rangel
Brademas	Hawkins	Rees
Brasco	Heckler, Mass.	Reuss
Breckinridge	Heinz	Rhodes
Brotzman	Helstoski	Riegle
Brown, Calif.	Hicks	Robison, N.Y.
Brown, Mich.	Holifield	Rodino
Buchanan	Holtzman	Rooney, Pa.
Burke, Calif.	Horton	Rosenthal
Burke, Mass.	Howard	Roybal
Burton	Jarman	Sarbanes
Cederberg	Johnson, Calif.	Schneebeli
Chamberlain	Johnson, Pa.	Schroeder
Clay	Jordan	Seiberling
Collins, Ill.	Kastenmeier	Sisk
Conable	Koch	Smith, Iowa
Conte	Kuykendall	Smith, N.Y.
Conyers	Leggett	Stanton
Corman	Lehman	J. William
Coughlin	McClory	Stark
Cronin	McCloskey	Steed
Culver	McFall	Steiger, Wis.
Daniels	McKay	Stephens
Dominick V.	McKinney	Stokes
Danielson	Madden	Studds
Davis, Wis.	Mallary	Sullivan
Dellenback	Matsunaga	Thompson, N.J.
Dellums	Mayne	Ullman
Diggs	Meeds	Vanik
Dingell	Metcalfe	Vigorito
Donohue	Mezvinsky	Ware
Drinan	Minish	Widnall
Eckhardt	Mink	Wright
Edwards, Calif.	Mitchell, Md.	Wyder
Erlenborn	Moakley	Wyllie
Esch	Moorhead, Pa.	Yates
Evans, Colo.	Morgan	Young, Ga.
Fascell	Mosher	Young, Ill.
Findley	Moss	Zablocki
Flood	Murphy, N.Y.	
Foley	Nelsen	

NAYS—248

Abdnor	Bray	Cleveland
Addabbo	Breaux	Cochran
Alexander	Brinkley	Cohen
Anderson	Brooks	Collier
Calif.	Broomfield	Collins, Tex.
Andrews, N.C.	Brown, Ohio	Conlan
Andrews,	Broyhill, N.C.	Cotter
N. Dak.	Broyhill, Va.	Crane
Annunzio	Burgener	Daniel, Dan
Archer	Burke, Fla.	Daniel, Robert
Arends	Burleson, Tex.	W., Jr.
Armstrong	Burlison, Mo.	Davis, Ga.
Ashbrook	Butler	Davis, S.C.
Bafalis	Byron	de la Garza
Baker	Carney, Ohio	Deaney
Bauman	Carter	Denholm
Beard	Casey, Tex.	Dennis
Bell	Chappell	Dent
Bennett	Chisholm	Derwinski
Bevill	Clancy	Devine
Blaggi	Clark	Dorn
Blackburn	Clausen,	Downing
Blatnik	Don H.	Dulski
Bowen	Clawson, Del.	Duncan

du Pont	Landrum	Roussetot
Edwards, Ala.	Latta	Roy
Ellberg	Lent	Runnels
Eshleman	Litton	Ruppe
Evins, Tenn.	Long, La.	Ruth
Fish	Long, Md.	St Germain
Fisher	Lott	Sandman
Flowers	Lujan	Sarasin
Flynt	McCollister	Satterfield
Ford	McCormack	Scherle
Fountain	McDade	Sebelius
Frey	McEwen	Shipley
Froehlich	McSpadden	Shoup
Fulton	Madigan	Shriver
Fuqua	Mahon	Shuster
Gaydos	Mann	Skubitz
Gialmo	Maraziti	Slack
Gilman	Martin, Nebr.	Snyder
Ginn	Martin, N.C.	Spence
Goldwater	Mathias, Calif.	Staggers
Gooding	Mathis, Ga.	Stanton
Grasso	Mazzoli	James V.
Gross	Melcher	Steele
Grover	Michel	Steelman
Gunter	Millford	Steiger, Ariz.
Guyser	Miller	Stubblefield
Haley	Minshall, Ohio	Stuckey
Hammer-	Mitchell, N.Y.	Symington
schmidt	Mizell	Symms
Hanley	Mollohan	Talcott
Hanrahan	Montgomery	Taylor, N.C.
Hansen, Wash.	Moorhead,	Teague
Harsha	Calif.	Thomson, Wis.
Hastings	Murphy, Ill.	Thone
Hays	Myers	Thornton
Hébert	Natcher	Tierman
Hechler, W. Va.	Nedzi	Towell, Nev.
Henderson	Nichols	Treen
Hills	O'Brien	Van Deerlin
Hinshaw	Owens	Vessey
Hogan	Parris	Waggonner
Holt	Perkins	Waldie
Hosmer	Pettis	Wampler
Huber	Peyster	White
Hudnut	Pickle	Whitehurst
Hungate	Poage	Wiggins
Hunt	Powell, Ohio	Williams
Hutchinson	Price, Tex.	Wilson, Bob
Ichord	Quillen	Wilson,
Johnson, Colo.	Railsback	Charles H.,
Jones, Ala.	Randall	Calif.
Jones, N.C.	Rarick	Wilson,
Jones, Okla.	Regula	Charles, Tex.
Jones, Tenn.	Roberts	Winn
Karsh	Robinson, Va.	Wolf
Kazen	Roe	Wyatt
Kemp	Rogers	Wyman
Ketchum	Roncalio, Wyo.	Yatron
King	Roncalio, N.Y.	Young, Fla.
Kluczynski	Rose	Young, Tex.
Kyros	Rostenkowski	Zion
Landgrebe	Roush	Zwach

NOT VOTING—27

Camp	Mailliard	Stratton
Carey, N.Y.	Mills	Taylor, Mo.
Dickinson	Passman	Udall
Fraser	Podell	Vander Jagt
Gray	Reid	Walsh
Green, Ore.	Rinaldo	Whalen
Gubser	Rooney, N.Y.	Whitten
Hanna	Ryan	Young, Alaska
Macdonald	Sikes	Young, S.C.

So the bill was not passed.

The Clerk announced the following pairs:

On this vote:

Mr. Fraser for, with Mr. Rooney of New York against.

Mr. Reid for, with Mr. Taylor of Missouri against.

Mr. Macdonald for, with Mr. Young of Alaska against.

Mr. Hanna for, with Mr. Dickinson against.

Mr. Gray for, with Mr. Camp against.

Until further notice:

Mr. Sikes with Mr. Whitten.

Mr. Mills with Mr. Gubser.

Mr. Rinaldo with Mr. Vander Jagt.

Mr. Podell with Mr. Ryan.

Mr. Carey of New York with Mr. Young of South Carolina.

Mrs. Green of Oregon with Mr. Walsh.

Mr. Mailliard with Mr. Whalen.

Mr. Udall with Mr. Stratton.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FIRST LEGISLATIVE MESSAGE OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-201)

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

To the Congress of the United States:

As the 93rd Congress reconvenes this week, it returns to an agenda that is piled high with vital legislative questions.

America is undergoing a period of rapid change and growth when decisions made in Washington could affect the patterns of our national life for the rest of this century. These decisions demand not only the collective wisdom of our national leadership but also a continuing spirit of cooperation between the executive and legislative branches of our Government. In this first legislative message of 1974, I want to renew my pledge that I stand ready and eager to work with the Members of the Congress in shaping the solutions that are best for America.

In the next few weeks, I will send to the Congress a series of messages requesting swift legislative action in the areas where I feel that progress is most keenly needed. In each of these areas—health, education, transportation, natural resources, and others—these proposals reflect the best efforts of my Administration to solve a wide range of difficult domestic problems.

No single legislative area is more critical or more challenging to us as a people, however, than the subject of this first message to the Congress: The energy crisis. It is because of its importance and because of the urgent need for action that I have chosen to break tradition, outlining to the Congress my legislative requests in energy before delivering my State of the Union Address.

I first warned of approaching energy shortages in a message to the Congress in 1971—the first energy message ever presented by an American President. In 1973, an embargo was suddenly imposed upon many of our foreign supplies of oil, the crisis broke upon us, and the entire country took the first steps toward coping with the emergency. We have made solid progress since then, but it is clear that our efforts in 1973 were just the beginning. As our first order of business in the new year, therefore, let us resolve that 1974 shall be the year that we build a permanent framework for overcoming the energy crisis.

In the initial portion of this message, I want to report to the Congress on our progress over the last three months. The remainder of the message addresses the legislative program on which I am urging Congressional action in 1974:

—First, the proposals that I believe are essential to meet the short-term emergency, including:

—A special energy act that would permit restrictions on the private and

public consumption of energy and would temporarily relax certain Clean Air Act requirements for power plants and automotive emissions;

—A windfall profits tax that would prevent private profiteering at the expense of public sacrifice;

—Unemployment insurance to help those who lose their jobs because of the energy crisis;

—And establishment of a Federal Energy Administration.

—*Second*, the legislative proposals that I have previously submitted in order to meet our long-range goal of achieving self-sufficiency in energy, including proposals that would:

—Allow market pricing of new natural gas;

—Allow temporary oil production from the Elk Hills Naval Petroleum Reserve in California;

—Permit surface mining of coal in a manner that is environmentally safe;

—Permit the development of new deep-water port facilities offshore;

—Amend the tax laws regarding drilling investments;

—Modernize the laws regarding mineral leasing on Federal lands;

—And reorganize the executive branch so that it may deal more effectively with energy and natural resource problems.

—*Third*, proposals which are designed to help us achieve self-sufficiency in energy and which I am submitting to the Congress this year for the first time, including proposals that would:

—Eliminate depletion allowances for foreign oil and gas production;

—Accelerate the licensing and construction of nuclear facilities;

—Require labeling of products for energy efficiency;

—And streamline the site selection process for energy facilities.

In addition to these legislative proposals, the Administration is moving forward this year with a series of executive actions and studies relating to our long-term energy needs. The latter are addressed in the last section of the message.

I. REPORT ON THE CURRENT EMERGENCY

Last year the United States consumed roughly 18 million barrels of petroleum, in one form or another, every day. This represented about one-half of our total energy consumption. The level of petroleum consumption was also rising, so that we expected demands to reach about 20 million barrels a day in 1974.

While the country is rich in natural resources, our production of petroleum resources is far less than our demands. Last year we were producing approximately 11 million barrels of petroleum a day, and the level of production was declining.

The difference between our demands and our domestic consumption must be made up, of course, by imports from abroad, reductions in demand, or increased domestic production. Even before the embargo on oil in the Middle East, our foreign supplies were barely adequate. Since the embargo, the short-

age has become a good deal more serious. The Federal Energy Office has estimated that during the first three months of 1974, our imports will fall short of our normal demands by 2.7 million barrels a day. If the embargo continues, shortages could exceed three million barrels a day during the rest of the year. That shortfall is the major factor in our current emergency.

ENCOURAGING PROGRESS

With the Nation confronting a severe energy shortage, I appealed to the public eleven weeks ago to undertake a major conservation effort on a personal, voluntary basis. My appeal was repeated by public servants across the land. The Congress acted quickly to pass laws putting the Nation on year-round daylight savings time and reducing the national highway speed limits to no more than 55 miles per hour. The Federal Government began moving swiftly to ensure that fuel supplies were allocated fairly and that conservation measures were undertaken within the Government. Most importantly, the people themselves responded positively, lowering the thermostats in their homes and offices, reducing their consumption of gasoline, cutting back on unnecessary lighting, and taking a number of other steps to save fuel.

Largely because of the favorable public response, I can report to the Congress today that we are making significant progress in conserving energy:

—Total consumption of gasoline in the United States during the month of December was nearly nine percent below expectations.

—Consumption of home heating oil has been reduced. A recent survey of 19,000 homes in New England showed they had reduced heating oil consumption by more than 16 percent under last year, after making adjustments for warmer weather.

—Utilities report that consumption of natural gas across the country has been reduced by approximately 6 percent over last year, while the consumption of electricity is down about 10 percent.

Beyond the progress we have made because of voluntary conservation, we have also been fortunate in two other respects. The weather in the last quarter of 1973 was warmer than usual, so that we did not consume as much fuel for heating as we expected. In addition, the oil embargo in the Middle East has not yet been totally effective, allowing us to import more oil than we first anticipated.

ACTION AT THE FEDERAL LEVEL

The Federal Government clearly has a major responsibility in helping to overcome the energy crisis. To fulfill that responsibility, several steps have been taken in the last three months:

—A major conservation program has been established and has cut consumption of energy by Federal agencies by more than 20 percent below anticipated demands in the third quarter of 1973.

—A sweeping investigation of fuel prices charged at gasoline stations and truck stops has been launched, putting an end to price gouging wherever it is found.

—A Federal Energy Office has been created to serve as a focal point for energy actions taken by the Government.

—Finally, a fuel allocation program has been set up to assure that no area of the Nation is subjected to undue hardships and to assure that in allocating fuel, the protection of jobs comes ahead of the satisfaction of comforts. As part of this allocation effort, refiners are being encouraged to produce less gasoline and more of the products that are needed in homes and industry, such as heating oil, diesel oil, residual fuel oil, and petrochemical feedstocks. The Cost of Living Council has issued regulations to encourage the shift away from gasoline production. If necessary, additional steps will be taken to encourage shifts in refinery production.

The allocation program now underway will mean some cutbacks in travel, heating and other end uses of fuel, while uses which keep our economy operating at a high level will be permitted to remain at or above last year's levels.

Market forces are also at work allocating fuel. Due primarily to huge increases in prices for foreign oil, the price of gasoline has risen by 12 to 15 cents per gallon over last year. This obviously discourages the consumption of gasoline. Heating oil has also shown a comparable rise with similar effect.

There is a limit, however, to the amount of market allocation through higher prices which we will allow. We will not have consumers paying a dollar a gallon for gasoline. We must therefore seek to maximize the production of domestic oil at a price lower than the price of foreign oil. We will also carefully review requests for energy price increases, to ensure that they are genuinely needed.

All of the measures of conservation and allocation have greatly improved the Nation's chances of avoiding hardships this winter and gas rationing this spring. *Gas rationing, with its attendant bureaucracy and cost to the taxpayer, should be only a last resort.* Nevertheless, we are attempting to be prudent and therefore have developed a system of coupon rationing. The system is now on the record for public comment, and will be ready for use this spring should it prove necessary.

The system would provide for transferable coupons for all licensed drivers over 18 years old. The coupons, unlike the World War II coupons, would be freely transferable. Thus those who can economize and use less than their allotment would be given tangible incentive to do so, while those who seriously need larger amounts would be able to buy coupons legally.

The measures of allocation and conservation are, in the very short run, the only actions which will have an effect in lessening the crisis. However, in the slightly longer term, we can and we are making efforts to increase domestic supplies of petroleum very rapidly.

Increases in supplies of domestic crude oil are necessary not only to assure supplies, but to keep the prices for consumers at a reasonable level. The prices

charged by a foreign cartel for crude oil have risen so dramatically that U.S. oil prices are now greatly below the world market price.

To ensure that domestic oil exploration continues and grows, the price of oil from new exploration and development has been removed from Economic Stabilization Act controls. Also, to compensate for increased production costs and to stimulate advanced techniques for recovering oil, we have permitted a \$1 per barrel increase in the cost of petroleum under existing oil contracts.

As a result, domestic oil wells that had been abandoned because they were no longer profitable are being put back into production, and new American oil is now beginning to come into the market. We anticipate additional increases in the oil in the future.

As a greater domestic production fills more of our oil needs, we will be demanding less foreign oil, and the price for foreign oil will not be driven upwards by our demands. Our own domestic production will tend to put a cap on the prices foreign suppliers may charge.

To deal further with the world shortage of oil and its increasingly unrealistic price levels, I have invited major consuming nations to a conference in Washington on February 11. The conference will, I hope, eventually lead to greater international cooperation in the areas of energy conservation, research, pricing policy, oil exploration, and monetary policy.

II. LEGISLATION TO MEET THE CURRENT EMERGENCY

Although we have made significant progress over the last three months in reducing consumer demands for energy and in allocating fuel supplies, additional legislative measures must be enacted if we are to maintain our momentum. I am therefore asking that the Congress give its highest priority to five proposals which I have previously recommended for dealing with the short-term emergency:

1. SPECIAL ENERGY ACT

The principal purposes of this legislation are to grant the executive branch authority to restrict the public and private consumption of energy and to modify certain Clean Air Act requirements.

During the closing weeks of December, both Houses of Congress labored long and hard on this emergency bill. As presently drafted in the House-Senate conference, the bill is laden with so many extraneous provisions that I would have difficulty signing it. I urge the Congress to pass a basic bill dealing with mandatory conservation, fuel conversion, rationing, and changes to the Clean Air Act. I would also urge that the extraneous provisions be placed in separate legislation where they belong.

2. WINDFALL PROFITS TAX

The solution to the energy crisis must ultimately depend in large measure upon the response of the public, and their actions will in turn be based upon their recognition that an energy crisis actually exists and that it has not been contrived for the benefit of big business. For weeks, believing that the crisis is gen-

uine, millions of Americans have made sacrifices in their comfort and convenience so that no Americans would have to suffer personal hardships. Those sacrifices are continuing today, and they will be needed in the future. It is up to the leaders of the Nation to ensure that the public trust is not abused.

As President, I am deeply committed to a firm policy: *We must not permit private profiteering at the expense of public sacrifice.* The sacrifices made by the American people must be for the benefit of all the people, not just for the benefit of big business. *In equal measure, we must not permit the big oil companies or any other major domestic energy producers to manipulate the public by withholding information on their energy supplies.* That information must be made available to the public, and it must be accurate and complete.

The windfall profits tax that I outlined last December and am again asking the Congress to pass would serve this policy by preventing major domestic energy producers from making unconscionable profits as a result of the energy crisis. It would exact a tax of up to 85 percent on receipts from sales of crude oil above the ceiling set by the Cost of Living Council in December of 1973.

3. ENERGY-RELATED UNEMPLOYMENT INSURANCE

The energy emergency will undoubtedly result in some dislocation within the economy. Selected labor market areas may experience unusually large rises in unemployment despite our best efforts to minimize economic disruption. Jobs in those areas may become harder than usual to find. Therefore, as an integral part of the same philosophy which had led me to seek a windfall profits tax that prevents a few people from benefitting unduly from the energy emergency, I will also recommend new unemployment insurance measures to cushion American workers against the shocks of economic adjustment. Last April, I submitted legislation to improve the unemployment insurance program by increasing benefit levels and expanding coverage. I call again for the enactment of those measures. In addition, I will submit unemployment insurance amendments that would, on enactment, extend the duration of benefit entitlement and expand coverage in those labor market areas that experience significant increases in the level of unemployment. These provisions, coupled with the recently enacted Comprehensive Employment and Training Act will provide a solid foundation for the more rapid re-absorption of workers into the Nation's economy.

4. MANDATORY REPORTING OF INFORMATION BY PRIVATE INDUSTRY

The information now provided to the public and to the Government by the energy industry is insufficient for public planning purposes. This is a serious deficiency which has understandably become a matter of intense public interest. To correct it, I will shortly submit legislation requiring major energy producers to provide to the Government a full and constant accounting of their inventories, their production, and their reserves. Where required for national security or competitive purposes, confidentiality of

the information will be protected. Most of this data, however, can and will be made available to the public.

To provide a focus for the collection and analysis of this data, I have directed the Federal Energy Office to establish an Energy Information Center. This center will coordinate energy data within the Government and provide the information to the public, the Congress and other Federal agencies.

5. FEDERAL ENERGY ADMINISTRATION

FEA would bring together and significantly expand programs to deal with the current energy emergency. It would also carry out major new activities in energy resource development, energy information and energy conservation. Included within this agency would be the functions of the Offices of Petroleum Allocation, Energy Data and Analysis, Oil and Gas, and Energy Conservation from the Department of the Interior and the Energy Division of the Cost of Living Council.

III. OUR PROGRAM FOR THE FUTURE: PROJECT INDEPENDENCE

Energy demand in the United States will certainly continue to rise. Were domestic oil production to continue to decline and demand continue to grow at over 4 percent annually, as it did before the embargo, imports would increase from 35 percent of U.S. consumption in 1973 to roughly half of U.S. consumption by 1980.

We must also face the fact that when and if the oil embargo ends, the United States will be faced with a different but no less difficult problem. Foreign oil prices have risen dramatically in recent months. If we were to continue to increase our purchase of foreign oil, there would be a chronic balance of payments outflow which, over time, would create a severe problem in international monetary relations.

Without alternative and competitive sources of energy here at home, we would thus continue to be vulnerable to interruptions of foreign imports and prices could remain at these crippling high levels. Clearly, these conditions are unacceptable.

To overcome this challenge, I announced last November 7 that the United States must embark upon a major effort to achieve self-sufficiency in energy, an effort I called Project Independence. If successful, Project Independence would by 1980 take us to a point where we are no longer dependent to any significant extent upon potentially insecure foreign supplies of energy.

Project Independence entails three essential concurrent tasks.

The first task is to rapidly increase energy supplies—maximizing the production of our oil, gas, coal and shale reserves by using existing technologies and accelerating the introduction of nuclear power. These important efforts should begin to pay off in the next 2 to 3 years. They will provide the major fraction of the increased supplies needed to achieve energy self-sufficiency.

The second task is to conserve energy. We must reduce demand by eliminating nonessential energy use and improving the efficiency of energy utilization. This

must be a continuing commitment in the years ahead.

The third task is to develop new technologies through a massive new energy research and development program that will enable us to remain self-sufficient for years to come.

We cannot accept part of the overall program and ignore the others. Within the Federal sector, success will depend on a wide range of actions by many agencies. As an important part of that effort, the head of the Federal Energy Office, William Simon, will mount a major effort this year to accelerate the development of new energy supplies for the future.

Our strategy for Project Independence is reflected in urgent measures now pending in the Congress as well as many new legislative proposals and administrative actions I now plan to take.

A. LEGISLATION STILL AWAITING CONGRESSIONAL ACTION

Over the past three years, I have submitted a number of legislative proposals that are essential to our pursuit of energy self-sufficiency but are still awaiting final Congressional action. I ask that the 93rd Congress move ahead with these proposals, and I pledge the cooperation of this Administration in working out any differences. These proposals include the following:

NATURAL GAS SUPPLY ACT

The artificially low prices for natural gas created by Government regulations continue to create a double problem: consumers wish to purchase more of this cheap, clean fuel than is available, while suppliers have little incentive to develop it. I again ask the Congress to provide for competitive pricing of newly developed gas supplies in order to encourage new drilling and to direct available gas into the premium uses.

Although my deregulation proposal should not cause a significant rise in consumer prices for natural gas for some years, I recognize that there is a strong desire to provide added insurance that unreasonable price increases do not occur. This insurance can be provided by adding to the Administration's legislative proposal a provision authorizing the Federal Power Commission to establish limits on absolute price increases. We are prepared to work with the Congress on these changes.

NAVAL PETROLEUM RESERVES

The Nation has vast oil and oil shale reserves which years ago were set aside for national defense purposes by placing them under the control of the Secretary of the Navy. That action was taken at a time when naval petroleum requirements were an especially important share of total national petroleum consumption. Some of these oil reserves, principally those located in Wyoming and California, have been explored and developed to the point where limited production is possible. The largest reserve, located in Alaska, has not been significantly explored or developed and could not be available for production for several years, even in a grave national emergency. I have proposed legislation that would greatly improve the availa-

bility of the reserves for future needs and would permit limited production from the Elk Hills Reserve in California to assist in meeting our short-term energy problems.

In accordance with law, the Secretary of the Navy has issued and I have approved a finding that production of oil from Naval Petroleum Reserve #1 (Elk Hills) is necessary for national defense purposes. Approval of the Congress is also necessary and I have proposed legislation that would give such Congressional approval. It would also provide that funds from the sale or exchange of the oil could be used for further exploration and development of Elk Hills and for exploration of Naval Petroleum Reserve #4 in Alaska. I am pleased that the Senate has already passed this legislation, and I am hopeful that immediate action will now be taken by the House of Representatives.

MINED AREA PROTECTION

A Mined Area Protection Act is needed to encourage the development of State programs which permit the mining of coal and other minerals to go forward in a way that is environmentally safe. The absence of clear legislation in this area is inhibiting the development of our coal reserves. The Senate has passed a bill, but it deals only with surface mining of coal rather than all mining and it contains provisions which would actually impede production of coal.

The House Committee on Interior and Insular Affairs is scheduled to take up the matter soon and I am hopeful that it will act favorably on the Administration's proposal.

DEEPWATER PORT FACILITIES

Even though our policy is to achieve self-sufficiency, we will clearly continue to import oil as long as it is available at reasonable prices. To enable us to import fuel more economically, I have proposed Federal Government licensing of the construction and operation of deepwater port facilities three miles or more at sea on the Outer Continental Shelf. The main use of these facilities would be to import crude oil in ships that are economically and environmentally desirable, but are too deep of draft to permit their entry into our port facilities on the east and gulf coasts.

This legislation would also eliminate many of the legal uncertainties which now drive private investors away from American waters and to other nations of the Western Hemisphere. The present system only serves to create investments and jobs abroad and raises our costs of imported oil, already high, even further.

DRILLING INVESTMENT CREDIT

Last April I proposed that the investment credit provisions of present tax laws be extended to provide a credit for all exploratory drilling for new oil and gas fields. Approval of this provision would provide an essential incentive for new oil and gas exploration. At the same time, I am asking the Congress to eliminate the tax shelter that now exists for wealthy taxpayers who reduce their taxes by taking deductions for investments in oil drilling.

MINERAL LEASING ACT

The Mineral Leasing Act of 1920 governs the exploration and production of oil, gas, coal, and other minerals on Federal lands while the Mining Act of 1872, governs the exploration and mining for "hard-rock" (gold, silver, copper, etc.) minerals. Both acts have become obsolete. Last February, I proposed a bill that would place all mineral exploration and mining activities on Federal lands under a single Federal leasing system. The bill would assure that the persons who obtain the leases are those who have an interest in early exploration for oil, gas, and other minerals. It would also require that exploration meet the environmental standards of the Administration's proposed Mined Area Protection Act.

ORGANIZING THE FEDERAL ENERGY EFFORT

If the Federal Government is to achieve prompt and productive results in the energy field, its many energy programs and resources must be organized in the best possible manner. Toward this end, I have submitted several organizational proposals to the Congress and urged their prompt adoption. One calls for establishment of the Federal Energy Administration as discussed above. The others call for statutory establishment of the following:

(1) ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

This new organization would provide unified leadership and direction for energy technology programs at the Federal level. ERDA would include the research and development as well as the production functions of the Atomic Energy Commission, along with selected energy research and development functions of the Department of the Interior, the National Science Foundation, and the Environmental Protection Agency. Under this proposal, the five-member Atomic Energy Commission would be renamed the Nuclear Energy Commission and would carry out the vital task of licensing and regulating the rapidly growing use of nuclear power.

(2) DEPARTMENT OF ENERGY AND NATURAL RESOURCES

As the longer-run solution to the many interrelated problems in the energy and natural resources area, I have proposed the establishment of this new department. DENR would incorporate most of the responsibilities of the Department of the Interior; the activities of the Forest Service and certain water resource functions of the Department of Agriculture; the activities of the National Oceanic and Atmospheric Administration of the Department of Commerce; the water resource planning functions of the Corps of Engineers; the gas pipeline safety functions of the Department of Transportation, and the Water Resources Council. Drawn together, these responsibilities would form the basis of a modern department truly capable of providing a much needed balance between the wise utilization and careful conservation of our Nation's precious natural resources.

Because of the energy crisis, I urge that the Congress give priority atten-

tion to the creation of FEA and ERDA. Because of its comprehensive scope, DENR may require additional examination by the Congress, but I reaffirm the need for this modern Cabinet department. Once DENR is established, it should incorporate the functions of ERDA and FEA.

B. NEW LEGISLATIVE INITIATIVES

In addition to the legislation now pending before the Congress still further steps must be taken if we are to progress at a proper pace toward self-sufficiency. Within the next several weeks, I will be sending to the Congress a number of legislative proposals to help us take those steps, including:

CHANGES IN FOREIGN TAX TREATMENT

U.S. companies that produce oil overseas have been granted the same 22 percent depletion allowance abroad that is granted to U.S. companies producing oil in the United States. Both allowances provide an incentive for oil production.

As we move toward U.S. self-sufficiency in energy, however, we want to encourage greater development of U.S. energy resources rather than foreign resources. I am therefore asking the Congress to eliminate these foreign depletion allowances, while retaining the depletion allowance for domestic oil production.

Taxes paid to foreign governments by U.S. oil companies drilling abroad have increased dramatically. There is growing concern about the degree to which such increases should be allowed as credits against U.S. tax on other income. Under these circumstances, it is no longer realistic to treat these payments to foreign governments entirely as income taxes creditable against the U.S. tax. Obviously, however, the oil producing countries, like any other country, have the right to impose taxes and some reasonable portion of those taxes should be creditable. I have asked the Treasury Department to prepare proposals which would cause part of these amounts to be designated as a creditable tax and the balance to be allowed solely as a deduction.

ACCELERATING THE LICENSING AND CONSTRUCTION OF NUCLEAR FACILITIES

Nuclear power, which lessens our dependence on foreign fuel, is an essential part of our program of achieving energy self-sufficiency. At present, however, it takes 9-10 years to complete the planning, licensing, and construction of nuclear power plants. In order to get vitally needed nuclear power on-line more rapidly, I have directed that steps be taken to reduce the licensing and construction cycle to 5-6 years, without compromising safety and environmental standards.

I will soon transmit a legislative proposal to expedite the completion of nuclear power plants by separating the approval process for plant sites from the reactor licensing process and by encouraging the use of standardized plant designs. These designs, once approved, would reduce the required licensing review time and would enhance safety. This legislation would also permit the establishment of an inventory of approved sites for nuclear plants.

EFFICIENCY LABELS

Energy conservation must play a major role in achieving self-sufficiency, but few of the products we now purchase clearly indicate how much energy they require to operate. To assure that such information is available, I will shortly submit to the Congress legislation requiring that all major appliances and automobiles produced or imported into the United States be clearly labeled to indicate their energy use and energy efficiency.

ENERGY FACILITIES SITING

The present multitude of Federal, State, and local approvals required for the construction of energy facilities has caused serious delays in their availability. There is also no provision for advanced approval of sites which will be needed in the future. In addition, the public has often been frustrated because public participation in the site approval process seldom occurs early enough to affect the basic siting decision.

In 1971 I requested legislation to overcome these problems for electrical power plants and transmission lines. I resubmitted similar legislation in February 1973, but the Congress has not acted on my proposal. I have now directed that new legislation be prepared, building upon my earlier proposals but covering additional critical energy facilities. This legislation will be directed toward:

- advanced approval of adequate sites for energy facilities on a regional basis;
- better coordination of the various approvals now required by all levels of Government;
- and improved long range planning of energy facility requirements.

CHANGES IN THE CLEAN AIR ACT

The Clean Air Act has provided the basis for major improvements in air quality and we must continue our progress toward even greater improvement. However, during the current energy shortage, it has become clear that some changes in the act are needed to provide greater flexibility in deadlines and other requirements. The special energy legislation now before the Congress would permit temporary relaxation in some requirements applicable to power plants when an adequate supply of clean energy is not available. It would also extend the deadlines for the reduction of emissions from automobiles. I hope the Congress will move quickly to grant authority for temporary relaxation of requirements and freezing the standards for auto emissions—now applicable to 1975 model cars—for two additional years. This latter action will permit auto manufacturers to concentrate greater attention on improving fuel economy while retaining a fixed target for lower emissions. These changes can be made without significantly adverse effect on our progress in improving air quality.

The Congress has also been advised by the Environmental Protection Agency of evidence demonstrating that the reductions of nitrogen oxides from automobiles as required by the Clean Air Act are unnecessarily stringent and that technology to achieve the reductions is

not yet practicable. In addition, the Congress has been advised by the Environmental Protection Agency that deadlines cannot be met for meeting air quality standards in some metropolitan areas without drastically curtailing the use of motor vehicles. For instance, these deadlines would require that motor vehicle usage in Los Angeles be reduced by as much as 87 percent.

An extensive review is now underway within the executive branch of the implications of court decisions which require that EPA act to prevent "significant deterioration" of air quality—a requirement that is not defined in either the law or court decisions. This matter has far-reaching implications for public policy regarding land use as well as air quality. Changes in the law may thus be required to deal with this problem, and we will consult with the Congress as appropriate.

We must continue to assess the impact of actions required by the Clean Air Act so that there will be a basis for sound decisions that provide an appropriate balance among our objectives for environmental quality, economic and social growth, energy supply and national security.

IV. NEW ADMINISTRATIVE ACTIONS AND STUDIES

In addition to preparing the legislative proposals above, I have directed that a number of executive actions be taken and additional legislative studies be made which could help us to succeed with Project Independence. Among these actions are the following:

OUTER CONTINENTAL SHELF DEVELOPMENT

The undiscovered oil and gas beneath our Outer Continental Shelf can provide a significant portion of the energy necessary to make us self-sufficient. I have already ordered leasing in that area to be stepped up. Today I am directing the Secretary of the Interior to increase the acreage leased on the Outer Continental Shelf to 10 million acres beginning in 1975, more than tripling what had originally been planned. In later years, the amount of acreage to be leased will be based on market needs and on industry's record of performance in exploring and developing leases. In contracting for leases, the Secretary of the Interior is also to ensure that the proper competitive bidding procedures are followed and that environmental safeguards are observed. He will, in addition, set up an interagency program for monitoring the environmental aspects of the new leasing program. There will be no decision on leasing on the Outer Continental Shelf in the Atlantic and in the Gulf of Alaska until the Council on Environmental Quality completes its current environmental study of those areas.

ALASKA PIPELINES

In 1973, the Congress passed the Alaskan pipeline bill, allowing the construction of a vitally needed oil pipeline. The Secretary of the Interior plans to issue the construction permit for that pipeline this afternoon, and construction should begin this year.

It has long been clear that while an oil pipeline was needed, it alone would

not be enough. In addition to the huge oil reserves in the North Slope of Alaska, there are also gas reserves there of at least 26 trillion cubic feet—enough to heat 10 million homes for 20 years. Construction of a gas pipeline should thus accompany the construction of the oil pipeline. What is now needed, and what I am directing, is prompt action by the Administration. Interior Secretary Morton expects to receive two competing applications for the gas pipeline in the near future, one proposing construction across Alaska and the other proposing construction across Canada. I have asked the Secretary to consider these proposals carefully but promptly and to deliver a recommendation to me as soon as possible. I have also asked the Secretary to undertake a further study of the need for future oil and gas pipeline capacity and the best routes for new pipelines should they prove necessary.

STIMULATION OF SYNTHETIC FUEL PRODUCTION

At current rates of consumption, our coal reserves could supply our needs for 300 years while shale oil could satisfy an additional 150 years of demand. However, these resources are not easily recoverable, or usable in a manner that is environmentally acceptable. Therefore, the development of a domestic synthetic fuels industry—the production of oil from shale and the production of gas or oil from coal—can be an important element of our program for reducing our future dependence on energy imports.

The recent bidding for the first commercial oil shale lease indicates strong commercial interest in shale oil development. Five other lease offerings of Federal oil shale lands will be made this year. Several companies have also announced plans to construct plants for the production of commercially usable gas from coal. Nevertheless, a variety of factors including environmental, economic, technical, and regulatory problems impose constraints on any major increase in the commercial production and industrial use of synthetic fuels. I have therefore asked the Administrator of the Federal Energy Office to head up an interagency evaluation of financial or economic incentives or regulatory changes that may be needed to stimulate domestic production.

EVALUATING ENERGY EFFICIENT PRODUCTS

There are now several products on the market which, if given wider use, might help us to use energy more efficiently and could conceivably reduce air pollution. Among them are chemical catalysts and additives, attachments for automobile engines and more efficient heat transfer devices for industrial and home furnaces. Previously, these products have not been commercially profitable because of the low price of fuel. With an increase in fuel prices, however, they have become more attractive. I have therefore directed the Federal Energy Office to collect information on these products and on their energy efficiency. As results are available, we will publicize them and, where appropriate, will purchase the products for use by the Government.

IMPROVING URBAN TRANSPORTATION

It is widely recognized now that the development of better mass transit sys-

tems may be one of the key solutions to both our energy and environmental problems. My budget for fiscal year 1975, which will be sent to the Congress in the next two weeks, gives special priority to the improvement of urban transportation, especially transit bus fleets. In addition, I will soon propose legislation to increase the amount and flexibility of Federal transportation aid which is available to local communities.

ENERGY RESEARCH AND DEVELOPMENT

Nowhere will the need for the combined efforts of industry and Government be greater than in energy research and development. If we are to see the successful culmination of Project Independence, the Federal Government must work in partnership with American industry.

For the last five years, I have provided for a continual expansion of our efforts in energy research and development. Federal funding increased almost 75 percent from \$382 million in fiscal year 1970 to \$672 million in fiscal year 1973 and was then raised to \$1 billion for fiscal year 1974. Last June I announced my commitment to an even more rapid acceleration of this effort through a \$10 billion Federal program over the next five years, and I asked the Chairman of the Atomic Energy Commission to develop recommendations for the expanded program.

Today I am announcing that in fiscal year 1975—the first year of my proposed five year, energy R&D program—total Federal commitment for direct energy research and development will be increased to \$1.8 billion, almost double the level of a year ago. In addition, I will be requesting an increase of \$216 million for essential supporting programs in basic and environmental effects research.

Regardless of short-term fluctuations in the energy supplies, our Nation must move swiftly and steadily on a course to self-sufficiency. The private sector clearly must provide most of the money and the work for this effort. We must also guard against Government expenditures which merely replace private sector investments. But the Federal Government does have a role to play in supplementing and accelerating private development and in filling major technological gaps where market incentives are lacking. The Federal expenditures which I am announcing today are designed to serve those purposes.

In pursuing our energy R&D program, we must maintain balance. We cannot afford to direct all our efforts to finding long-term solutions while ignoring our immediate problems, nor can we concentrate too strongly on finding short-range solutions. Our program must be structured to provide us with payoffs in the near, middle, and far term.

For the near term—the period before 1985—we must develop advanced technologies in mining and environmental control that will permit greater direct use of our coal reserve. We must speed the widespread introductions of nuclear power. And we must work to develop more efficient, energy-consuming devices, for use in both home and industry.

Beyond 1985, we can expect considerable payoffs from our programs in nuclear

breeder reactors and in advanced technologies for the production of clean synthetic fuels from coal. By this time, we should also have explored the potential of other resources such as solar and geothermal energy.

For the far term, our programs in nuclear fusion, advanced breeder reactors, hydrogen generation and solar electric power appear to be the ultimate keys to our energy future.

V. CONCLUSION

Although shortages were long in appearing, the energy crisis itself came suddenly, borne by a tragic war in the Middle East. It was a blow to American pride and prosperity, but it may well turn out to be a fortunate turning point in our history.

We learned, at a stage short of the truly critical, that we had allowed ourselves to become overly dependent upon foreign supplies of a vital good. We saw that the acts of foreign rulers, even far short of military action, could plunge us into an authentic crisis. The Arab oil embargo will temporarily close some gasoline stations, but it has opened our eyes to the short-sighted policy we had been pursuing.

The energy emergency has shown us that we must never again be caught so dependent upon uncertain supplies. It is a lesson the American people must and will take to heart. By 1980, if we move forward with the proposals I have outlined today, I believe we can place ourselves in a position where we can be essentially independent of foreign energy producers.

America has half the world's reserves of coal. It has billions of barrels of oil in the ground, as well as convertible oil shale. It has vast natural gas reserves. We have the world's largest installed nuclear capacity and half the world's hydroelectric plants. This represents a truly enormous store of energy.

The United States also has the largest pool of highly trained scientific talent in the world. Our managerial skills in the private sector are enormous. And our organized facilities for solving technical problems in universities, businesses, and government are unparalleled.

I have no doubt that the bringing together of these natural and human resources can propel us toward an era of energy independence.

It will take time. But along the way we will assure that no groups of Americans are better off because other groups are suffering. We will assure that the genius of the free enterprise system is maintained and not destroyed by its response to this crisis.

Years from now, let us look back upon the energy crisis of the 1970's as a time when the American spirit reasserted itself for the lasting benefit of America and the world.

RICHARD NIXON.

THE WHITE HOUSE, January 23, 1974.

PERSONAL EXPLANATION

Mr. SARASIN. Mr. Speaker, it was necessary for me to leave the floor of the House of Representatives at about 4 p.m., on Thursday, December 20, 1973. As a

consequence, I missed a number of recorded votes, and I now state, for the RECORD, how I would have voted had I been present.

THURSDAY, DECEMBER 20, 1973

Rollcall No. 715. Adoption of House Resolution 754, agreeing to Senate amendments Nos. 1 and 2, and agreeing to Senate amendment No. 3 with an amendment, to H.R. 6186, regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions. I would have voted "yea."

Rollcall No. 716. Adoption of the conference report on H.R. 9142, to restore, support, and maintain modern, efficient rail service in the Northeast region of the United States. I would have voted "yea."

Rollcall No. 717. Adoption of the conference report on H.R. 11576, making supplemental appropriations for the fiscal year ending June 30, 1974. I would have voted "yea."

FRIDAY, DECEMBER 21, 1973

Rollcall No. 719. Agreement to the Senate amendment to H.R. 11333, to provide a 7-percent increase in social security benefits beginning with March 1974, and an additional 4-percent increase beginning with June 1974, and to provide increases in supplemental security income benefits. I would have voted "yea."

Rollcall No. 720. Ordering a second on a motion to suspend the rules and pass House Resolution 759, providing for agreeing to the Senate amendment to the Wild and Scenic Rivers Act and to provide for the levels of contingency plans for petroleum consumption—which included a "windfall profits" provision. I would have voted "yea."

Rollcall No. 721. Motion to suspend the rules and agree to House Resolution 759—which included a "windfall profits" provision. I would have voted "yea."

Rollcall No. 722. Adoption of House Resolution 760, providing for agreeing to the Senate amendment with an amendment—the text of H.R. 12129, not including "windfall profits" provision. I would have voted "nay."

Rollcall No. 723. Adoption of House Resolution 761, providing for agreeing to the Senate amendment to the amendment of the House to S. 921, to amend the Wild and Scenic Rivers Act and to provide for the levels of contingency plans for petroleum consumption—not including "windfall profits" provisions. I would have voted "nay."

Rollcall No. 724. Adoption of House Concurrent Resolution 411, providing for the sine die adjournment of the first session of the 93d Congress. I would have voted "nay."

SATURDAY, DECEMBER 22, 1973

Rollcall No. 725. Motion to adjourn. I would have voted "nay."

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered, H.R. 11354, and to include extraneous matter.

The SPEAKER pro tempore. Is there

objection to the request of the gentleman from Texas?

There was no objection.

THE LATE HONORABLE HAROLD DUNBAR COOLEY

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

Mr. FOUNTAIN. Mr. Speaker, with deep regret I rise to announce the death on January 15, 1974, of one of North Carolina's foremost public servants—Harold Dunbar Cooley of Nashville, N.C., who served with distinction for more than three decades as a Representative in Congress of the United States of America.

No greater tribute can be paid to any man than for him to receive time and time again the esteem and trust of those who know him best. That tribute was paid many times to the late Harold D. Cooley.

He came to this House in 1934 during the 74th Congress and began his brilliant career, enjoying reelection to no less than 16 successive Congresses. In all, he served for 32 years, covering three of the most crucial and eventful decades in the history of the United States.

The repeated trust placed in the capable hands of Harold Cooley bears eloquent testimony to the considered judgment of the constituents of the Fourth Congressional District of the State of North Carolina. They had the measure of the man he was.

In the 81st Congress, Harold D. Cooley assumed the chairmanship of the House Agriculture Committee, one of the most significant posts in the Congress, and one of great importance to the people of North Carolina.

He held that office, except for the 83d Congress, for the remaining 16 years of his period of service in this House, providing outstandingly capable leadership during difficult days for our Nation.

During this time he became a truly national—even international—figure, deeply involved in all of the significant legislation of that time, especially legislation affecting agriculture, the most basic business of all. Harold D. Cooley knew that no civilization can advance, that no civilization can continue without a strong system of agriculture at its base.

Harold D. Cooley dedicated his life to public service and constantly worked to make sure that America would have the kind of agricultural system she needs and must have. The astounding progress—the great advances in productivity—our American farmers have made since World War II can be credited in no small measure to the work of Harold D. Cooley. He continually worked to lay the groundwork for Federal action which would benefit both the American farmer and the American consumer.

America is the best fed Nation in the world today and there are many in this House now who share my conviction that a sizable measure of the credit should go to Harold D. Cooley of Nashville, N.C. During his long career he sponsored or played a crucial part in the passage of major farm legislation, including soil

conservation, rural electrification, price supports, crop insurance, and flood control. He provided essential leadership in passage of the flu-cured tobacco program. The American farmer has every reason to be grateful for his achievements in behalf of agriculture.

Never one to timidly turn away from controversy, he was a vigorous and forthright debater, one who fought tenaciously for the programs he supported. Harold Cooley was a doer, not a nay-sayer. In the same manner he was a tireless champion of his home State and its interests, one who rightfully believed that the well-being of his district was of prime importance.

A striking example of the authority he wielded occurred on April 1, 1964, when he piloted through the House three major pieces of legislation—the food stamp bill, the wheat bill, and the cotton bill, all in a single day.

He had a clear-sighted understanding of the need for economic and social interdependence in the modern world, and it gave strength and understanding to his everready willingness to take the long view, evident in his support of measures to restore world trade after World War II and thereafter, and measures to feed the world's hungry far from our own shores. In short, he was one of the architects of the post-war world. In recognition of his services in this area he was honored by the governments of France, Italy, Japan, and South Korea.

While an ardent and life-long Democrat—he once boasted, "I've never voted anything but a straight Democratic ticket in my life"—he was a personal friend of prominent leaders in both parties. He served in this House with two men who later became President, John F. Kennedy and Lyndon B. Johnson. He counted them among his friends, as well as President Franklin D. Roosevelt, President Harry S. Truman, and President Dwight D. Eisenhower.

Harold D. Cooley was a consultant and congressional adviser to the United National Educational, Scientific and Cultural Organization, and a member of the Select Committee on Economic Aid to European Countries in the 80th Congress.

He served as a delegate from the Congress to the Interparliamentary Conferences held at Cairo, Egypt, in 1947 and at Rome, Italy, in 1948. He also served as president of the group for two 4-year terms.

It was my privilege to serve in the House with Harold D. Cooley for some 14 years. I came to know him well both as a colleague and as a friend. I shared the respect with which he was universally regarded, and my respect was deepened by personal ties. I knew of his loyalty to principle, to his country and to his God, as well as his love for the South and its rich heritage.

May I note here that his home county—Nash—which was formerly in the Fourth District, represented so ably for so long by Congressman Cooley, is now a part of the Second Congressional District of North Carolina, which I have the honor to represent.

The close association which all members of the North Carolina delegation

maintained with him over the years undoubtedly strengthened the quality of representation which the people of North Carolina have received. His dedication to right and to progress was a constant example to all of us.

Harold Dunbar Cooley was born in 1897 in Nashville, N.C., where he is today remembered with great affection and deep pride. He attended the public schools there and was graduated from the University of North Carolina at Chapel Hill. His law degree was earned at the Yale Law School. He was admitted to the bar of the State of North Carolina in 1918 and immediately established his law practice in Nashville, his hometown.

He responded to the call of his country during the first World War and was a member of the Naval Aviation Flying Corps, returning to his law practice after the war. He turned to public life in 1932 as a Presidential elector on the Franklin D. Roosevelt-John Garner ticket. Two years later, he first won election to the Congress of the United States, filling a vacancy caused by the death of Edward W. Poul.

These are troubled days for America, but in recalling the life and character of Harold D. Cooley, we can find inspiration in the example he set of steadfast dedication to public service and to the best interests of his district, his State, and his Nation.

He had unflinching loyalty to the lofty principles which guided his public judgments, and that unswerving loyalty gave him an assurance which was reflected in an inner confidence that never wavered.

Unquestionably, the passing of Harold D. Cooley marks the end of an era, both in North Carolina and in our Nation.

Tributes to him have emphasized—and rightly so—his concern for the welfare of his State. The master of the North Carolina Grange has spoken of him as "a real champion for the cause of agriculture for many years." "He was sensitive," declared Mrs. Harry B. Caldwell of Greensboro, "to the needs of farmers, understood them and worked for them during his years of service." The Honorable James Hunt, Lieutenant Governor of the State of North Carolina has observed:

For years he (Cooley) was the protector and defender of our tobacco farmers.

Harold D. Cooley came into national office during the early days of the New Deal, while the impact of the Depression was still very real. He knew at first hand the problems and the needs of our farmers and he perceived, as I have already observed, that a strong, healthy rural economy is essential to the life and liberty of the Nation. Truly, in the words of the Honorable James Graham, North Carolina Commissioner of Agriculture, his death represents "a great loss to the industry of agriculture and to all of North Carolina."

An ancient Latin saying has it that "hope sustains the farmer." Harold D. Cooley sought to give sure foundations to that hope, mindful of Thomas Jefferson's counsel:

Those who labor in the earth are the chosen people of God, if He ever had a

chosen people, whose breasts He has made His peculiar deposit and for substantial and genuine virtue.

Harold D. Cooley believed in the value and the virtue of farming, and he further believed that in farming as in all of life "the laborer is worthy of his hire."

I know that many Members of this House will join with me in extending sincere condolences to Harold D. Cooley's dear wife, Madeline, to his son, Roger, his daughter, Harriet, and to all who hold his memory in great respect.

I know those dearest to him will find consolation and strength in the recollection of his life of great accomplishment and the many evidences of his outstanding record of public service.

In this House and in North Carolina his name will always be honored and his achievements esteemed. Of his devotion to the people he so ably represented for so many years, we may say with scripture:

Well done, thou good and faithful servant. Enter thou into the joy of thy Lord.

Mr. Speaker, at this point I would like to read the text of a newspaper article published the day of Harold Cooley's funeral by his hometown newspaper, the Nashville Graphic, and two editorials written in commemoration of this champion of agriculture.

First, the article published by the Nashville Graphic on January 17, 1974:

COOLEY FUNERAL SET HERE TODAY

Funeral services will be held at the Nashville United Methodist Church this afternoon at 3 o'clock for Harold Dunbar Cooley, 73, veteran lawmaker who died Tuesday in his sleep at Wilson Memorial Hospital after a year of declining health.

Rev. Sam Habel of Huntington, West Va., a former pastor of the Nashville Baptist Church, of which Cooley was a member, will conduct the services. He will be assisted by Rev. Don Phillips, pastor of the Nashville United Methodist Church, and Rev. Joe Lister, pastor of the Nashville Baptist Church.

Rev. Habel, now a professor at Marshall University in Huntington, is a cousin of Cooley.

Burial will be in Forest Hill Cemetery. Cooley served in Congress from 1934 to 1966, representing the old Fourth Congressional District, and was chairman of the House Agriculture Committee from 1949 to 1966.

During his political career he travelled to many states of America and to many countries of the world, but he often told friends that Nashville, the town in which he was born on July 26, 1897, was the dearest place on earth to him.

He was the son of the late Roger Atkinson Pryor Cooley and Hattie Davis Cooley. His father practiced law in Nashville.

Cooley followed in his father's footsteps and studied law at the University of North Carolina and at Yale University. He passed the bar examination at the age of 20 and had to wait until his 21st birthday to receive his license to practice law.

MILITARY SERVICE

While waiting for his license to be issued, Cooley volunteered for service in the U.S. Navy Flying Corps and was assigned to Aviation Ground School at the Massachusetts Institute of Technology. When the Armistice was signed in November 1918, Cooley was placed on inactive duty but remained in Naval reserve for four years.

He returned to Nashville and opened a law office, later forming the law firm of Cooley

and Bone with Walter J. Bone of Nashville, now a retired superior court judge. He was later associated with the late Hubert E. May in the practice of law.

In 1934, Cooley ran successfully for Congress, filling a vacancy created by the death of the late Edwin W. Pou of Smithfield. He was re-elected to each succeeding session until he was defeated in 1966 by Jim Gardner of Rocky Mount.

Following World War II, Cooley served as a member of the Herter Committee which was authorized to study the problems of war-torn areas of Europe. The report of the committee was the basis for the Marshall Plan which provided massive U.S. aid to countries devastated by the war.

Cooley was a leading architect of the nation's present farm program. He played a key role in the development of today's Farmers Home Administration and participated in the preparation and passage of soil conservation legislation, the rural electrification program, the Federal Crop Insurance Program and many other farm bills.

He was the author of the Food For Freedom Act of 1966.

MAN OF THE YEAR

Cooley was named Man of the Year by the North Carolina Farm Bureau, the North Carolina State Grange and the Progressive Farmer.

He held decorations from the governments of Italy, Korea, France and Japan.

He was a member of the American Legion for more than 50 years, a past president of the Rocky Mountain-Nash County Bar Association and a member of the Elks Lodge.

Cooley was married to Madeline Strickland of Nashville on June 30, 1923, who survives. Also surviving are a son, Roger A. P. Cooley of Alexandria, Va.; a daughter, Harriett Davis Cooley Lawrence of Nashville; two sisters, Mrs. Mabel Downey of Nashville and Mrs. Mildred Sanders of Raleigh; and four grandchildren.

Now, I would like to direct the attention of my colleagues to an editorial from the Nashville Graphic of January 17, 1974:

HAROLD DUNBAR COOLEY: CHAMPION OF AGRICULTURE

Someone has said that every man should have an epitaph. If that is true, the inscription that marks the final resting place of Harold Dunbar Cooley should read: "He championed the cause of agriculture."

During 32 years of service in the Congress of the United States, including 17 years as chairman of the House Agriculture Committee, Harold Cooley waged unending battle for the farmer. Sometimes he lost, and almost always he fought against odds, because the nation's farm population was declining and farm representation in the halls of Congress, consequently, diminished too.

But sometimes he won. And the victories, in the form of legislation to benefit agriculture, carried him to national prominence as a friend of the farmer.

His argument was not only that farmers are entitled to a fair share of the nation's prosperity, but that other segments of the economy cannot prosper when agriculture is depressed.

Again and again, as often as anyone would listen, he recalled that agriculture went into a devastating decline in the late 1920s, while other segments of the economy were soaring. Then the ruin of agriculture ran its inevitable course, and the nation's economy plunged into the Great Depression.

More clearly than most, Harold Cooley understood that the business of agriculture and the business of industry are inseparably linked. He once called agriculture and industry "The Unbeatable American Team." If is a team, he said, that made America the

envy of every other country on the face of the earth.

Many years ago, when there was an overabundant supply of almost everything, Harold Cooley was defending the nation's surpluses of farm products as a "safety margin against crop failures or other national or international emergencies." That position is now being vindicated almost daily as more and more commodities, including food, are marked up on the nation's growing list of shortages.

America's champion of agriculture died Tuesday at the age of 76. He counted among his friends the great and the near-great, including five Presidents of the United States. But he liked to think of himself as a "dirt farmer," and he never tired of talking with his farm friends about their problems, their hopes, their dreams.

Over the years, Harold Cooley was accorded many high honors. He was named "Man of the Year" by the North Carolina Farm Bureau, by the North Carolina State Grange, and by the Progressive Farmer. Among his proudest possessions were citations for his service to agriculture from the governments of four foreign nations—France, Italy, Japan and Korea.

But he held an unwavering affection for his home town of Nashville, the place of his birth, until the day he died. He once said, and if there is room enough on the epitaph, it would be fitting and proper to include this tribute that came from his heart: "I have sailed the seven seas, and I have traveled to the far corners of the earth, but the dearest place in all the world to me is my home town."

And, finally, Mr. Speaker, I would like to take note of an editorial, which appeared in the Henderson Daily Dispatch on January 15, 1974:

GIANT IN HIS DAY

Former Congressman Harold D. Cooley was a giant in the House of Representatives in his day, where he served for 32 years prior to his loss some years ago to Jim Gardner, Republican. For a long time he was chairman of the House Agriculture Committee, and in that capacity was a leader in enactment of the flue-cured tobacco program, as well as other legislation affecting the farmer.

Mr. Cooley, who died in sleep in Wilson early Tuesday at the age of 76, had spent much of his time in Washington in recent years. He was a liaison spokesman for interests with which he was aligned. He always knew his way around in legislative circles and in the bureaucratic labyrinth of Federal departments. In his day, he had access to the White House during Democratic administrations, and was well known to those whose acquaintance was helpful in legislative affairs.

The former representative retired to law practice with an office in his home town. His interests claimed his attention to the extent that he was not often seen in his former official haunts. His name once was a household word in agricultural circles, and his familiarity with those in authority served to good advantage for farmers, and especially in the tobacco country, a large part of which was in his fourth district.

Mr. Cooley's death was a surprise to those who knew him. There had been no previous public intimation as to his health. Assumption was that he was active in his law practice and contacts on Capitol Hill in Washington.

He served actively his day and generation, and those who knew of his service to tobacco growers and farmers generally were grateful for the part he played in this vital segment of rural life in North Carolina and elsewhere in the country.

CXX—32—Part 1

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE EMERGENCY ENERGY BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 60 minutes.

Mr. CRANE. Mr. Speaker, we will soon be asked to consider, for a third time, legislation which would accomplish the greatest peacetime transfer of power to the President in the history of the United States. The previous debates on the energy emergency bill have taken place in an atmosphere of crisis and pressure so great that few Members of this body even knew the content of the bills on which they were asked to vote. The proponents of this domestic Gulf of Tonkin bill forced it upon the Congress with no time for sober reflection on its grave implications for the rights of American citizens nor for the long-range effects which it is likely to have on the domestic economy.

Those same harbingers of doom have again set up a raucous chorus to try to reconstruct that hectic atmosphere of crisis in which we nearly gave away our birthrights without even the promise of a mess of pottage in exchange. But strangely enough, the Nation has survived for another month without that legislation which we were told was absolutely essential before Christmas. The oil supply shortage which spawned the hodgepodge of wrong answers which is supposed to pass for responsible legislation has not turned out to be as drastic as the pessimistic predictions of the Federal Energy Office had led us to believe it might be. We should take the time now to carefully examine the measures we are asked to adopt, to uncover their implications and to inquire whether they are even capable of solving the problem they are supposed to address.

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

Mr. CRANE. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, the gentleman from Illinois should be complimented because his is truly the first profound statement I have heard on the floor since the Congress has returned on Monday.

At this time I would like to reemphasize my view that wage and price controls in peacetime are undesirable. I intend to vote against extending the Economic Control Act.

I also believe that the President should terminate the operations of the Cost of Living Council as soon as possible and permit the economy to adjust in natural fashion.

As a matter of principle, I am opposed

to controls on the economy in peacetime. Therefore, I opposed the bill the Democrats rammed through Congress which, in turn, the President used to impose economic controls. I am convinced that after a normal readjustment period the economy would progress far better without Government manipulation. Congress could contribute in a positive fashion by producing a balanced budget rather than a huge deficit which automatically feeds the fires of inflation.

Mr. CRANE. Mr. Speaker, I thank the gentleman for that most gracious statement.

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

Mr. CRANE. Yes, I will be happy to yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I would like to say that my good friend, the gentleman from Illinois (Mr. DERWINSKI) was one of those Members, along with me who wanted to see the House take an adjournment over Christmas, and I think that the fact that the Members have been home for the last month or so and visited with their constituents was reflected in the last vote that was taken on the question of back door foreign aid, in that it was voted down by a 2-to-1 vote.

So I applaud the gentleman from Illinois for his commentaries to the House right before Christmas when he said in effect, "Let us get out of here and get our thinking straightened out."

Mr. CRANE. Mr. Speaker, I would like to take a few minutes to explore this last point. I do not propose to trace the dismal history of Government control of economic activity from the time of Hammurabi. It will be equally instructive, and more germane, to look at some of the Government activities which have led us into the trap from which we are now struggling to escape.

It has been a long standing policy of the U.S. Government to encourage investment by American companies in foreign countries. Since the Revenue Act of 1918, for instance, taxes paid to foreign governments have been deductible, dollar for dollar, from taxes owed to the U.S. Government. A ruling of the Internal Revenue Service some 20 years ago had the effect of allowing the same treatment for royalty payments to Arab rulers. Other provisions of our tax laws certainly have not been designed to discourage development of foreign oil reserves. Drilling expenses abroad can be charged off against current income, and the same depletion allowance is applicable to production from foreign and domestic reserves.

Having set the sorcerer's apprentice in motion, our Government began to realize that the results were not all beneficial. The cost of getting the oil out of the ground in Arab fields was very low, and the tax provisions meant that our Government was paying the cost of getting it out of the Arab countries. The natural and predictable result was that large quantities of Arab oil became available in U.S. markets at prices below those at which it could be produced here. The response of our Government was equally

predictable, if not as natural: it imposed oil import quotas, in the name of national security. Having encouraged development of foreign sources of oil, in part to slow the depletion of our own reserves, the Government then prohibited the use of that foreign oil in order to protect our domestic industry from its own success abroad.

Under this security blanket, American oil producers built the refineries and produced the oil needed to meet domestic demand during the last decade. But there was little incentive for them to search out new domestic sources of oil. In fact, there were real disincentives, including another government policy which some in this body consider to be nongermane to the energy emergency. Since oil and natural gas frequently occur together, the strict regulation of the price of natural gas has not only inhibited the supply of that commodity, but has had a parallel effect on oil supplies.

The net effect of government policies with respect to the oil and gas industries has been that new domestic discoveries peaked in 1956 and have been on a steep downcurve ever since.

The next piece in this tragic picture was provided by the Congress, almost as an afterthought. To a bill to extend the Defense Production Act of 1950 it added a new title giving the President authority "to stabilize prices, rents, wages and salaries." Although he neither requested nor wanted that authority, he used it within a year. It is no coincidence that our dependence on imported oil has skyrocketed since prices for oil products were fixed. The Federal Trade Commission recognized the basic economics of this situation in the report which provided the basis for their recent complaint against the major oil companies for anticompetitive practices. Although it was intended to make a different point, that report lists as one of the causes of the present shortage—

The fact that major station gasoline prices have not been allowed to reach their natural level during the period of shortage in certain areas of the country. Incidentally, other causes which they also cite include the Oil Import Control program and Government induced barriers to entry which have inhibited nonintegrated firms from entering into refining.

I do not intend to discuss in detail the miserable results of the cost of living stabilization program. Not only has it failed to stabilize the cost of living, but it has created shortages which would never have occurred without it. One particularly germane example is in the petrochemical industry, where artificially low domestic prices have made it impossible for manufacturers to obtain the feedstocks for our plastics industry. The shortage of necessary materials has had a devastating effect on an industry made up largely of small businesses.

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

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

Mr. ROUSSELOT. Mr. Speaker, I appreciate very much the gentleman yielding. I wish to associate myself with my colleague, the gentleman from Illinois

(Mr. CRANE) in his effort to try to encourage some kind of a rational discussion concerning the entire issue of the so-called energy crisis. It is my opinion that it really should be labeled the "energy challenge."

Mr. Speaker, I have contended since the beginning of this so-called "energy crisis" that the nature of the situation has been overplayed. What we are now facing is actually a regulation crisis. The actions taken by the Federal Government in the past have created this problem, and the recent Government mandates have tended to complicate rather than to alleviate the situation. I firmly believe that if the free market were permitted to operate, our country would be able to develop new sources of energy more efficiently than can be done through a Federally managed "crash" program; and, this would be without the oppressive interference with our personal liberty which the current program entails.

A recent article from the London Economist, reprinted in the Los Angeles Times of January 13, 1974, indicates that a "crash" Government program may result in an energy "glut" by the end of the decade. The article emphasizes that neither computers nor hundreds of Government economists can deal with the intricacies of energy planning and action as efficiently as the automatic mechanism of the free market. This same point was made in a recent Wall Street Journal editorial, January 11, 1974, which observed that while Federal energy czar William Simon is "probably the best man for the job," he still cannot "outperform the marketplace."

The price controls in all four phases have resulted in our scarce energy supplies being provided at artificially low prices. The low prices have only helped increase demand without providing the necessary capital to increase the supply. Only through the pressures of foreign supplies has the Government begun to recognize their mistake—the Government has not yet found a way to enforce price controls in the Mideast. In an ill-fated attempt to deal with a market they cannot control, the Government has lifted the price restrictions on new oil in the phase IV economic plans.

The decision by the administration to adopt the two-tiered price system for crude oil was made in spite of the fact that it has been tried and failed in the past. It was this very system that has been used as the method of pricing the sale of natural gas. Even the administration has recognized the failure of this method to provide sufficient gas energy. The Federal Government should immediately abandon the two-tiered system of crude oil pricing by removing all price controls from petroleum and petroleum products. The use of price controls on any item in short supply can only add to the problem, not solve it. As a matter of fact, price controls have actually been responsible for creating shortages where none existed before the controls were imposed.

If the supply of energy is to be increased, the price must be allowed to rise to levels which would attract the necessary capital to make possible the development of additional sources of energy.

As Dr. Milton Friedman, professor of economics at the University of Chicago, observed in a column which appeared in Newsweek, November 19, 1973:

The most effective way to cut consumption and encourage production is simply to let the prices of oil products rise to whatever level it takes to clear the market. The higher prices would give each of the 210 million residents of the U.S. a direct incentive to economize on oil, to find substitutes for oil, to increase the supply of oil.

Many of our problems with energy supplies have developed as a direct result of environmental pressure in the name of consumer protection. A large portion of our supply shortage is due to self-inflicted wounds, such as delays in the construction of the trans-Alaska pipeline which has added years to its completion date. There is no reason why the United States cannot add new domestic supplies without causing any great harm to our environment.

It is time that we take a reasonable position on the question of air quality. The administration of the provisions in the Clean Air Act of 1970 should be modified to some extent, especially in relatively unpopulated areas, to permit the burning of coal for a few years until the shortage abates.

Another constructive step would be to deregulate the price of natural gas at the wellhead in order to encourage the discovery of new sources of this low-sulfur fuel. According to information obtained by the American Enterprise Institute from the American Association of Petroleum Geologists, the number of productive wells drilled in 1972 was 1,285 which is less than 50 percent of the number of productive wells drilled in 1956. A similar decline has also taken place in the drilling of dry holes.

I am firmly convinced that one of the most detrimental actions the Federal Government could take would be to institute gas rationing. It should be self-evident that rationing cannot itself produce more gas. In fact, even the most ardent advocates of rationing admit that rationing is only an alternative to the price system as a means of allocating the supply.

In conclusion, if the Federal Government really wants to do something constructive about the "energy crisis," it should remove the impediments that it has placed in the way of the free market.

Mr. CRANE. Mr. Speaker, one particularly germane example of the negative impact of the cost of living stabilization program is in the petrochemical industry where artificially low domestic prices have made it impossible for many manufacturers to obtain the feedstocks for their plastic industries, and this shortage of such existing material has had a devastating effect on an industry made up largely of small businessmen.

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

Mr. CRANE. I am happy to yield to the gentleman from Connecticut.

Mr. SARASIN. Mr. Speaker, I thank the gentleman from Illinois for yielding to me, and I would like to congratulate the gentleman on the attention the gen-

tleman is bringing to the shortages as they exist in the petrochemical industry.

I would like to point out for the Members of the House, and for the purpose of the record, that the most efficient use of a barrel of oil is in the petrochemical industry, where the requirements of that industry are only 2.9 percent of that barrel, and yet this industry provides some \$60 billion toward our gross national product. Also that a situation where a mere 15 percent reduction in the petrochemical plastic production would result in the loss of 1.6 to 1.8 million jobs in this country. I think that where so much of what we do here in the House of Representatives is directed toward the retention of jobs and for the creation of new jobs, that to see a situation develop, such as that which is now existing in the petrochemical industry, is indeed bad.

It would seem that sometimes allowing controls is a solution, but then they turn out to be long-range disasters because the price controls, as they have been applied to the plastic industries, have shown that they would have been better off with no controls whatsoever because the major producers—and there are only 18 of them in this country—are now exporting their products oversea because the market is more profitable for them there.

Thus the controls prevent these products from being available to the domestic processors, where the allocations that are made are not made at the processors' level, so that the processors, the users of the plastic materials, are not being fed allocations sufficient to keep them in business. And as long as we continue to allow price controls to exist we will see that happen. Because of that we have seen black markets develop and, while they may not be strictly illegal, they are certainly illegal and immoral insofar as motivating the producers to ship their materials, say, from where it leaves a gulf port, and then comes around the coast to New Jersey, where it is unloaded at a domestic port as an import, so that it can be sold at higher prices.

We have seen manufacturers moving out of the basic plastics industry, stop making whatever gadgets they might make, turn their inventory around and sell it to another company so that they can make a greater profit.

It does not take much of an imagination to see what effect the petrochemical industry has over our life style; all it takes is to merely look around and see all of the artificial products made from plastics—film, aspirin, just about everything you can think of—comes out of that barrel of oil.

So, Mr. Speaker, again I congratulate the gentleman from Illinois for bringing this to the attention of the Members of the House of Representatives.

At this time, Mr. Speaker, I would ask unanimous consent that I may insert the comments of the Organization of Plastics Processors in the Record at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

PROPOSED MANDATORY FUEL ALLOCATION REGULATIONS

COMMENTS OF THE ORGANIZATION OF PLASTICS PROCESSORS

Pursuant to the notice of opportunity to comment on the Proposed Mandatory Fuel Allocation Regulations of the Federal Energy Office by filing said comments with said Office, The Organization of Plastics Processors (TOPP) files the following comments and proposed revisions of the regulations.

I

The member companies of The Organization of Plastics Processors (TOPP) and primarily small independent companies (hereinafter, Independents)¹ that upgrade plastic feedstock² into innumerable and essential products.³ The Independents cannot operate without plastic feedstock (there are no alternatives at any price) and are completely dependent upon a few major petrochemical and petroleum corporations (hereinafter, Majors) which manufacture this feedstock from petroleum and natural gas hydrocarbons under the direct control of the Mandatory Fuel Allocation Program (MFFPA).⁴ However, the Majors are engaged in downstream plastics processing through their "captive" processors which directly compete for supplies and customers with the Independents.⁵ This results in the Independent being in the position of competing with their suppliers for customers, as well as supplies.⁶ It follows, that in a contest for supplies, the Independents will always lose to the Majors, unless fairness is imposed via mandatory allocation.

In fact, during the last four months, the Independents have experienced severe cut-offs of the plastic feedstocks necessary for their operation with several already going out of business.

The evidence points to accelerating cut-offs and business failures, i.e. a number of Independents have already been notified that, effective December 31, 1973, they will be cut off entirely. These cut-offs have been out of all proportion to the general shortage of petrochemical feedstocks and the level of plastic feedstock production.⁷

The following is advanced to shed light on the causes of these disproportionate cut-offs and the urgent need for plastic feedstocks to be included in the Mandatory Fuel Allocation Program:

1. Exports of plastic feedstocks are not only continuing at record levels, but are increasing. In fact, the October 1973 exports of plastic feedstock increased substantially over the corresponding levels for October 1972.⁸

2. Some cut-off Independents are being approached to sell-out to the Majors.⁹

3. Large numbers of the "captive" processors are operating at full capacity and accepting new customers.

4. When a cut-off Independent is unable to supply a large powerful customer, the customer is able to obtain the needed feedstocks. He then supplies these to the independent under the condition that they be used only for his account.¹⁰

5. A substantial black market for these feedstocks already exists and is growing.¹¹

It is our hope that the demise of the Independent sector of the plastics processing industry, and all of those that depend upon it, is not the desire of the Federal Energy Office and Mandatory Fuel Allocation Regulations. It is certainly contra to the expressed intentions of *The Emergency Petroleum Allocation Act of 1973*. (Pub. L. 93-159), *The Preamble, The Proposed Mandatory Fuel Allocation Regulations*, and to published statements of officials at all levels of government.

The Independents are not asking for special treatment but, on the contrary, for

equal treatment. They are asking that the shortages be fairly distributed and not used to dislocate markets, to force independent businesses to ruin and to lessen competition. They are asking that the Federal Energy Office use its authority to fulfill the goals set for it by the legislative and executive branches of the federal government.

Therefore, we urge and implore the Federal Energy Office to amend the Proposed Mandatory Fuel Allocation Regulations as outlined in our comments so that the high priorities for petrochemical feedstocks given to the Majors will be used equitably and fairly, rather than to the detriment of the Independents and the nation as a whole.

II

TOPP proposes the following amendments to the proposed "Mandatory Fuel Allocation Regulations":

AMENDMENT NO. 1

Section 200.63 (C): Scope of Coverage amended to be read as follows:

For petrochemical feedstocks used in petrochemical processing facilities, such a wide variety of subsequent products result that it is felt that equitable supply patterns must be followed.

However, if industry supply patterns result in inequitable distribution of shortages, the Federal Energy Office will institute controls to balance those shortages of these products. *Therefore, plastic feedstocks used by the plastic processing industry and produced from petrochemical feedstocks are to be covered by this subpart.* [Italicized portions denote change].

AMENDMENT NO. 2

Section 200.64 (B), definitions amended to be read as follows:

"Petrochemical Feedstocks"—Petrochemical feedstocks include all refinery streams which can be sold or directed to operations for chemical conversion for petrochemicals or their precursors, and all petrochemicals which have traditionally been sold or directed to plastic processing operations. This definition includes, but is not limited to, Naptha, Benzene, Toluene, Butylene, Butadiene, Naphthalene, Propylene, Xylene, low density, Polyethylene, Polystyrene, high density Polyethylene, Polyvinyl chloride (PVC), and Polypropylene. This definition excludes Butane, Propane and Butane-Propane mixes as defined and regulated under subpart 'D' of this part, or excluded under subpart 'A' of this part. [Italicized portions denote change].

III

TOPP also respectfully submits the following general comments:

Comment Number 1: Restrictions on the exports of all petrochemicals in which domestic shortages exist should be immediately enacted.

Comment Number 2: Price controls on petrochemicals should immediately be lifted or adjusted to allow suppliers to effectively compete for supplies with the export and black markets.

Comment Number 3: The Federal Energy Office should assume control over the price and export of petrochemicals since they are so intertwined with energy and the current shortages.

FOOTNOTES

¹ There are approximately five thousand independent plastic processors with annual sales ranging from approximately one hundred thousand dollars up to approximately fifteen million dollars and with each having from two to three hundred employees. (Over five hundred thousand people are employed in this industry).

² The term "plastic feedstock", as used herein, embraces petrochemicals and petrochemical derivatives used by plastic processors as raw material for their operations and

include, but are not limited to, polyethylene, polystyrene, and polyvinyl chloride.

⁵ See Attachment A, *Basic Uses of Products of the Plastic Processing Industry*.

⁶ See Attachment B, *Plastic Processing Industry Flow Chart*; Attachment C, *Typical Petrochemical Plant Flow Chart*; Attachment D, *General Description of Plastic Processors*.

⁷ The Petrochemical Energy Group (PEG) in its comments on the Mandatory Fuel Allocation Program made the following observations and recommendations as to the competitive market structure existing between the Independent and "captive" segments of the petrochemical industry that are equally relevant to the plastics processing industry:

In any event, "competitive equity" should be one of the goals of any mandatory allocation program; and in order to ensure an equitable distribution of short supply products used for feedstocks, it may be necessary to place "captive" users on an equal

allocation basis with independent users of the same product. (Comments of the Petrochemical Energy Group on the Mandatory Fuel Allocation Program; p. 16, Sept. 10, 1973.)

⁸ Entry into the production of plastic feedstock is closed to the Independents due to the large capital and organizational requirements necessary for this production.

⁹ Examples of these can be furnished if necessary with the condition that they be kept confidential.

¹⁰ Attachment E, *Exports of Plastic Feedstock*.

¹¹ Examples of these can be furnished if necessary with the condition that they be kept confidential.

¹² Examples of these can be furnished if necessary with condition that they be kept confidential.

¹³ Sworn affidavits based on personal knowledge can be furnished if necessary with the condition they be kept confidential.

ATTACHMENT B PLASTIC PROCESSING INDUSTRY FLOW SHEET

Petrochemical manufacture	Plastic feedstocks	Plastics processor	End product
Petrochemical feedstocks.....	Plastics—Polyethylene, polystyrene, and PVC.....	Packaging.....	Bottles, bags, tubes.
		Building and construction.....	Pipe, siding.
		Transportation.....	Seat cushions, upholstery.
		Electrical.....	Wire coatings.
		Housewares.....	Baskets, containers.
		Coatings.....	Paints.

TABLE III.—MAJOR PLASTIC MATERIALS TRENDS IN PRODUCTION AND EXPORTS

[Quantities—Million pounds]

Plastic material	Production (January–September)			Exports (January–September)			
	1972, quantity	1973, quantity	Change (percent), 1973 versus 1972	1972		1973	
				Quantity	Percent of product	Quantity	Percent of product
Polyvinyl chloride (PVC).....	3,071.8	3,345.9	+8.9	121.6	4.0	113.9	3.4
Polystyrene (PS).....	2,742.4	3,050.5	+11.2	103.4	3.8	134.8	4.4
Low-density polyethylene (LDPE).....	3,863.8	4,280.5	+10.8	289.7	7.5	361.8	8.5
High-density polyethylene (HDPE).....	1,697.5	1,956.0	+15.2	204.6	12.1	213.2	10.9
Polypropylene (PP).....	1,246.9	1,584.5	+27.1	115.2	9.2	224.7	14.2
Phenolic.....	1,092.2	1,445.2	+32.3	16.0	1.5	21.0	1.5
Total.....	13,714.6	15,662.6	+14.2	850.5		1,069.4	

ATTACHMENT D

GENERAL DESCRIPTION OF PLASTIC PROCESSORS
Plastic Processors divide into several different classifications:

Injection molders

Produce products by forming the heated thermoplastics in a mold of desired shape.

Extruders

They produce sheets, film, sheeting, rods, tubing, special shapes, pipe and wire covering by forcing heated thermoplastics through a die in a continuous process.

Blow molders

They produce bottles, toys, tanks, drums, etc. by extruding a tube of thermoplastics into a mold and forcing the tube to take the form of the mold with air pressure from the inside.

Vacuum formers

They produce a variety of parts from thermoplastic sheets which they often extrude themselves by heating the sheet and drawing it into a mold of the desired shape with a vacuum.

Thermosetting processing

They produce products such as counter tops, electrical insulators, iron handles, dinnerware, etc., from thermoset plastics by compression molding and high-pressure laminating.

The above processors purchase their basic plastics materials in the form of granules, powder, pellets and flakes from materials companies who formulate the plastics from basic petrochemicals.

In addition to the above processors, there is a large plastics finishing industry that takes the products of the above processors and finishes them by painting, hot stamp-

ing, plating, vacuum metallizing, simulated wood finish, assembling, etc.

ATTACHMENT E

FIGURES EXTRAPOLATED FROM DEPARTMENT OF COMMERCE REPORTS

[In millions of pounds]

Material	October		1973 change	Percent changed
	1972	1973		
Major plastic materials changes in export amounts:				
P.V.C.....	14.1	15.6	+1.5	+10.6
Polystyrene.....	9.6	29.2	+19.6	+204.0
Low-density polyethylene.....	40.6	50.1	+9.5	+23.4
High-density polyethylene.....	28.4	24.2	-4.2	-14.8
Polypropylene.....	18.6	37.4	+18.8	+101.0

Material	Percent exported January to September		Percent exported October 1973
	1972	1973	
P.V.C.....	37.18	3.4	4.2
Polystyrene.....	338.9	4.4	8.6
Low density polyethylene.....	475.6	8.5	10.5
High density polyethylene.....	217.3	10.9	11.1
Polypropylene.....	176.1	14.2	21.2

Export trends (percentages of production):

Material	1972	1973
P.V.C.....	37.18	3.4
Polystyrene.....	338.9	4.4
Low density polyethylene.....	475.6	8.5
High density polyethylene.....	217.3	10.9
Polypropylene.....	176.1	14.2

Note: The figures in "Attachment E" were extrapolated from the attached tables III and IV, supplied by the Department of Commerce by taking the 1972 January to September export figures of table III and subtracting them from the identical 1972 January to October figures of table IV, thus isolating the month of October. We anticipate receiving the relevant November export figures and believe those figures will show an even greater export trend. For purposes of clarification, the entire exercise is here charted using the Department of Commerce figures for polyvinyl chloride (PVC).

ATTACHMENT A

BASIC USES OF PRODUCTS OF THE PLASTIC PROCESSING INDUSTRY

	Plastics, 1972	
	Billions of pounds	Percent
Packaging.....	5.2	1
Building and construction.....	5.4	29
Electrical.....	1.4	16
Transportation equipment.....	1.3	5
Housewares.....	1.2	5
Furniture.....	1.0	4
Appliances.....	.7	3
Toys.....	.7	3
Other uses ¹	6.6	27
Exports.....	1.7	7
Total.....	24.3	100

¹ Includes marine, sportswear, medical, agriculture, signs luggage, textile, and disposable products.

Sources: Modern Plastics Magazine, January 1973.

TABLE IV.—MAJOR PLASTIC MATERIALS CHANGES IN EXPORT SHIPMENTS JANUARY TO OCTOBER: 1973 VERSUS 1972

Plastic material	Exports (million pounds)		
	1972, January to October	1973, January to October	Change: percent versus 1972
Polyvinyl chloride (PVC).....	135.7	129.5	-4.6
Polystyrene (PS).....	113.0	164.0	+45.1
Low density polyethylene (LDPE).....	330.3	411.9	+24.7
High density polyethylene (HDPE).....	233.0	237.4	+1.9
Polypropylene (PP).....	133.8	262.1	+95.9
Phenolic.....	18.4	23.1	+25.5
Total.....	964.2	1,128.0	+27.4

POLYVINYL CHLORIDE

1972 January to October (table IV).....	135.7
1972 January to September (table III).....	121.6
1972 month of October.....	14.1
1973 January to October (table IV).....	129.5
1973 January to September (table III).....	113.9
1973 month of October.....	15.6
October 1973.....	15.6
October 1972.....	14.1
Increase October 1973 versus October 1972.....	1.5
Percent increase 1973 (1.5/14.1).....	10.6

Mr. CRANE. Mr. Speaker, I would like to take this opportunity to thank the distinguished gentleman from Connecticut (Mr. SARASIN) for his remarks, and

to also congratulate the gentleman for directing the attention of the Members to an area in the Emergency Energy Act legislation that was so sorely neglected when we had that legislation before us; namely, the petrochemical industry.

I think that this stemmed from a lack of understanding on the part of Americans at large, as well as many of the Members here in the Congress, as to just exactly what the impact of that industry is on our economy.

I think with respect to the discussion on the imposition of controls, particularly export controls on the feed stocks for the petrochemical industry which are going out to find free market prices, that these controls in the long run are a very negative way to deal with this problem. And I think that one way, which I believe is favored by most of the industry, is simply the elimination of controls which have caused these vital feed stocks to find better markets abroad rather than staying here at home to provide the materials for this essential industry that maintains so many jobs in our country, as the gentleman from Connecticut (Mr. SARASIN) has so ably pointed out.

Of course, we have been able to solve some of the problems created by injecting the Government into the business of running the economy. The meat shortage was abated by the only means which would have prevented its occurrence in the first place: allowing the price to rise so that suppliers and consumers adjusted their priorities. When they did, the shortage just disappeared. I wonder how many of the people who are now fervently begging for gasoline rationing were advocates of meat rationing last summer?

The Congress added its own phase II last November when it not only authorized but ordered the President to allocate oil supplies. That program is working about as well as could be expected. News reports this morning said that stations of one of the major oil companies in the Washington area are out of gasoline as a result of the new allocation system. And how did the Federal Energy Office persuade the oil companies to increase their production of fuel oil in relation to gasoline? They had the Cost of Living Council raise the ceiling price for fuel oil by 2 cents per gallon and reduce the price of gasoline by 1 cent. I hardly need to point out that this ingenious solution is one which would have occurred naturally in a free market if the demand justified it. We can get a clue as to the prospects for future success of the oil allocation program from the briefing given to representatives of the oil industry when the controls took effect. There, some eager young bureaucrats admitted they knew very little about the oil industry, told the representatives what they were going to have to do, and then tried to cajole them into helping to work it out together. What was their inducement to cooperate? They made it very clear that the oil industry would take the rap if the allocation system did not work.

And now, to these wonderful people who gave us phase I, II, III, and IV, we are being asked to give the authority to ration all petroleum products, to force

individuals and businesses to conserve energy their way, to require production from oil wells at rates which will jeopardize ultimate recovery of the maximum oil in them, and to decide whether the oil companies are making windfall profits as a result of prices and allocations over which they have no control.

I do not intend to disparage the hard working bureaucrats who have been struggling to administer the programs which this Congress has already forced upon them. But the fact is that they have already proven, time and again, that the job cannot be done by ordinary mortals. You may poll the whole Federal bureaucracy, and the real King Solomon will not stand up.

In principle, the intent of gasoline rationing is to achieve an equitable distribution of a scarce commodity while keeping the price fixed. In practice, neither goal can be achieved. The price of gasoline is going to go up, rationing or no rationing. Disenchantment with the equity of any artificial system will follow quickly on its actual imposition. Worse yet, rationing does nothing to relieve the shortage. It only converts a temporary crisis into a chronic problem.

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

Mr. CRANE. I yield to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman for yielding.

I should like to commend the gentleman from Illinois for taking this time before the House today to bring attention of many Members, as well as to many other people in the country, the compoundment of solving the energy problem the Government is causing. I think that what the gentleman is talking about is allowing the invisible hand of the market, that Adam Smith so often talked about, to work, and which worked so well in the marketplace, instead of using force and coercion to solve problems of allocation of petroleum resources. There are only two ways to allocate these resources in this world, and we have found in our country that the volunteer system is the best way.

The other way, of course, being that of force—or political power—which ultimately comes from the barrel of a gun.

I think it is a typical example for us to intervene as a Government into trying to solve an economic problem by using a political solution to it, where we are only going to take massive amounts of the taxpayers' money and further compound the problem.

The gentleman cited the example of the gas stations in Washington, D.C. In my neighboring State of Oregon they are out of gas in Portland. The reason for this is that we have a bunch of young bureaucrats with no experience in the petroleum industry trying to do what the experience of highly trained technical people working for oil companies have been trying to do for years.

It seems strange to me that in America we have such a wonderful system and yet we work so hard to make socialism work, instead of letting free enterprise work, we could solve the problem.

Another example is where we have shortages in the petroleum industry now

created by the Cost of Living Council and, as the gentleman so well pointed out, the regulation of the price of natural gas.

As the gentleman pointed out, the regulation of the price of natural gas is just the beginning. I represent a district that does a lot of mining and we are going to be involved in the mineral shortage a few years from now, with our present attitudes, that will make the present fuel shortage look like a Mother Goose rhyme. I think besides inflation, price controls are the most urgent problem facing the country today, and they must be abolished.

I do not think the gentleman has mentioned it so far, and maybe it is his intention to mention it, but we have massive amounts of low-sulfur coal in Montana and Wyoming. Recently the other body passed a strip mining bill which includes the so-called Mansfield amendment which prohibits strip mining of coal on public lands. This is about 37 percent of the coal reserves in the United States, enough to run the world economy for the next 200 or 300 years. Of course, we have enough reserves in the whole country to run the world for approximately 600 years. They would be locking up the supply which could help solve the world crisis.

Again I associate myself with the remarks made by the gentleman from Illinois (Mr. CRANE).

Mr. Speaker, serious proposals for the rationing of gasoline are now being considered. The World War II experience, however, clearly showed that there are great difficulties and inequities inherent in any rationing system.

First of all, the country has changed in many important ways since the Second World War. There are now nearly three times as many automobiles in the United States today as there were in 1940. In addition, today's cars have grown steadily bigger and less efficient and generally get to 30 to 40 percent less fuel mileage to the gallon. Perhaps even more important, the whole pattern of life has changed greatly; a majority of Americans now live in suburbs many of which are miles from public transportation, shops, or jobs. Whole new industries from resorts to roadside inns have grown up which depend for their survival on the automobile.

The chief argument used in favor of rationing is that it is the fairest method of allocating a scarce resource. Of course, all resources except air are limited and, therefore, scarce. We still allocate most resources in this country by the price mechanism; the burden of proof should be on the proponents of rationing to prove that gasoline is somehow different from beef or TV sets or education. Fairness is generally defined as treating everyone equally. The trouble is, everyone is simply not equal and to treat different people alike is, therefore, unfair. It would be absurd in a food shortage to give equal amounts of food to heavy working men and to small children; it would seem equally absurd to allocate everyone the same amount of gasoline.

Most proponents of gasoline realize the difficulty in insuring fairness and therefore are willing to allow unused gasoline coupons to be legally sold—they would be sold in any case through a black market.

This would be an improvement since it would allow more options and greater individual choice and it may well be the least of evils that we will have to settle for. However, if this is done, new difficulties will arise.

A vast and swollen bureaucracy will be necessary to preside over so complex a rationing system as is envisioned by the Federal Energy Office.

Our aim should be to have as simple and economical a system of allocation as possible. The free market, of course, requires the least Government expenditure. The principle objection to the free market, is that the poor will be forced to bear a heavy burden in higher gasoline prices which fall harder on them than on the affluent.

According to the research center of the University of Michigan, 20 percent of the population is below their definition of the poverty level. Of this group only 15 percent have jobs which require them to drive more than 10 miles a day. This means that only 3 percent of the working population are likely to be hurt by rising gasoline prices.

Instead of placing the entire Nation in a Federal straitjacket with coupons, distribution centers, coupon trading centers, and forms upon forms to be filled out by all of us why not simply concentrate our efforts on alleviating the hardship which might be caused to the needy by the present shortage?

The contingency plan of the Federal Energy Office does have some redeeming points. Their plan for a "white" market in salable coupons, as I have noted, is an improvement. They also have taken into account the different needs of people living in rural areas; they realize that farmers need more gasoline than city dwellers with ready access to public transportation.

The plan would be greatly improved, in my view, if the Federal Energy Office kept its eye on the ball and aimed directly at helping that small part of our population who will be hurt by rising gasoline prices—without imposing a vast bureaucracy on the rest of us, limiting our freedom of choice and prolonging the crisis.

We must face the unpleasant fact that in the real world we must often choose between the lesser of two undesirable alternatives. No one wants to fight, but sometimes we must to avoid worse evils. In exactly the same way, we must realize we have to choose between higher prices for the gasoline we need and lower prices but less gasoline. I am convinced that most people when they think about it would rather pay a little more for their gasoline and be able to obtain it without waiting in long lines for hours or paying black-market prices for coupons, and breaking the law. The time of our constituents is, after all, worth money to almost all of them.

Once we face this fact in a mature way we can then proceed to tackle the problem of our few less fortunate citizens who will have a difficult time paying higher prices.

Mr. CRANE. Mr. Speaker, I thank the gentleman for his remarks, particularly those dealing with the problems inevitably associated with Government involvement in market decisions.

One of the main bones of contention in the energy emergency bill, both last December and now, is the section intended to prohibit windfall profits by the oil companies. I am intrigued by the lack of faith shown by the proponents of the bill. The clear implication of their insistence on this provision is that, despite rationing, allocation, and Government price fixing, the oil companies will still manage to turn a pretty profit. If that is so, how come the union pension funds are not rushing to buy oil stocks at the bargain prices for which many are now selling? The zealots point out that oil company profits rose markedly last year. They fail to point out, however, that those increases barely brought the earnings of the oil industry up to the average for all manufacturing in this country.

I do not intend to take up the cudgels for the oil industry. Many of the policies adopted in the past have worked to their benefit, and I have no doubt that they used the tools provided within our democratic system to get those policies adopted. But this is precisely what they should be expected to do. It is the responsibility of corporate management to maximize the long-range return on the investment made by their stockholders, within the laws and regulations laid down by the Government.

As I have pointed out several times, those laws and policies are ultimately the product of the deliberations of the Congress. If they have proved to be shortsighted or ineffective, it only reflects our failure to work out the consequences of our actions. I sincerely hope that we shall not be guilty of another such failure in our action on the energy emergency bill.

Mr. Speaker, I have spoken to only one aspect of the energy emergency bill, the proven effect of Government interference in the workings of the economic system. There are many other issues raised by this bill, many of fundamental importance. I hope that my colleagues will speak to them. I cannot conclude, however, without raising one of them myself.

There has been considerable concern in recent years, both in this Chamber and the one at the other end of the Capitol, with the curious inversion of the roles of the Congress and the President from those which the framers of the Constitution clearly intended. I share that concern. Some of the provisions of the energy emergency bill complete that inversion, providing the President with the authority to make law and reserving only a veto power to the Congress. I find it difficult to understand how some people can advocate passage of such a bill and still wave the banner of constitutional crisis. Perhaps consistency is the hobgoblin of small minds. I hope that we are not expected to take hypocrisy as a mark of genius.

Mr. ASHBROOK. Mr. Speaker, there is some irony in President Nixon's bid for emergency powers to deal with the energy crisis. It is a classic case of Government intervention as a means of curing previous mistakes of Government.

Government regulations and Federal bungling have played a major role in creating our present energy shortage.

Since 1955, for example, the Federal Power Commission has regulated the price of natural gas at the wellhead. The artificially low price discouraged exploration while encouraging consumption. Many industries converted from coal to "cheap" natural gas. The result is that demand has far outstripped supply. Paul MacAvoy of the Massachusetts Institute of Technology has estimated that without these controls new reserve findings would have been 40 percent higher. In summary, Government intervention distorted the market and, at the same time, discouraged attempts to increase supplies and to use other more plentiful fuels.

The impact of Government regulation of natural gas also contributed to the demise of the coal industry. The artificially low price of natural gas made it more economical to use than coal. Therefore coal was increasingly driven out as a source of energy. According to a report by Chase Manhattan Bank:

The coal industry was dealt [a] devastating blow by the rapidly expanding invasion of its—markets by exceedingly low-priced natural gas—Unable to compete in terms of price, the coal industry experienced a large-scale loss of markets.

The use of coal has also been seriously reduced through arbitrary restrictions of the Clean Air Act of 1970. This act and other Government regulations have decreased industrial use of the one resource that the United States has a 200 to 400 year supply—coal.

The lesson to be learned from this is that Government actions and regulations should not be confused with solutions to our problems. Sometimes Government intervention does solve problems, but often it only makes them worse.

Mr. GOLDWATER. Mr. Speaker, I want to commend the distinguished gentleman from Illinois for taking this special order. The thrust of his remarks is very timely, and is aimed at the real problem underlying the energy crisis; namely, the attitude on the part of many that the Government alone can get us out of this mess. I submit that the Government through over-regulation and lack of planning got us into this fix in the first place.

Thus far, the overwhelming direction of bills in the Congress as well as Government pronouncements is that more regulation and more Federal expenditures will solve the energy problem. This is faulty thinking at best. It is the type of thinking that invariably leads to public acceptance of mandatory rationing.

Some public opinion polls indicate that a majority of Americans seem to favor rationing. Of course, I recall that prior to the imposition of the Economic Stabilization Act, the public also appeared to favor mandatory wage and price controls.

It did not take very long for the American people to tire of these artificial restraints on the free enterprise system. I can safely predict total opposition also to mandatory rationing within 6 months after such a screwball scheme is placed into effect, which hopefully will never occur.

The theory behind rationing is that demand for energy must be lowered and people cannot be expected to lower demand on a voluntary basis. But regard-

less of the rationale, we cannot expect people to accept this as a way of life, especially when they have no hope of energy supplies being increased. In reality, the supply question seems to be escaping everyone, including the Congress.

Frankly, I think rationing would be a failure in this administration or any other administration that attempted to implement it. We tried it in World War II when the American public was prepared for extreme sacrifice, and it did not work very well. Then too, we must remember that the amount of automobiles in the country in the war years was about one-eighth of those on the road today.

As I pointed out in separate views on the emergency energy bill last month, the alternative to bureaucratic control over the supply of energy is very simple. It is a good alternative. It is a proven alternative when the Federal Government does not interfere with it. It is the old fashioned free enterprise system. That is right, the very system that made us the greatest Nation on the face of the globe.

Mr. Speaker, we have huge reservoirs of energy resources, but they must be harnessed. The Government cannot possibly do this job without breaking the taxpayer. But the competitive marketplace can do the job if the Government will let it. In the case of refined petroleum the price should be allowed to find its level in the marketplace. In turn, the individual will discover that supply will be increased as a result of the profit motive, and as supply increases, prices should decline.

The tendency is to blame the oil companies. Some people even want to nationalize the oil companies. That is all we need to create economic disaster—nationalization of the oil companies. The Federal Government cannot even run a poverty program much less an industry as complicated as petroleum.

Just recently, the distinguished economist, John Winger, estimated that in order to meet the energy needs of this Nation for the period of 1970 to 1985, the energy production industry will have to achieve an average annual growth in net earnings of 18 percent. Such growth cannot be realized unless the marketplace is used as a gage to determine at what point supply catches up with demand. Sure the oil companies might show a profit, but the profit can be invested in more supply in addition to being returned to the Government in the form of corporate income taxes.

Free enterprise can do the job. Let us not abandon it after 200 years of proven worth. I thank the gentleman for yielding.

Mr. STEIGER of Arizona. Mr. Speaker, it is now popular in many circles to identify a "bad guy" who is responsible for any given problem. This is more convenient campaign fodder than an honest analysis of the real issues of the problem. Today there are those who have found the "bad guy" for all our energy problems—the oil companies. Over on the Senate side, we can hear Senators casually tossing out the sort of bald unsubstantiated accusations which would enrage the liberal media if this calamity were aimed at anyone else.

Some Senators have suddenly decided that the oil companies "have contrived" a crisis, and have "cheated the public." But this is only demagogic reaction. If these same Senators had heeded the prophets of the last 20 years—many of them spokesmen for the oil companies—they would today have to look for other campaign issues.

These conservatives were not Cassandras, warning of doom; they were farsighted men who made recommendations to avert the crisis which now has arrived because the recommendations were ignored.

Take, for example, the case of Senator Malone of Nevada, a conservative authority on minerals, metals, and fuels. Senator Malone's Interior Subcommittee released a report in 1954 which warned of an impending energy crisis. The Malone report warned that the vital security of this Nation is in serious jeopardy.

We are dependent for many of our essential raw materials on sources in far-off lands, many under the control of possibly fickle allies or timid neutrals, some veritably under the guns of our potential enemies. And what is perhaps a more devastating conclusion . . . is that none of this vulnerability need exist. Long-overdue corrective measures should be undertaken at once.

Senator Malone declared that the Western Hemisphere could become completely self-sufficient in fuels and strategic materials. Now critics are clamoring for the goal which Senator Malone had figured out 19 years ago—self-sufficiency.

Senator Malone recommended immediate U.S. Government appropriation of research and development funds, and immediate encouragement to U.S. industry to "erect a large-scale oil-shale plant—to advance the production of petroleum fuel on a commercial basis." He urged "research and studies on the low-temperature carbonization of coal—and ways and means to revive the coal industry." Senator Malone also urged large-scale production of uranium "for tremendous development of nuclear power for industry and civilian use." He demanded immediate "improvement of our petroleum, gas and coal resources to assure maximum availability of domestic fuels for both the peacetime economy and national security."

How did the liberals react? Time magazine called this prophet of our present crisis the worst Senator in the Senate.

Another case in point: In September 1960, Michel Halbouty said to the American Association of Petroleum Geologists in Los Angeles:

I can safely predict that between now and 1975 we will have an energy crisis in this country. Then the people will say the industry is to blame, why weren't we told? Well, I'm telling them now.

But America has ignored all such counsel stretching back as far as 1947. In that year, a detailed forecast of the overall energy fuel situation was prepared by the Senate Interior Committee in support of appropriation requests under the Liquid Synthetic Fuel Act of 1944. The long-range projections proved to be remarkably accurate through 1972 although they had been extended for a period of 53 years.

The energy crisis did not suddenly spring on us. A host of wise men saw it coming. To be privy to these public announcements, all of today's critics needed only to have read and listened. But conspiracy theories seem to make more interesting politics than the truth.

EXTENSION OF TYDINGS AMENDMENT

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

Mr. FORD. Mr. Speaker, I am today introducing legislation to extend for 2 additional years the language of the so-called Tydings amendment of the General Education Provisions Act. This language provides that, notwithstanding any other provision of law, any funds from appropriations to carry out elementary and secondary education programs during any fiscal year which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year.

In other words, this language would simply permit school districts to carry over unused funds from 1 fiscal year to the next.

Under the provisions of the current law, this language shall become "inoperative" on June 30, 1974, unless its expiration date is extended. Hopefully, by then we will have passed an Elementary and Secondary Education Act which would renew existing programs as well as extend the language of the Tydings amendment.

However, I am introducing this legislation today as a contingency measure only to provide a mechanism for school districts to carry over funds in the event that new legislation is not on the books by June 30.

Mr. Speaker, as you may recall, this language was first enacted back in 1968 in order to permit school districts to avoid facing the problem of having to expend all their Federal funds during a very short time period. This situation has occurred when we passed appropriations bills very late in a fiscal year, and school districts were faced with the prospect of either having to spend their entire year's allotment in a period of 2 or 3 months or forfeiting much of this entitlement because it was not spent by the end of the fiscal year.

This problem continues to exist today, and in addition the need for carryover authority is even more important now, since the Nixon administration has only recently released \$466 million in illegally impounded education funds pursuant to a court order.

Mr. Speaker, as I have stated, this legislation is introduced only as a stop-gap measure—to become effective only if no new education bill is signed into law by June 30, 1974. It is my hope and I fully expect that new legislation will be on the books prior to that date—and I am confident that our new legislation will provide for an extension of the language embodied in this bill.

BREAST CANCER VICTIMS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 15 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, we, as a people and Nation, have long recognized cancer as a major killer in our total society. Cancer, unlike many diseases common to man, has no known sure cure—it kills indiscriminately.

One form of cancer is rather discriminatory, however, in that it affects, for the most part, only women. A malignant tumor in the mammary glands usually results in the removal of the breast. This in and of itself would not be too disheartening if we knew with some greater measure of certainty that the end result of the surgery would be longer life rather than impending death. This is all too often not the case. Rather, the woman views with forlorn hope her chances for a very long life; and, without her breast, the psychological cost of a radical mastectomy becomes great for many and unbearable for others.

In recent years, the radical mastectomy has become a widely used means of fighting the spread of this much-dreaded disease, and the breast prosthesis has been used by women to help them reduce the physical and mental effects of living with the absence of an important part of their body. This device has helped many women to live with a traumatic experience and to pull through what is sometimes a very tragic physical existence.

For most women, these devices are not deemed expensive; but for those who have negative financial means, the small cost of the breast prosthesis can be prohibitive. On January 21, I introduced legislation, H.R. 12154, which is designed to remedy that problem. This bill will amend section 1861(s)(9) to include postmastectomy breast prosthesis among the items and services for which payment may be made under the supplementary medical insurance program—medicaid. The cost to the American people would be practically infinitesimal, but the benefits would be great.

The breast prosthesis is not a cosmetic device. In my view, it is similar to any artificial limb, which serves a psychological, protective, and functional purpose for the amputee.

It is my sincere hope that this legislation can be acted upon swiftly. I know that the Members of Congress realize the importance of this legislation to the women of this country.

IN FAVOR OF MORE ASSISTANCE TO INTERNATIONAL DEVELOPMENT ASSOCIATION

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

Mr. GONZALEZ. Mr. Speaker, I am saddened and disappointed by the decision of the House not to approve authorization of U.S. participation in the fourth replenishment of IDA. We have

gained nothing by this; and, in fact, we may have lost a very great deal.

In the limited time for debate today it proved impossible to fully respond to all the misstatements and errors of fact that, in my view, may have influenced some of my colleagues to vote against the bill. Even the distinguished chairman of the Committee on Appropriations, for whom I have the highest esteem and regard, seems not to have had a clear grasp of the facts. If he had, I do not believe in my heart that he would have been constrained to vote against the bill, much less speak against it. Others opposed to the bill would never have voted for it; some who professed that they voted for similar legislation in the past had not done so, and were simply mistaken.

I hope that the House will reconsider this legislation, and when it does, that everyone will have clear possession of the facts.

The truth is that this bill would actually cost less in any given fiscal year than we are now paying to the International Development Association. Even though our commitment of \$1.5 billion exceeds the previous amount of \$960 million, the truth is that in any given year our payments would actually be \$11 million less than they are today. And obviously our capability to pay will be much greater 2 or 3 years hence than it is today. We have a reduction in this bill of our absolute annual commitment to the International Development Association.

Not only would our absolute payment be less, our relative share of the burden would be less. In the last replenishment of IDA, we paid 41 percent of the total; in this bill that share is reduced to 33 percent—far less than our ability to pay, far less than might be reasonably expected of us. But that reduction shows that the rest of the contributing nations recognize that our past burdens might have been too great, that today the world can afford to shoulder some of the burden that we bore in the past. And it is difficult for me to accept any argument that this bill is a generous commitment. What costs us less is not more generous; what costs us less in terms of burden sharing is not generous. We have been given a good deal, and I believe that we should accept it. The rest of the world has demonstrated its good faith, its willingness to shoulder responsibility and burden, and we should recognize that and accept it for what it is—not turn our back on it.

And I want to remind my colleagues that we are in need of the developing world, as much as it is in need of us. We import more than half of the total amount of raw materials our industry needs in 6 out of 13 categories. No less than one-third of our total raw materials are imported from the developing world. Those countries provide us a market for more than \$14 billion worth of American goods every year—and they buy more from us than we do from them, so we have a favorable trade balance with the developing world.

If we want our industry to grow and progress and prosper, it has to have raw materials that are available only in the

developing world. We import 99 percent of our natural rubber. We import 20 percent of our oil, maybe more than that. We import every ounce of tin, and 94 percent of all our manganese. We import the great majority of our aluminum and aluminum ore—all of this, and more besides, from mostly developing countries. So if we want to grow and prosper and progress we need those countries. We need them for their markets and we need them for their raw materials.

If we need their help, they have a right to expect that we will recognize their legitimate needs and interests. They are not asking for handouts, but for loans. IDA is not in the gift business; it is in business. Soft loans, yes, but loans, not gifts. These countries put up more of their own capital than IDA gives, and what they do not raise on their own they will eventually repay. They want to help themselves. If we deny them what little they are seeking, if we deny them the means to help themselves, we have no real right to expect them to help us—and make no mistake about it, we need help. Like it or not, we are part of a world economy, and if we want to have others play the game with us, we are going to have to play the same game with them.

The only question we confronted today was whether the United States should contribute more to IDA. On every count, the answer is yes, if sober considerations are weighed.

If we expect the world to cooperate with us in establishing a sound international monetary system, in setting up sensible and fair trade policies, and in providing fair access to the markets of the world, we cannot refuse our own cooperation. For if we refuse to do our fair share, we cannot expect others to do so either. If we do not show our own good faith, we have no right to expect it of others.

Moreover, we cannot fail to recognize, if we are cognizant of the facts, that in this bill we are not being expected to do more than we have before—in fact we are asked to do less.

Recognition of the facts would compel us to recognize that we are not penalizing the wealthy states that would deny us oil by refusing to support IDA—far from it. Those states have never received a dime from IDA, and it is nonsense to think that any revenge is extracted from the rich by defeating this legislation.

The truth is that IDA extends help only to the very poorest countries of the world—not the nations of the Persian Gulf. And we cannot afford to overlook the fact that some nations that are poor today may have—and some are known to have—oil deposits that may be absolutely vital to us. They may have cause one day to wonder why they should supply our oil needs, when we would not help them with simple loans in their own time of need. For they will have other customers, customers who are more needy than we, and who moreover have demonstrated willingness to help with meeting the needs of developing countries. If that day should come, we would have no cause of complaint; we would only be receiving our just desserts.

The rich cannot be contemptuous of the poor. We may not want to recognize it, but we are dependent on many of the world's poor nations, maybe much more so than they are on us. We have to learn that lesson.

Finally, Mr. Speaker, a word on the clear and overwhelming majority of Republican votes against this bill.

This was an administration bill. It was supposed to have a high priority, and was supposed to have the support of the White House, the Treasury, and the State Department as well. Yet the President's party repudiated the bill and its own leadership by a margin of 3 to 1. On the Democratic side there was almost an even split, and had the President's party supported him by even a small margin, the bill would have passed.

I know that many of my colleagues on the Democratic side feel that they cannot support a bill to aid other nations when they have seen funds for urban redevelopment, for schools, for manpower training, for rural development projects—and many others besides—vetoed or impounded. How can they support legislation for other countries when they have been pilloried time and again by the President for supporting projects that are designed to meet desperate domestic needs? How can they be asked to say that this bill is not inflationary, when everything for domestic purposes is called inflationary? I know how my colleagues feel about this; last April and many times since then I propounded the same question to Secretary Schultz, and to everyone else in the administration, but the policy did not change. In that light I cannot blame anyone who reached the conclusion that they could not support this bill if much smaller requests they made for help at home were rejected or derided.

I cannot account for the votes on the Republican side. Despite the opportunities for making political hay, many of my Democratic friends supported the bill—nearly half. I commend them for this. I know that a few are not open to conviction on this issue, and I cannot open their eyes—nor could anyone else. Others I know made political judgments that I well understand—yet I hope that on reconsideration many of these will see that this issue goes far beyond politics and reaches into the heart of the outlook for future world progress and even peace.

I am disappointed, Mr. Speaker. I believe that this bill clearly warranted the support of the House.

I had been promised Republican support, but it did not come, save from a few, to whom I am grateful. If there was ever an indication of how little the administration is in touch with the people, and its own party, this vote is it. Now that the painful lesson is in, I hope that the time will come when we can reconsider this bill. Our own prosperity may depend on it. Certainly any hope that we may have for international economic cooperation depends on it.

Sober minds must know that we are not alone in this world. We are not sep-

arate and exempt from the needs of the rest of the planet. We cannot afford to pretend that we are.

TRIPLE PRICE HIKE IN LP GAS OVERBURDENING THE ELDERLY IN AMERICA

The SPEAKER. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, one of my constituents from Clover Bend, Ark., age 75, is a stroke victim and suffers from diabetes and cataracts. She lives on a widow's pension which amounts to \$165 per month. Of that amount, this elderly woman paid \$100 just to heat her home last month. And considering the cost of living, she will have trouble buying sufficient food with the amount that is left, much less other necessities. This is but one example of the hardship that a short-sighted regulation governing the price of propane has placed on a number of the American people who rely on propane gas for heating and cooking.

While I have maintained that it will take an equal sacrifice on the part of all of us to curb the present shortage, I feel this particular woman, and others like her, are sacrificing and suffering more than their fair share. And, what, one may ask, has caused such a state of affairs? This is a question which I have asked and for which I have been seeking an explanation.

The answer lies in the fact that the major oil companies have increased the wholesale price of Liquefied Petroleum Gas anywhere from 100 percent to 350 percent in the past year to the retail LP gas dealer in Arkansas. This increase, naturally, as passed through to the consumer.

L-P gas is a big part of the total energy picture in Arkansas. In fact, it affects approximately 30 percent of the people in our State. Oftentimes, these consumers of propane are on fixed incomes and cannot afford this high cost of propane.

The regulation governing the price of propane was admittedly intended to be flexible, yet this passthrough regulation has allowed producers to tack on the increased costs in producing gasoline and distillates to propane. Thus, prices of propane in Arkansas have risen as much as 350 percent in some instances.

What caused the Cost of Living Council and the Federal Energy Office to "overlook," or did they simply ignore, the effect of these passthrough regulations on the already overburdened elderly?

Hopefully, at worst, carelessness was at the base of this decision rather than the influence of the generous campaign contributions from the oil companies in the last Presidential election.

The mere stabilizing of the price of L-P gas will not get the job done. It certainly will not help the elderly citizen in Clover Bend and other Americans who rely on propane and who cannot afford to pay the exorbitant rates being charged now.

We must seek a rollback in price for L-P gas and insure a more equitable

distribution of increased costs in production among the other petroleum products. We must also determine whether the violation of existing price regulations, notwithstanding the "flexible" provision governing propane, was intentional; and if so, whether the Federal Energy Office will seek civil or criminal penalties. And finally, we must pursue the matter of rebates for those who have been burdened with the disproportionately higher cost increase of propane.

We cannot let those in the administration and oil industry who are responsible for this injustice get by scot-free. We cannot let the people responsible "pass through" our scrutiny.

Mr. Speaker, as documentation of this case, I would like to share with my colleagues the following correspondence from Earl Tripp, a retail L-P dealer in Batesville and from the Arkansas L-P Association who is concerned about passing the cost increase in propane through to the consumer.

TRIPP GAS CO.,
Batesville, Ark., December 10, 1973.
Congressman BILL ALEXANDER,
U.S. Capitol, Washington, D.C.

DEAR CONGRESSMAN ALEXANDER: Thank you for returning my telephone call last Friday evening, December 7th when we discussed the increased price on propane gas.

On April 4, 1973 we were purchasing propane delivered to our Batesville plant at .07832 per gallon. This price included the freight which ran approximately .02832 per gallon and Atlantic Richfield received .05 per gallon for the propane. Four increases have been made as follows:

April 27, 1973 increased .03540.
August 20, 1973 increased .03047.
October 1, 1973 increased .03047.
December 1, 1973 increased .03.

We are enclosing copies of invoices reflecting these increases and a copy of the latest notice of price increase as we have not yet received a December invoice. These increases actually reflect a little more than 350 percent price increase.

We are told unofficially that propane does not come under the cost of living council and therefore is not included in the cost of living index. Approximately 35 percent of the Arkansas population uses propane instead of fuel oil which is included in the cost of living index. Increases in gasoline, diesel, and fuel oil have been very nominal and do not compare with the increased cost of propane.

Had the cost of living council let the refineries increase one cent per gallon on the above listed fuels, it would have amounted to ten times the dollar volume of the propane increase and certainly would not have placed a hardship on the citizens of this country as the increased cost of propane has placed a hardship on the citizens of Arkansas.

We certainly appreciate your interest in this problem and we need your advise and help.

Very truly yours,

EARL TRIPP.

TRIPP GAS CO.,
Batesville, Ark., January 19, 1974.
BILL ALEXANDER,
Member of Congress, U.S. Capitol,
Washington, D.C.

DEAR CONGRESSMAN ALEXANDER: I am enclosing copies of invoices from Sun Oil Company as of March 1973 showing the Batesville delivered price at .08020 cents per gallon and the Hardy, Arkansas, delivered price at .08161 cents per gallon. Also, enclosed are

invoices for December 1973 showing the Batesville price at .19726 cents per gallon and the Hardy delivered price at .19820 cents per gallon. We have been notified that the Sun Oil Company price advanced .04 cents per gallon January 11, 1974 but we have not yet received an invoice on a car shipped after that date. This will make their price .23726 cents per gallon delivered at Batesville and .23820 delivered at Hardy.

Our retail price in March 1973 was 17 cents per gallon and our retail price today is 31.6 cents per gallon. It is easy to see that the cost of heating a home with L-P Gas this winter compared with last winter has increased substantially.

I am enclosing a clipping from the January 11th issue of the Oil Daily showing where the Canadian Government requested propane producers to roll back propane prices at the wholesale level and it was done.

In the President's radio message on energy broadcast today, he stated that he was not going to allow the oil companies to increase their prices more than was necessary to take care of the increased cost of crude oil. Sun Oil Company's refinery at Tulsa, Oklahoma refines 2.4% of a barrel of crude into propane, about 56% into gasoline and about 25% into middle distillates. The refinery price increase on gasoline by Sun has been four cents per gallon. You can see that propane has had much more price increase than is fair. An increased wholesale price of 15.7 cents per gallon on propane indicates that propane users are paying more than their fair share of the increased cost of crude oil. Only 20% to 25% of the supply of propane comes from the refining of crude oil and 75% to 80% comes from natural gas plants. The price of crude oil should not effect the price of propane produced from natural gas plants.

I hope this is the information you wanted and need. If there is any additional information you need, please call me. We appreciate your interest and help in this matter.

Very truly yours,

EARL TRIPP.

ARKANSAS L-P GAS ASSOCIATION, INC.
Little Rock, Ark., January 14, 1974.

The Honorable BILL ALEXANDER,
House of Representatives,
Washington, D.C.

SIR: The major oil companies have increased the wholesale price of Liquefied Petroleum Gas anywhere from 100% to 300% in the past year to the retail LP Gas Dealer in Arkansas. This increase, naturally, is passed on to the consumer.

Since the retail dealer is only allowed to use his cents mark up as of May 15, 1973, he is not making any more profit now than he did a year ago.

LP Gas is a big part of the total energy picture in Arkansas. In fact, it affects approximately 30% of the people in the State.

It is used primarily in the suburbs and rural areas of the state for home heating, cooking, hot water heating, and agricultural use.

Often times, these consumers of propane, which live beyond the gas mains, are on fixed incomes, such as Social Security or Welfare Assistance and they cannot afford the high cost of propane.

The cost of propane per gallon to these people has more than doubled the past year, and something must be done.

The major oil companies say they are passing along the increased costs of crude oil and imports. In a barrel of crude, after refining, there are approximately 1.6 gallons of propane, the rest is gasoline, fuel oil, middle distillates and other products.

Better than 80% of the propane used today comes from stripping the gas liquids from natural gas.

According to the information available to us, propane wholesale costs have risen 200% to 300%, while the other products derived from a barrel of crude have risen less than 15%.

This is patently unfair. All increased costs should not be loaded on propane. Gasoline and the distillates have to bear their proportionate share of this cost increase.

We call on you at this time for assistance, and seek your active support as well as the influence of your office in getting the major oil companies to lower the cost of propane back to a more realistic level.

From all indications and reports, the supply of LP Gas is in relatively good shape compared to this time last year.

Please let us hear from you at your earliest convenience.

Sincerely yours,

ARKANSAS LP GAS ASSOCIATION,
DICKIE BUTLER, President.

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

Mr. ALEXANDER. Mr. Speaker, I yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, I rise to commend the gentleman from Arkansas for his comments and for the objective of this special order today. Our attention was called to the problem he is discussing during the recess. A Member whose District adjoins the District of the gentleman in the well, the gentleman from Missouri (Mr. TAYLOR) has asked me to do anything we can to try to solve the problem of propane prices.

I will say to the gentleman in the well that we both serve together on the committee known as the House Government Operations Committee. There is a subcommittee known as the legal and monetary affairs subcommittee which it is my privilege to chair.

I announce at this time that we have some hearings set for the 5th, 6th and 7th of February. We could get some hearings before that date, but Dr. Dunlop, head of the Cost-of-Living Council over which our committee has aegis or legislative oversight could not appear prior to that date. We are going to ask the doctor to give his version of how or why there is any justification for these high cost pass throughs on propane and other fuels.

Mr. ALEXANDER. Mr. Speaker, is it true, if the gentleman from Missouri could answer the question, is it true that in the State of Missouri most of the people who consume liquefied petroleum gas are elderly people who live on fixed incomes and generally in rural areas, as is true in Arkansas?

Mr. RANDALL. That is a good characterization of the situation. Most of those who use propane do live in rural areas where there is no opportunity to tie into a natural gas line. Of course all propane users are not elderly; some are young people who are still not able to afford housing other than a house trailer. They certainly are in rural areas where there is no available natural gas.

One thing that seems to me which might be a contribution to the effort of the gentleman is that there should be an investigation of the wide disparity of prices of propane within an area of 30 to 40 miles. When I was home I found that prices vary all the way from 26 or

27 cents on up to 36 cents. Such a wide variance is almost unbelievable. There is no way this variance in price can be explained when the propane comes from the same source.

It appears to be something in the nature of charging what the traffic will bear. When there is only one distributor in an area, as the gentleman says, these elderly people have no other source and have to pay the price or be cold.

Mr. ALEXANDER. Mr. Speaker, in Arkansas most of the people who use liquefied petroleum are rural people, and it is the case in that State that they are generally in an income producing category which is less than the average. In many cases, they could be considered as poor. Would that be true in the State of Missouri?

Mr. RANDALL. Mr. Speaker, I believe that is true. If the gentleman will be gracious enough to yield for another moment, I will relate a matter which occurred New Year's Eve.

I received a call from a young mother with a family that included a retarded child. They were living in a trailer. They had changed propane distributors. The new distributor simply said, "We do not know anything about a new customer. We do not know whether your credit is good or not. In effect the answer to supply therefore is, if you change distributors, you are out."

Well, if you recall, all Federal offices closed Friday night and did not open until Wednesday, January 2, 1974. All the bureaucrats were off for 4 days. Frankly, we had quite a time to get that distributor to extend just a little bit of credit, when all the Federal energy offices were closed, the Regional office, and the oil and gas allocation office.

This lack of service to a family needing fuel and in distress convinced me that someone should serve at these offices on a standby basis at all times to help, with situations of this kind, holidays or no holidays. My subcommittee is going to see what we can do to avoid a repetition of situations of this kind in the future.

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for engaging in colloquy on that subject. I too have had a similar experience in Arkansas with a person who will remain unknown for the purposes of this discussion, but I asked what would happen in an instance where the price of propane was increased radically over the period of a year.

And in some cases it has increased as much as 350 percent, and the people who subscribe to propane service were unable to pay that much because of fixed income.

And with a chuckle, this particular individual said, "Now we will get rid of all the losers."

Mr. RANDALL. Mr. Speaker, we have not had an instance parallel to the one the gentleman just described but I will say to the gentleman from Arkansas, we have found people who have seen their fuel bills rise from about \$30, triple to nearly \$100 a month. That means that these folks are not going to have enough to buy food with or enough for anything

else if they are paying that much for heat every month. Something has to be done to relieve this kind of a situation.

I do not know whether we can achieve a rollback of prices or not. I do not know whether we can successfully put a ceiling on these prices. I hear it suggested we are not going to have a phase V. Maybe wage and price controls are bitter medicine. But on the other hand, on behalf of the people we have been talking about if there is any hope, some kind of ceiling must be put on these prices.

Mr. ALEXANDER. It seems to me, Mr. Speaker, if the gentleman will listen for a minute longer, that this skyrocketing triple price hike in the price of liquefied petroleum affects the people who are least able to fight back.

Mr. Speaker, I thank the gentleman for his statements.

Mr. RANDALL. Mr. Speaker, the gentleman has made a valuable contribution toward the solution of a problem that needs attention. I thank the gentleman for permitting me to participate in this discussion.

THE EFFECTIVE TAX RATES OF THE OIL INDUSTRY

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

Mr. VANIK. Mr. Speaker, a critical fact is now emerging from the congressional investigation into oil company profits: it now appears clear that our tax policy has induced an energy crisis by diverting American resources into foreign exploration, production and refining at a time when our own self-sufficiency in petroleum was eroding. Through the tax code, we actually rewarded foreign investment by offering the oil companies the opportunity to minimize or eliminate a U.S. tax liability.

In August of last year, I documented this fact with the publication of a study on corporate taxation. This study was completed by my staff in cooperation with the staff of the Joint Committee on Internal Revenue Taxation. The complete study appears in the CONGRESSIONAL RECORD, August 1, 1973, pages 27305 to 27328.

As the table below illustrates, the effective tax rates of the oil companies are uniformly far below the statutory corporate rate of tax of 48 percent. Three provisions of the tax code are responsible for these low effective rates:

First, the foreign tax credit reduces the effective rate of tax by 15 percent industrywide:

Second, the percentage depletion allowance cuts the effective rate another 14.7 percent, and

Third, the option to expense intangible drilling costs accounts for another 2.1 percent reduction.

These tax benefits combine to reduce the effective tax rate of the oil companies by approximately 32 percent.

The precipitous increase in world petroleum prices has multiplied the benefit of these provisions for the oil companies. The depletion deduction is computed as 22 percent of gross income from oil production. Gross income is computed by multiplying production—in barrels—by the price per barrel. As the price goes up, the value of the deduction increases.

A similar situation prevails with the operation of the foreign tax credit. The FTC offers a dollar-for-dollar credit against U.S. tax liabilities for taxes paid to foreign countries. The oil companies have manipulated this provision by making de facto royalty payments to the producing countries in the form of income taxes. Typically, these "taxes" are assessed as a percentage of a reference

price for a barrel of crude oil. The total cost of a barrel of foreign crude, therefore, includes taxes paid to the producing country. As the price of crude increases, these tax payments increase. The credit benefit for the companies, of course, increases as well. The table below illustrates more clearly the impact of the foreign tax credit in minimizing oil company payments to the U.S. Treasury. The data is from the tax returns filed in 1970 by three multinational oil companies.

NET TAX BEFORE AND AFTER FOREIGN TAX CREDIT IN 3 MAJOR OIL COMPANIES IN 1970

[In millions]

Oil corporations	Total income	Net tax before FTC	Foreign tax credit	Net tax after FTC
A.....	\$2,798	\$168	\$133	\$35
B.....	2,651	231	215	18
C.....	2,135	114	101	13
Total.....			447	

¹ Total foreign tax credit for only 3 oil companies 1970.

The true windfall profits of the oil industry are flowing through these gaping holes in our tax code. The controversy over the enactment of a windfall profits tax is likely to result in a tax subterfuge. Certainly, the administration's proposal for a windfall profits tax is even more disastrous: It has nothing to do with profits. Instead, it is an excise tax on crude oil prices. It will represent an additional cost to be passed on to the consumer—nothing more.

The most direct answer to windfall profits in the oil industry is effective taxation which will come only through the elimination of the special package of irrational tax subsidies to the oil industry.

Corporation	1972			1971			1970		
	Adjusted net income before Federal income tax ¹ (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax ¹ (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax ¹ (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)
INDUSTRIAL CORPORATION LIST									
Exxon Corp.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Mobil Oil Corp.....	\$589,413	\$17,300	2.9	\$590,405	\$85,700	14.5	\$570,395	\$95,600	16.8
Texaco, Inc.....	869,711	23,600	2.7	928,689	30,000	3.2	921,247	73,250	8.0
Gulf Oil Corp.....	233,000	12,000	5.2	628,558	31,062	4.9	625,732	11,892	1.9
Standard Oil Co. of California.....	334,207	19,400	5.8	356,115	17,600	4.9	185,411	29,700	16.0
Standard Oil Co. (Indiana).....	390,096	74,682	19.1	423,140	63,462	15.0	417,768	56,018	13.4
Shell Oil Co.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Atlantic Richfield Co.....	211,901	16,141	7.6	218,268	5,815	2.7	211,845	10,622	5.0
Continental Oil Co.....	207,445	12,371	6.0	109,030	(24,472)	(22.4)	189,377	9,962	5.3
Phillips Petroleum Co.....	164,650	39,221	23.8	161,050	22,984	14.3	146,371	37,687	25.8
Occidental Petroleum Corp.....	(²)	(²)	(²)	(60,409)	5,553	(9.2)	178,059	2,457	1.4
Sun Oil Co.....	182,291	9,044	5.0	189,265	7,445	3.9	192,858	27,569	14.3
Union Oil Co. of California.....	152,166	9,800	6.4	129,987	11,750	9.0	139,598	7,540	5.4
Cities Service Co.....	126,254	32,622	25.9	112,132	9,934	8.9	159,472	27,169	17.0
Ashland Oil, Inc.....	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)
Standard Oil Co. (Ohio).....	(²)	(²)	(²)	(²)	(²)	(²)	71,735	(589)	(0.8)
Getty Oil Co.....	129,525	18,367	14.2	138,140	17,062	12.4	121,462	19,725	16.2

¹ The adjusted net income before Federal income tax reported to shareholders is comprised of net income or loss from financial statements with appropriate adjustments made for Federal income tax expense or refund, income or loss attributable to minority interests, and income or loss from investments in affiliated companies whenever the equity method of accounting was used. In certain cases, the minority interest and/or the income or loss reported under the equity method was not separately disclosed and in these cases those adjustments could not be made and the data, therefore, was omitted.

² The minority interest and/or the income or loss reported under the equity method was not separately disclosed. Data for this company, therefore, has been omitted.

³ Possibly overstated significantly because foreign and/or State and local income taxes are combined with Federal income tax. Wherever this is believed to be extremely significant the data are omitted. These companies have not reported separately their Federal income tax expense. As stated elsewhere, this is an apparent violation of SEC requirements.

⁴ The deferred income tax accounts (tax effect of timing differences) may contain State and local and/or foreign in addition to Federal income taxes. Thus, this might have a significant effect on the estimated current Federal income tax and percentage.

⁵ The data for 1971 were not available when this information was being gathered.

⁶ Footnote No. 9 to the consolidated financial statements for Occidental Petroleum Corp. for the calendar year ended Nov. 31, 1972, indicates: "Substantially all of the 1972 and 1971 provisions for income taxes relate to Occidental's Libyan operations. As a result of the utilization of the percentage depletion and foreign tax credits, no Federal taxes have been paid or provide for the 2 years ended Dec. 31, 1972, except for a tax on tax preference items as prescribed by the Tax Reform Act of 1969."

⁷ The 1971 and 1970 data for Ashland Oil were not readily available in the SEC microfilm files.

OIL COMPANY PROFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Ms. HOLTZMAN) is recognized for 30 minutes.

Ms. HOLTZMAN. Mr. Speaker, my constituents are very angry and discontented over having to pay enormous prices for scarce supplies of heating oil and for having to wait in long lines at gas stations. Furthermore, the level of mistrust and suspicion displayed toward big oil companies and the Government is now so high that almost no one in my district believes there is a true shortage.

Frankly, the unconscionably high profits reported by the big oil companies do nothing to build public confidence. Annual profits of Exxon and Gulf increased by 60 percent in 1973 over 1972. The figures for the rest of the oil giants are slightly lower but still exorbitant. Increases in quarterly profits reported during the height of the crisis late last year were even higher—80 percent for Exxon, for example.

Not surprisingly, these outrageous windfall profits are the result of the oil companies' jacking up the prices of their products. Prices of heating oil have gone up a whopping 11 percent in the last month alone, and an unbelievable 47 percent in the last year. Gasoline prices increased 4 percent in the last month and 20 percent in the last year.

My constituents feel the effects of these increases keenly, especially since they have to contend with the runaway inflation in other goods and services. For those living on fixed incomes, the burden of these oil price increases is very heavy. And when they see that the oil industry is profiting immensely from their painful situation, their anger is easy to understand.

This incredible inflation in energy prices and profits has created the suspicion in the public mind that the oil companies have artificially created this energy "crisis" to line their own pockets. Recent press reports indicating that fuel storage facilities are now full to overflowing, make it difficult to reassure the people that the so-called crisis was not merely an excuse for greedy and arrogant oil men to add to their already swollen stream of profits.

Compounding the suspicion and mistrust is the fact that no one in Government has the data necessary to tell the American people the truth about the energy crisis. No one, not even the officials of the Federal Energy Office who are supposed to take charge of the fight against the fuel shortages, has the information needed to determine whether we are the victims of "fuelishness" or fraud, and what to do about it.

I understand that the anger of my constituents is shared by many Americans around the country. It is, therefore, incumbent upon those of us in Congress to act immediately. First, we must get the facts. This Government has been attempting to make energy policy for 6 months without having the information it needs to separate truth from fiction. Legislation is needed to set up a fact-finding office in the administration to

coordinate an investigation of the energy crisis over both the short and long term. This legislation should require the oil companies to disclose all the information they have which the new energy information office determines is necessary for an understanding of our national energy situation.

It is also time to freeze the price of oil and petroleum products and, to roll them back at least to the levels of November 1, 1973, when "old" domestic crude was selling at about \$4.25 a barrel, and "new" crude at \$5.75 a barrel. Those were the price levels which oil producers said at the time would be adequate to encourage huge new oil exploration and production. In contrast, new crude is now selling at \$10 a barrel.

Finally, the revelation that the big oil companies gave almost \$5 million in corporate and individual contributions to President Nixon's campaign—10 percent of his total campaign fund—compounds the public's suspicion about the willingness of the present administration to regulate the oil industry firmly and trim down their excessive profits.

We in Congress must, therefore, act quickly to get the facts, to control prices and to prevent the oil companies from reaping windfall profits at the expense of the people.

In the long run we will have to see that the monopolistic types of practices engaged in by oil companies are eliminated. We will also have to reform campaign financing so that we do not find the heavy hand of the oil interests in making Government policy.

The task before us is an enormous one, but if we do not discharge it we will add to the great cynicism that the country now feels about the ability of its Government to govern.

MAKE 1974 THE YEAR OF THE VETERAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 30 minutes.

Mr. DRINAN. Mr. Speaker, today's veterans know no hurrahs. Homecoming parades and tumultuous newsreel scenes of troopships landing have long stopped. The Congress and the country, despite recent ovations for returned POW's, have barely taken notice of the 6 million veterans returned from service in Vietnam and those who returned many years ago; 1.1 million from World War I, 14 million who served in World War II, and 5 million who are veterans of the Korean conflict. We have as a part of our heritage a tradition of gratitude to veterans of the armed services, yet today a nation that understandably wants badly to forget war is also forgetting the returning soldier.

I have the hope that in 1974 the Congress will move forward in enactment of measures to update and extend the programs to which it has committed itself on behalf of America's veterans, those left disabled as a result of service, those who were widowed, those children who lost a parent, and provide initiative in

education, training, and other areas for those in need of this assistance.

Some 2.2 million veterans receive disability compensation. In addition there are 200,000 widows and children of veterans who receive some form of assistance. In 1973 there were 125 compensation bills pending in the House Veterans' Affairs Committee. I have the hope that the House will act early in 1974 to increase compensation which is received by veterans with service-connected disabilities and adjust the pension law to include a correction so that no person's benefits whether veteran or survivor or dependent of a veteran, should diminish if social security benefits are increased.

The GI bill must be updated. The monthly allotment for a single veteran should be increased from \$220 to at least \$250. Indeed, with total average charges of private education over \$4,500 and public colleges over \$2,700, according to an Office of Education report, the veteran faces rough going in stretching benefits as well reflects these higher costs. The requirement of 30-percent disability before a veteran can receive rehabilitation training should be reduced to a 10-percent disability. The period during which a veteran may claim his GI bill benefits should be extended from 8 to at least 10 years or, even better, be totally eliminated.

The home loan market is so highly priced at this time that most veterans cannot purchase a home. The Congress should make improvements in the loan program so that veterans, especially those of the Vietnam Era, may be able to have an interest rate that will permit them to obtain a home of at least moderate cost.

Further funding should be granted to the program entitled, "Veterans Cost of Instruction" which was authorized by the 92d Congress. The \$25 million appropriated by the Congress to carry out this program was impounded by the administration. A Federal court ruled that the money must be made available. The program is designed to assist veterans interested in attending college who have special readjustment problems. Under this law, colleges which increase their veterans' enrollment by 10 percent over the previous year are entitled to payments of up to \$450 for each of the certain categories of veterans attending the school full time. If adequately funded this particular program could act as an incentive to colleges and technical institutions to reach out for veterans while at the same time furnishing veterans adequate psychological and financial incentives to make full utilization of their GI bill.

The foregoing are but some of the areas that need legislative attention. Along with these is the continuing concern for appropriate medical care especially at veterans' hospitals, which has been a main topic of study of veterans' groups such as the Disabled American Veterans. Attention must also be given to the Veterans' Administration itself, which is overworked and has become an often uninspiring bureaucracy.

Pleading fiscal necessity and reflecting a general cutback in domestic programs, the administration has fought raising veterans benefits. It is my hope that the Congress will not be intimidated by the threat of presidential veto but will move quickly to reaffirm its commitment to this Nation's veterans.

AT LONG LAST—IT FINALLY HAPPENED

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

Mr. RANDALL. Mr. Speaker, I shall not take all of the 5 minutes. I came back to the floor to be here at the conclusion of other speeches to be certain that these remarks would appear in the RECORD after the vote on the International Development Association authorization bill.

If I had chosen to take advantage of general leave granted all Members prior to the vote on the bill—my projection of possible defeat of the authorization would have been construed as a prediction. Now the defeat of this proposed extension of authority for appropriations is a fait accompli. The bill was defeated by an almost unbelievable vote of 248 to 155.

Mr. Speaker, H.R. 11354 is a bill that would authorize U.S. contributions to the International Development Association—IDA—which is the arm of the World Bank that makes loans. It should be noted that this bill authorizes \$1.5 billion with no fiscal year limitation. The bill does provide that the United States shall make its contributions available at the rate of \$375 million per year over the 4-year period from fiscal 1976 to fiscal 1979.

Note carefully that the word "contributions" is used and that is not by accident or mistake. What happens—and it has been going on for a long time—is the United States makes these funds available to IDA in the form of noninterest bearing letters of credit which are drawn to make disbursements to the various countries. No matter how you slice it, and whether you call it a loan or not, it is a contribution or gift.

The language used with the bill uses the words "concessional loans" which means soft loans, which are in many instances, noninterest bearing loans. All of these loans are made on such easy payment plans that there is no expectation that payment of these loans will ever be accomplished.

Proponents of the bill made quite a point of the fact that replenishments of funds provided for in this authorization bill will reduce the U.S. share from 40 percent as in prior replenishments to 33½ percent in this replenishment. And that for every dollar contributed by the United States, other countries will contribute \$2.

Well, I must say, I cannot understand how this logic is of much consolation. If we agree that these contributions should not be called loans at all, concessional, soft, or otherwise, then it only confuses

everyone to hold out any hope that any of these contributions will be repaid.

I asked for this time to put in the RECORD the statement that I thought I would never be here to see the day that an IDA authorization bill would be defeated. For years I have voted against these so-called loans, which are not really loans. In many instances there is no interest charged, but only a so-called service charge.

The people in our congressional district are paying 9 percent for construction loans. My constituents pay 3 percent when they are able to qualify for disaster loans, as a result of floods or tornado.

But as we witness the defeat of this replenishment today, it is encouraging to attribute the result to the fact that the membership of this House has at last received the message from back home that it is past time to stop giving money away around the world when we do not have funds for our own rural water districts or to build sewer pollution plants in small cities under mandate of the Environmental Protection Agency.

Maybe the message from home has at last been heard so loud and clear that we will take care of some of the needs in this country that should and must be met before we any longer pass out our money all over the world, in the form of soft, concessional loans.

CONSUMER PRODUCT SAFETY COMMISSION AND THE SAFETY OF SYNTHETIC TURF

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

Mr. MOSS. Mr. Speaker, just over a year ago, Congress enacted one of the most far-reaching consumer protection laws, the Consumer Product Safety Act—Public Law 92-573. The Consumer Product Safety Act is designed to protect consumers from injuries caused by unreasonably hazardous consumer products. The Congress in its wisdom has clothed the Commission with a series of powers which, judiciously used, will afford increased safety in the market place. The Commission has begun its consumer protection tasks with determination. I know that it is the hope of the sponsors of the legislation and the many Members who supported it that the Commission will in the long run prove itself to be a vigorous protector of the American consumer and also an agency imbued with fairness to the businesses and individuals subject to its jurisdiction.

One of the most important subjects currently before the Commission is the question of whether or not it should develop and promulgate a consumer product safety standard for synthetic turf. The issue is of significance to millions of professional and amateur athletes who may be competing on these surfaces in the years to come.

One of the groups that has taken a leading role in proposing such standards is the National Football Players Association. The NFPA obviously has a direct interest in the safety of its member play-

ers; yet it has undertaken to advocate consumer safety for all players, professional and amateur. Consumers are indebted to the NFPA for raising these serious safety questions before the Commission.

At this time, I am pleased to incorporate in the CONGRESSIONAL RECORD the remarks of our former colleague, the Honorable Emanuel Celler, counsel to the Players Association, with regard to the question of safety standards for synthetic turf. In addition, at Mr. Celler's request, I am incorporating letters from Mr. James R. Kirkpatrick, associate secretary for the American Association of School Administrators; Dwight F. Rettie, executive director of the National Recreation and Park Association; Mr. George F. Anderson, associate executive secretary of the American Association for Health, Physical Education, and Recreation; and Mr. August W. Steinhulber, assistant executive director of the National School Boards Association, evidencing concern with the safety of playing surfaces:

REMARKS OF HON. EMANUEL CELLER ON NFLPA SYNTHETIC TURF PETITION BEFORE CONSUMER PRODUCT SAFETY COMMISSION

When the Congress created the Consumer Product Safety Commission, it made a number of findings, for example:

"That the public should be protected against unreasonable risks of injury associated with consumer products", and

"That existing federal authority to protect consumers from [risks of injury] is inadequate."

The purposes of the Consumer Product Safety Act, among other things, are—to protect the public against unreasonable risks of injury and to promote research and investigation into the causes and prevention of product-related deaths, illness and injuries.

Within ten days after (you gentlemen), the Product Safety Commission opened your doors, the National Football League Players Association (NFLPA) filed its petition. We asked that rules be issued with respect to the use of synthetic turf as a surface cover for athletic fields.

In the complex economy of ours with its multiplicity of products and services, you gentlemen perform a most important function. Your assignment involves great significance for which the nation must feel most grateful. We the applicants want to have faith and confidence in your judgment, despite the novelty of our application.

The legislative history of the Product Safety Act itself amply demonstrates the congressional awareness and concern over the hazards of synthetic turf. Indeed, as a consequence of the testimony before the Moss House Commerce Subcommittee by NFLPA Executive Director Ed Garvey, Washington Redskins players Roy Jefferson and John Wilbur, and of Dr. James Garrick of the University of Washington, the Product Safety Act was amended. The amendment made abundantly clear that products such as synthetic turf were to come within the regulatory jurisdiction of the Commission.

The legislative history also clearly demonstrates that manufacturers' claims of safety are not supported by experience or hard evidence.

Both Senator Magnuson and Representative Moss, the congressional sponsors of the Consumer Product Safety Act, expressed their interest and concern about synthetic turf by letter to the Product Safety Commission.

The Monsanto Company, the manufacturer of AstroTurf, filed a "counter petition" op-

posing federal action. The NFLPA responded to the Monsanto claim and supplied the Commission with a detailed refutation by Dr. James Garrick of the University of Washington Medical School. Much more evidence can be supplied.

It must be stressed that Monsanto's comments acknowledge that synthetic grass turf contributes to at least three types of injuries cited by the Players Association. For example, body burns, heat prostration, and torn cartilage and ligaments. The manufacturer asserts that these injuries can be reduced or eliminated simply by "proper training procedures", "wearing protective equipment", maintaining "proper" body fluid levels and wearing clean socks.

We suggest that once safety hazards are established it is the Commission rather than the manufacturer who must determine what steps are appropriate to eliminate or reduce unreasonable risks of injury.

Moreover, its argument of adverse economic impact, rather than supporting denial of relief, directly underscores the need for prompt, effective federal regulation lest the costs of turf installation and removal become the controlling considerations. The Commission's own *Product Hazard Index* ranks football among the ten most hazardous product categories. Its injury data collection system discloses the substantial volume and severity of football injuries. Indeed, all recent studies indicate a higher frequency of injury on synthetic as compared to natural turf surfaces.

On October 9, the Commission in an Executive Meeting apparently rejected the NFLPA petition. It did so on the basis that insufficient injury data exists. If the Commission needs greater injury documentation, then we can only conclude that it will act positively only after a greater number of athletes become injured and possibly crippled for life.

The Commission inaction is particularly regrettable in view of the growing numbers of non-professionals in high school and college who are playing on artificial turf and are exposed to serious injury hazards. Their salvation lies only in decisive federal regulation.

On October 30, I wrote to the Commission reminding them that as of that date no written decision containing the Commission's reasoning or rationale had been published, as required by the Act. Because of the paramount issues of life and limb presented by the continuing use of synthetic turf, I urged, on behalf of the NFLPA, that the Commission conduct public hearings and receive testimony and other evidence firsthand about this product. *If the Commission lacks sufficient evidence, I would strongly suggest that it seek injury data records from the Occupational Safety and Health Administration in the Department of Labor.* Every employer, including the NFL member clubs, must keep careful records of injuries under the Act.

At present this information is not available to employees. *But examination of such injury data by the Product Safety Commission is essential if it is to fulfill its statutory responsibilities.*

Sec. 29 of the Consumer Product Safety Act specifically authorizes and directs the Commission to obtain from any federal department or agency such statistics, data, reports and other information as it requires to perform its statutory duty.

Thus, the Product Safety Commission is obligated to seek out from all possible available sources the data necessary to determine whether or not a particular product presents an unreasonable risk of injury.

It is quite understandable that synthetic turf manufacturers will do all and sundry to protect their product. The fact that their product is already in use should not be controlling. The danger signals are up. There are enough nettles in the sport of football, but

the playing field should not exacerbate them. Delay in remedy makes the danger more pronounced. Cervantes said, "By the street of by and by, you come to the house of never." There are those who would consider the evil in a cavalier manner. This is so with the manufacturers of synthetic turf and the football owners and impresarios.

I understand that a number of organizations concerned with secondary school and collegiate athletic programs and safety have indicated their support for public hearings relating to the use of synthetic turf. These organizations include the American Association of School Administrators, the National School Boards Association, the American Association for Health, Physical Education and Recreation, the American College Health Association, and the National Recreation and Parks Association.

We believe that the generalized hearings on football hazards as apparently envisioned by the Commission are inadequate to its purpose. By the time an overall inquiry on football safety is completed, thousands of our youth and young adults will be injured or crippled by playing on synthetic turf surfaces. What is really needed is a public inquiry by the Commission which is focused on the important safety issues of playing surfaces. Such an inquiry will enable the Commission to obtain firsthand competent testimony, injury data and other evidence it needs to be fully informed in the premises. It is certainly reasonable to expect that the Commission would want to base a decision affecting so many of our children and youth on the most competent, thorough and complete record possible.

The Moss Hearings also reveal the type of serious physical injuries professional football players experience on the synthetic turf surface. These injuries include: aggravated knee and ankle injuries; cartilage and ligament tears from the friction-traction properties of the turf; serious body burns from slipping or sliding on the abrasive surface; staphylococcus infection due to toxic concentrations in the turf; severe fractures and concussions resulting from the non-shock absorbing or non-resilient quality of the turf; heat prostration and blistering due to the thermal qualities of the synthetic surface. Due to the absorption properties of synthetic turf—causing tremendous increase in heat—players, for example, in Miami this year—were compelled to participate in the sport at temperatures in excess of 110 degrees, causing numbers of heat prostrations.

We are ready to submit additional information.

We suggest that the hearing be given high priority.

AMERICAN ASSOCIATION
OF SCHOOL ADMINISTRATORS,
Arlington, Va., December 26, 1973.

Mr. RICHARD O. SIMPSON,
Chairman, Consumer Product Safety Commission, Bethesda, Md.

DEAR Mr. SIMPSON: AASA, the national professional association of school superintendents, was pleased to note the recent news item indicating that your commission was favorably considering the holding of public hearings related to the use of synthetic grass surfaces for athletic events.

Being deeply concerned with the health and safety of secondary school athletes, AASA strongly believes that if such public hearings are held and the evidence derived thereof warrants it, safety standards relating to the composition, installation and maintenance of such surfaces should be developed by your commission.

Very truly yours,

JAMES R. KIRKPATRICK,
Associate Secretary.

JANUARY 3, 1974.

Hon. RICHARD O. SIMPSON,
Chairman, Consumer Product Safety Commission, Washington, D.C.

DEAR Mr. SIMPSON: It is our understanding that the Commission will be conducting public hearings on safety standards for synthetic turf products. We would like to record our support for such hearings, and our interest in not only the athletic field application but also the use of synthetic turf for a wide variety of other recreation activities such as surfacing under playground apparatus.

The membership of the National Recreation and Park Association includes park and recreation officials responsible for purchasing, installing, and maintaining synthetic turf as well as citizen board and commission members who establish local policies. Two of the principal manufacturers of artificial turf products advertise in our monthly magazine and exhibit at our conventions.

We reiterate our interest in this subject and stand willing to assist the Commission in any way we can as you proceed with hearings and the evaluation of synthetic turf products.

Sincerely,

DWIGHT F. RETTIE,
Executive Director.

AMERICAN ASSOCIATION FOR HEALTH,
PHYSICAL EDUCATION, AND RECREATION,
Washington, D.C., January 2, 1974.

Hon. RICHARD O. SIMPSON,
Chairman, Consumer Product Safety Commission, Washington, D.C.

DEAR Mr. CHAIRMAN: The American Association for Health, Physical Education, and Recreation is a non-profit professional association representing 50,000 physical education teachers and coaches in schools and colleges throughout the United States, Puerto Rico, Guam, and the Virgin Islands. Included in the AAHPER structure is the National Council of State High School Coaches Associations (NCHSCA), the National Council of Secondary School Athletic Directors (NCSAD), the Association for Intercollegiate Athletics for Women (IAIW), and the National Intramural Sports Council (NISC). Among other matters, AAHPER is actively concerned with team sports and athletic activity at all educational levels throughout the United States.

We understand that the Consumer Product Safety Commission presently is considering the question of whether synthetic turf playing surfaces present unreasonable risks of injury. Although this issue was presented to the Commission by the National Football League Players Association, it is important to stress that the subject of athletic safety is of vital concern also to those of us who deal with school and college sports programs.

The safety and health of amateur athletes in colleges and secondary schools, as well as of professional players, is a matter of widespread public interest. We believe that every effort should be undertaken to provide our youth optimum safety when they engage in athletic contests.

According to press reports, the Commission soon will be meeting with representatives of the National Football League Players Association to discuss possible public hearings on synthetic turf safety. AAHPER fully endorses such public hearings and urges the Commission to thoroughly examine advantages and disadvantages relative to the safety aspects of synthetic surfaces. We would urge the Commission, consistent with its statutory responsibilities, to develop safety requirements governing the performance, composition and use of synthetic turf playing fields as is war-

ranted by the hearing record, injury data and other information compiled by the Commission.

Synthetic grass turf is a relatively new product not yet installed on an extensive scale. If it presents excessive risk of injury, then the time to develop and implement safety standards is the present.

Cordially,

GEORGE F. ANDERSON,
Associate Executive Secretary.

NATIONAL SCHOOL BOARDS ASSOCIATION,
Washington, D.C., January 2, 1974.

Mr. RICHARD O. SIMPSON,
Chairman, Consumer Product Safety Commission, Bethesda, Md.

DEAR MR. CHAIRMAN: It has come to the attention of the National School Boards Association that the Commission is considering the development of safety standards for synthetic turf.

Our association represents the 17,000 school districts in the United States which have the responsibility for purchasing all types of school equipment for our teachers and students to use. We have become very conscious of safety problems as they relate to two areas: 1) the operation of school buses, and 2) interscholastic sports. It is in this latter context that I would urge the commission to look at safety factors relating to synthetic turf and to keep our association notified of your findings.

Sincerely,

AUGUST W. STEINHILBER,
Assistant Executive Director,
Office of Federal Relations.

DR. RONAN: MASS TRANSIT AND THE ENERGY CRISIS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the disturbing growth of air pollution and fuel shortages have underlined the importance of improving mass transit facilities. Dr. William Ronan, chairman of the Metropolitan Transportation Authority of the State of New York, and vice chairman of the Board of Commissioners, the Port Authorities of New York and New Jersey, in a December 11, 1973, presentation before the Subcommittee on Transportation, Senate Public Works Committee described the problems and prospects of urban transportation systems in the context of the energy crisis. His remarks are of interest to all of us as we search for solutions to the pressing problems of energy and the environment. The remarks follow:

STATEMENT OF DR. WILLIAM J. RONAN

Mr. Chairman and members of the Senate Subcommittee on Transportation, my name is William J. Ronan. I am the President of the Institute for Rapid Transit. Among the Institute's members are the public agencies which operate every urban rapid transit system existing in the United States, Canada and Mexico. Our membership also includes representation from metropolitan areas throughout the country that are constructing or planning to build new urban public transportation systems. The public agencies—local, State and Federal—who are members of the Institute for Rapid Transit also operate the nation's largest urban bus systems. Of the 60,700 city transit vehicles (exclusive of commuter railroad cars) which were in service in the United States at the end of 1972, nearly half were operated by

members of the Institute. Thus, we are deeply interested in Federal actions and policies affecting energy as they will impact on local transit systems, both bus and rail.

I also am the Chairman and Chief Executive Officer of the State of the New York's Metropolitan Transportation Authority and its constituent agencies. The MTA serves a twelve-county area of the State of New York, encompassing 4,000 square miles and inhabited by some twelve million people. Within this area, about one-third the size of Belgium or The Netherlands, the MTA operates a network of urban rapid transit and bus lines, suburban railroads, two general purpose airports, several highway bridges and two vehicular tunnels. In the Metropolitan Transportation Authority, the State of New York has created a mechanism for coordinating the plans, construction, operations and finances for our metropolitan area's public transportation network.

In addition to my position with the Metropolitan Transportation Authority, I am the Vice Chairman of the Board of Commissioners of the Port Authority of New York and New Jersey. The Port Authority is a self-supporting corporate agency created in 1921 by treaty between the two States to plan and develop transportation and terminal facilities, and to promote the international and domestic commerce of the New York-New Jersey Port District. Within an area of approximately 25 miles radius of the Statue of Liberty, the Port Authority operates airports, toll bridges and tunnels, bus and truck terminals, seaports, The World Trade Center and the PATH rail rapid transit system. Under bi-state legislation enacted this year, the Port Authority will undertake a major program to link the area's two international airports with New York City by rail and to improve suburban rail service between New Jersey and New York.

Mr. Chairman and members of the subcommittee, your hearings today are most timely in view of the mobility crisis facing our nation. Transportation of people and freight is essential to the economic and social functioning of our complex society, and the outlook for transportation in view of mounting energy shortage is grim. In many prior appearances before your committee and others, I have cited statistics to show the condition of urban transportation and seek your aid in rebuilding it as a way towards better urban life. Today, we must look beyond statistics to consider the immediate and drastic impact of energy shortages on people and on their daily lives. The range of topics covered in your call for this hearing, including gasoline shortages, speed limit reductions, fuel allocations, movement of food and other essential goods, and other economic dislocations, shows the pervading influence of the energy crisis on the American population. My presentation will deal only with urban public transportation and its difficulties. Knowing the complexity of problems in just this one area, I can appreciate the vast job facing those, such as yourselves, who must confront the energy crisis in all its ramifications. Nevertheless, considering the particularly critical importance of moving our population to and from work, urban transportation's problems and potentials should be given high priority in the nation's overall efforts to conserve and make efficient use of our scarce energy resources.

As operators of public transportation facilities, we have been thrust abruptly into the midst of the energy crisis. Across the country, reports come in of transit lines facing curtailment of service because fuel and lubricant suppliers cannot guarantee deliveries sufficient to operate full schedules. Even with recent steps to give transit the highest priority in the use of available fuel, we find continuing difficulties. As it turns out, a fuel allocation, however high its priority, be-

comes virtually a hunting license in the market place of scarcity. Operators of rail rapid transit systems are also potentially affected by scarcity as proposals to lower electric voltages threaten to disrupt effective operating schedules.

Our steps to expand the transit industry's future capabilities to serve the public are also being severely impacted by energy shortages. Delivery of new equipment is being delayed as manufacturers report raw material shortages. Construction of new facilities will surely be delayed or made economically prohibitive by restricted availability of diesel fuel and by the rising costs of all materials and labor.

These problems would be of serious concern if public transit operators, like all vendors of goods or services, were merely trying to maintain their place in the nation's economic life. In the present context, where public transportation is being "rediscovered" by our citizens and our public officials as a means to address our problems of energy conservation and environmental improvement, inability to continue and expand our service becomes a matter of critical national importance. While this new emphasis fits with all we have said about the potential of public transportation, greater resources and priorities will be needed to turn our potential into a reality. With a concentrated national effort, transit service can contribute effectively to meeting both the short range mobility crisis and the longer range need for more effective and self-sufficient use of our natural resources.

Transit operating agencies are now doing whatever they can, within limits of financial constraints and resource availability, to contribute to these goals. In the short run, we are attempting to stimulate greater use of available public transportation as a substitute means of urban mobility. My own organization, the Metropolitan Transportation Authority, recently announced an experimental policy of half-fare transportation through our rail, bus and subway system on Sundays. Despite potential revenue losses, we felt this was a necessary contribution to peoples' ability to travel on so-called "gasless Sundays." This coming Sunday will be the first test of this new fare policy. While we cannot predict the results, we can hope that the only problem will be a shortage of space on our normally curtailed weekend services. If such a positive result is achieved, we will certainly move quickly to expand service to the degree necessary.

This MTA experiment is but one of many such steps around the nation to expand transit patronage through increased service, stabilized or lowered fares or combinations of these factors. Seemingly, these steps are having their effect. The relentless decline in public transport usage across the nation has clearly been abated in 1973. Year-end results, when they are available, will show, at worst, only a fractional decline and perhaps even a stabilization in national totals. Many cities are strongly countering the past trend of decline. Seattle, with its experimental free fare zone inside the boundaries of its central business district, has boosted traffic by 56 per cent. Fare reductions in Denver, Atlanta, San Diego and Cincinnati have also stimulated ridership. Over the past few years, newly instituted transit services such as the Boston South Shore extension, Philadelphia's Lindenwood Line, Washington's Shirley Highway bus service and the BART system in San Francisco have all proven the drawing power of good transit service in competition with the private automobile. Even without the powerful stimulus of gasoline shortages or rationing, we feel that the transit industry has begun to turn around.

Efforts to increase ridership have been paralleled by our concern for energy conservation. Transit systems around the coun-

try have quickly reviewed our operations and found means to reduce their consumption of power in ways that will not materially affect passenger service. Reductions in car heating levels, station lighting, shorter off-peak train lengths and the like, handled with careful explanations to the public will make transit an even more efficient user of energy. Longer range conservation efforts are also underway, including technological research to minimize energy consumption. My own agency, for example, is doing research and development on an energy recapture and storage system for subway cars. Our objective is to reduce power consumption and lower the heat levels in our tunnels by making use of the energy now dispatched through resistor grids during braking.

In fact, the existence of highly developed transit systems in a few of our metropolitan areas—such as Boston, Chicago, Cleveland, New York, Philadelphia and San Francisco—may prove over the next few years to be a national economic asset. These cities have, through their own investment of capital and through continuing operating assistance, preserved an important means of mobility. Hopefully, they will be joined in a few years by other cities—Washington, D.C., Atlanta, Baltimore and perhaps others—who have made such a commitment in partnership with the Federal government. Another group—including New Orleans, San Antonio and Seattle have extensive and well-run bus systems serving a significant portion of the local population.

Each of these cities will be better able to move their people—and keep alive economically—if curtailment of automobile traffic through gasoline rationing or to meet air quality standards becomes a reality. Because they kept their public transportation systems alive and improved or expanded them whenever possible, these communities have achieved at least some balance in transportation and reduced their dependencies on the private automobile. When the crunch comes, those cities and regions which have highly developed public transportation systems are going to be in a very strong competitive position vis-a-vis those new and less fortunate areas which grew up in the automobile age. They will also be far ahead of unfortunate communities which lost their bus and rail systems in a search for a new model or urban development. While we all certainly hope that the energy crisis will not result in widespread economic slowdown, it seems obvious that those areas with presently adequate transit service will be better able to respond than those without. The Chicago elevated, the New York subway or the Boston trolley lines are often maligned as obsolete or inhuman or inefficient transportation facilities. While they obviously need much in the way of improvement, their availability in the possible crunch that is upon us should go a long way toward stalling these critics.

I would hope that these remarks do not indicate any complacency on our part as transit operators. The prospect of rapid and enforced order of magnitude changes in natural travel habits is, in fact, a frightening one in view of the slow pace of the progress we have made to date. In all honesty, we are far from ready, in terms of physical facilities, financial resources, or policy positions to assume a dominant role in moving urban America. With the seriousness of the energy crisis now before us, I believe it is time to marshal all these factors and make the kind of bold commitments that will assure a major role for public transport in achieving energy self-sufficiency for this country.

Our recent experience with attempts to meet environmental goals which parallel the need to conserve energy suggests the areas in which these commitments must be focused. In seeking to fulfill air quality standards, Federal and State environmental officials have tested the nation's readiness to

accept massive reductions in auto traffic similar to those which gasoline shortages would enforce. Outraged citizen reactions, an obvious lack of policy and program coordination, and the gap between demands on transit services and willingness to share in their financing all attest to a lack of preparedness to accept automobile restraints without offsetting transit improvements.

Another matter of serious concern has been our inability to resolve the demands of what we used to call "progress" with the new needs of the environmental emergency and the energy crisis. While protecting the basic qualities of the environment which are essential to the survival of mankind, we must be ready to use the resources needed for the enhancement of life in a responsible manner. We cannot permit the ecological argument to be twisted into a means for delay or denial of those projects which, in fact, will contribute to a better life and a better environment.

A particularly pointed example of such a conflict lies in the search for electrical energy to power local transit systems. My agency, the MTA, places a peak demand on the Consolidated Edison system which is equivalent to eleven per cent (11%) of Con Ed's generating capacity. By 1980, when all our subway and commuter cars will be air-conditioned and when forty miles of new rapid transit lines and electrified suburban rail facilities will be operational, the MTA's peak energy requirement will be more than doubled. Yet, it is well known that the Con Ed system is unable, even at present, to meet its full system demands from its own generators. The utility must search throughout the Northeast to buy additional power. Yet its efforts to expand generating capacity to meet present and projected increases in demand have been blocked for more than a decade over environmental objections. Leaders of this small group of opponents frankly admit that their strategy is aimed at delaying key projects until the pressures of inflation make them economically inviable. The impact of fuel shortage on its stop-gap use of gas turbine generators will only aggravate Con Ed's capacity problems. Accordingly, in an attempt to secure the additional energy which we will need to keep the transit system running, the State of New York has authorized the MTA to develop new generating facilities in cooperation with the New York State Power Authority. One way or another, we must get this energy if we are to provide the public transit services which are called for by both environmental and energy planners as an alternative to the automobile.

Considering what is at stake in terms of potential economic and social impact, is it not timely that we mobilize all our efforts towards enhancing transit's ability to meet the coming challenge? I can assure you that transit operating agencies and the State and local governments they represent are ready to participate and I hope that the Federal government is ready to do its part in key areas that I will outline shortly.

Public transportation can contribute not only to resolution of the environmental/energy situation, but is of considerable importance in terms of reducing congestion, contributing to more efficient land use patterns and meeting the mobility needs of all elements of society. Stepping up our efforts in the short run may involve substantial improvisation of measures to meet the demands of the energy crisis. Staggering of work hours, special bus services, car pooling and the like will no doubt have to be used to meet immediate needs. It is particularly important to note that much of the potential transit demand which will be brought on by gasoline shortages will come from travellers not now oriented to the core areas of our regions where transit lines now operate. Meeting these needs mean not just the addi-

tion of incremental service to existing lines, but the creation of entire new routes and services to substitute for the automobile in suburbia and exurbia. All of these short-term measures need to be placed in the longer run context of efficient transportation systems to meet regional mobility and development needs.

States and cities across the country have given their commitment to transit operation and development. There is a strong popular base for an expanded transit program. For example, it is reported that a majority of California voters not only support public transportation but expressed willingness to contribute significantly through taxation toward this end. During the past decade, voters in Atlanta, Chicago, Cincinnati, Dayton, Denver, Miami, Seattle and the States of California, New Jersey and New York have approved referenda for self-taxation to provide for the capital or operating costs of transit services. Elected representatives at the state and local level have taken similar action in other areas.

The Federal role in providing for public transportation has undergone substantial increase over the last decade, and legislation now pending would expand this role in important ways. Without denying the significance of what has been accomplished to date, the magnitude of need suggests that incremental progress is no longer sufficient. Using the tools and programs that are now in existence, and additional programs that we feel will be legislated soon, it is time for the Federal government to give leadership and direction in a major national effort.

The Federal government is uniquely capable of addressing the problem of fuel and energy availability and must continue its efforts to provide the necessary wherewithal for present and expanded transit operations. Along these lines, too, it is important that timely decisions be made on critical matters such as gasoline rationing. Alternative transit service cannot be put in place overnight. Adequate lead time will be necessary to plan maximum service utilizing existing bus and rail capacity. The transit industry is not in a financial position which would permit this kind of preparation as a speculative exercise. In the event that longer range expansion of service is required, government intervention to assure that production capacity and manpower available for and devoted to the expansion of the transit industry will be needed. In order that full services can be offered, government action to assign construction priorities to buses and rail equipment will probably be needed to overcome existing problems of shortage.

Regulatory policies and procedures of the Federal government will need review in the context of a new commitment to preservation and expansion of public transportation. Environmental officials, for example, have suggested the use of automobile tolls to reduce traffic and regulatory agencies have suggested toll increases as a means of avoiding higher transit fare. Yet the Federal statutes continue to encourage a toll free highway system and the Federal Highway Administration has disapproved modest toll increases, which would have contributed to the support of parallel public transportation service. In many areas, Federal and State regulatory agencies have permitted not only the disappearance of rail service under economic pressures, but the dismemberment of irreplaceable rights-of-way despite the public interest in these vital assets.

Federal procedures embodied in the Urban Mass Transportation Act and elsewhere must be reviewed to determine whether unnecessary roadblocks are being created to stand in the way of progress in developing the new transit systems we need. Provisions designed to protect the interests of special groups may have their place, but these interests must be weighed against the national interest in achieving viable transit service.

Procedural delays in the processing of vitally-needed urban transportation projects are also counter-productive. Continual weighing of multiple alternatives to satisfy environmental planners and budget officials is not contributing towards achieving our goals. Once a program has been developed out of conflicting alternative plans, it must move forward without a constant process of second-, third- and fourth-guessing.

Of paramount importance, however, is the matter of Federal funding, both for capital and operating expense. The national stakes involved in the energy crisis and the national reliance on public transit service as a means for overcoming potential mobility restrictions underscores the need for Federal action.

With the recent passage of the Federal Aid Highway Act, substantial new resources were made available for the capital program. That Act provided for \$3 billion in new contract authority for the program, as well as permitting the latitude of local and state option to use certain highway funds for transit purposes. These sums, if made available to States and localities, are sufficient for the immediate needs of the next year or two, considering the pace at which capital projects are progressed. But our experience to date with the workings of the capital grant program using contract authority suggests the need for reviewing the basic concept of the program. With the limitations placed on annual usage of contract authority, the Federal government is unable to commit itself in any meaningful way to the completion of major multi-year construction projects. If the Urban Mass Transportation program is ever to achieve significant results in all the ways hoped for, such long-term commitments are a necessity. In addition, an increased flow of funds is needed to offset the higher Federal share legislated to give equity with the Highway program. To date, the Administration has used this higher share only within fixed program totals, thus reducing the number of grants which can be made. The current crisis offers the opportunity to re-evaluate this program and new ways in which its goals can be achieved on an accelerated basis. The Federal Aid Highway Act called for such a study of public transportation needs and the means whereby they could be met. This study should be completed quickly and in parallel with Congressional consideration of the problems by all the committees involved.

Finally, and most importantly, I raise the subject of Federal operating assistance. Since both houses of Congress have passed legislation to provide for such aid, I feel that I am among friends in entering into this discussion. It must be clear to all concerned that the major expansion of transit services at reasonable fare levels that will be needed to substitute for the automobile will in no way restore economic well being to transit operators. The operation of these expanded transit services, fanning out into the areas which grew on the basis of automobile access, will probably add to our economic burden, as will the provision of expanded peak period runs on existing lines. In evaluating such prospects, an official of your new bus operation in the Washington area recently summed up the WMATA position by saying that they were in business to carry people, not to make money. This is, in general, the position and the priority that any responsible public transportation operator would take. Particularly in view of the consequences in reduced mobility that gasoline shortages would cause, we could take no other position as public officials charged with meeting public needs. But this does not provide the needed cash. State and local contributions toward the stabilization of transit finances are significant and growing—even though it requires increasing levels of fiscal sophistication each year to find these local resources. The poten-

tial economic impact of fare increases is such that we must find means of stabilization. For example, calculations in the New York area show that a 20-cent increase in subway fares would directly add 1½ per cent to the regional cost-of-living increase and would cause further inflationary impact as wages, welfare payments and the like reflected this increase.

The hope of Federal participation in this important program has been long in development. The Congress directed the Administration in 1970 to review the condition of transit finance and make appropriate recommendations. In their report, the Department of Transportation carefully analyzed the problem, admitted its drastic nature, but fell short of recommending Federal participation on the grounds that a perfect mechanism for administering the funds could not be found. Recent statements by some Administration officials suggest that a re-evaluation is underway, but it is not clear when this re-evaluation will be completed. The time is now absolutely at hand when the Federal government must reflect its significant interests and begin to participate as well. Past decisions and analyses must be reconsidered in light of a critical energy shortage. Federal action in meeting the financial needs of surface transportation is already well established in the area of intercity movements. Legislation adopted by Congress and signed by the President authorizes an annual subsidy of \$154 million to maintain AMTRAK service, which serves 54,000 riders a day. Substantial Federal resources will be devoted to resolving the problems of the Northeast railroads in whatever form that program finally takes. Action in these intercity areas was predicated in large part on energy concerns. Similar action to preserve and expand our urban transportation systems, which now serve some 20 million passengers a day and have the potential of serving many more is well warranted in terms of the implications for energy conservation.

Without Federal participation in the daily operating costs of transit service there can be no assurance that our transit systems will meet the demands that a severe energy shortage will place upon them. Transit assistance legislation is energy conservation legislation and must be treated in the same accelerated fashion. If the crisis is real, and it appears to us that it certainly is real, our needs are immediate.

THE NEED FOR FEDERAL PRIVACY LEGISLATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, since 1969 I have introduced in each session a bill dealing with the right of privacy which I hope will be considered during this session of Congress.

The bill to which I refer and which will shortly be the subject of hearings initiates safeguards against abuses of privacy by Federal agencies collecting data on individuals. The bill requires that all Federal agencies, upon request and subject to reasonable safeguards, inform an individual of the contents of any file maintained on him and allows such an individual to inspect his file and to supplement the information and remove erroneous information.

With today's unregulated amassment of dossiers that probe deeper and deeper into the personal lives of our citizens, we are courting permanent erosion of privacy in this country. We must see to it by

the enactment of appropriate legislation that Federal agencies be responsible in any data collecting activities that they undertake.

In today's Washington Post, the lead editorial addresses itself to this very issue and I am appending it for the information of our colleagues.

[From the Washington Post, Jan. 23, 1974]

PRIVACY: THE ISSUE AND THE AGENDA

One good gauge of the potency of an issue is the number of politicians who decide to get involved. By this standard, the so-called "privacy issue" is finally picking up strength. Sen. Sam J. Ervin (D.-N.C.) and a few other stalwarts are no longer fighting alone. Largely because of Watergate, more and more elected officials have begun to talk about, look into and suggest remedies for a host of actual and potential intrusions into individuals' private lives, from political surveillance to computerized data banks and the expanding use of social security numbers. Now, it is said, the issue has gained so much momentum that President Nixon is planning to include something on the subject in his legislative program for this year.

A sudden spurt of presidential interest in this area is bound to generate some caustic comments because to date Mr. Nixon has shown little concern for anybody's privacy except his own. But if he now regards the subject as a problem to be dealt with, rather than merely an issue to be defused, there are several specific matters—aside from the abuses involved in Watergate—which the administration could usefully address.

First on the agenda should be the enactment of a law to control the contents and uses of computerized files of criminal histories. Although federal funds have fueled a vast expansion of such networks since 1968, Congress until last summer left the chore of regulation entirely to the Justice Department, which in this context largely means the FBI. The FBI in turn has consistently maintained that its National Crime Information Center is under tight control. In fact, under the NCIC system, many fundamental matters—such as insuring that records are accurate and complete, correcting errors and limiting access to the files—are left to the participating states. It is entirely too easy for wrong information to get into the wrong hands, seriously hurting an individual's reputation or job prospects. Under pressure from Congress and the State of Massachusetts, former Attorney General Richardson did start to draft real controls for the NCIC and all federally-funded criminal justice data banks. Attorney General Saxbe has recently expressed his commitment to pursue this project, improving the likelihood that solid legislation can be passed this year.

The second item of business should be the enactment of some basic rules to govern all kinds of automated files on individuals. Last summer, in an important report, a HEW advisory committee proposed a code of elementary safeguard or "fair information practices." That code, sponsored in the House by Rep. Barry Goldwater Jr. (R.-Calif.), would give every citizen more control over who knows how much about his private life and how that knowledge may be used. Rep. Edward I. Koch (D.-N.Y.) and a few other legislators have proposed more stringent curbs and disclosure requirements for federal data systems. Again, formal recommendations from the executive branch might encourage Congress to act. If Mr. Nixon wants to achieve immediate reforms, he could even open many federal systems to public scrutiny by executive order right now.

Third, there are several other areas in which specific laws are needed to combat specific threats to individual liberties. Major improvements in the Fair Credit Reporting

Act have been proposed by Sen. William Proxmire (D.-Wis.) and the Federal Trade Commission, which administers that act. Bills to protect the privacy of bank records are awaiting action. It is also about time for Congress to come to grips with the privacy problems raised by official efforts to learn more about the lives of welfare recipients, drug users, and others who participate in federally-funded programs.

The fourth item on the agenda is the toughest one. That is the problem of official investigations and intelligence—the problem raised by illegal and improper wiretaps, political surveillance, domestic spying plans, infiltration and harassment of dissident groups, and the whole raft of related abuses and excesses which have come to public attention in the past few years. There has been no shortage of congressional complaints about such incursions on the Bill of Rights. The Senate permanent investigations subcommittee has just launched a fresh probe of official surveillance efforts. So far, however, Congress as a whole has generally shied away from the hard question of how the government's enormous police powers ought to be used, and what kinds of investigations, by what agencies, are necessary and legitimate. Yet if legislators are finally serious about grappling with basic issues of liberty and governance, such problems of surveillance and law enforcement will have to be faced. Just making speeches about privacy is not enough.

MORE ON IMPEACHMENT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, this week we returned to Washington after spending several weeks in our districts meeting with constituents. Many of our colleagues have shared with us their observations about the temperament of the public—I would like to advise the House that I found that the most prevalent issue on the minds of my constituents is the President's impeachment.

Every weekday during the recess I stood for an hour at the subway stations in my district talking with constituents. Every day I was confronted by the same exclamations: "Impeach him." "When will Congress do its job?" "How long will the Judiciary Committee take?" The frustrations of my constituency were particularly manifest at a public meeting I conducted on Thursday, January 20, a couple of days after the tape experts testified before Judge Sirica that a White House Watergate tape had been altered by five erasures. At that meeting you could sense the rage at the President and the total lack of trust resulting from the revelations relating to the Houston Plan, the Plumbers, the break-in of the office of Ellsberg's doctor, the refusals to provide requested tapes, attempted influence of a Federal judge, and now the erasure of 18½ minutes of the recording of the conversation between President Nixon and H. R. Haldeman.

I believe the President has committed impeachable acts. If he is to be impeached and removed from office, however, it is imperative that the House Judiciary Committee establish the President's role in the various matters including the Watergate related activities. Philosophically and pragmatically it is essential for the Judiciary Committee

to complete its investigation if one believes in due process and if a case is to be developed defining and substantiating the grounds for impeachment. The President is entitled to the same due process that we would provide any alleged common criminal; to deny him a full hearing at the "indictment" or impeachment stage would violate that fundamental concept. To deny a full inquiry would also mean that the President would probably escape either impeachment in the House or removal from office by the Senate because the case for impeachment had not been sufficiently prepared.

The frustration felt by many people, however, is so great that there are some individuals who simply cannot accept the need for a hearing and say that each day that the President continues to be in office is an outrage against democracy. There also is a great deal of bitterness felt toward the President. When the question was asked of me, "Which do you prefer, impeachment or resignation," I responded, "Whichever comes sooner." While the principal concern of most is that the President be removed from office, there were those at my public meeting who said, "Don't let him resign, he must be impeached."

There are those who feel that if the President were to resign he would escape possible criminal prosecution for alleged criminal acts. They remember the plea bargaining of Vice President Agnew which resulted in a suspended sentence. Again, by own feeling is that the national interest is better served by Richard Nixon being removed from office as soon as possible.

There are some who ask how a Member of Congress can have an opinion on impeachment in advance of the Judiciary Committee's hearings and the actual vote in the House. My response is that not to have an opinion after all the revelations before the Ervin committee, admissions by those involved and the press reports would require a Member to live in a space shuttle and commute to the Halls of Congress without contact with the Earth and reality. As Members of Congress who are Republicans have said, the burden of proof now has shifted in the court of public opinion. Each day prolongs the agony for this country. The President should either provide the evidence necessary to clear himself or resign; if this does not happen, he must be impeached—and that process must not be delayed or protracted.

PHASE III HEARINGS BY FOREIGN OPERATIONS AND GOVERNMENT INFORMATION SUBCOMMITTEE ON FEDERAL INFORMATION SYSTEMS AND PLANS—IMPLICATIONS AND ISSUES

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, on several occasions last year I reported to the House on the progress of investigatory hearings of the Foreign Operations and Government Informa-

tion Subcommittee into Federal information systems and plans involving the use and development of advanced information and communications technology—see RECORD, January 23, 1973, page 1809; April 3, 1973, page 10648; June 18, 1973, page 20141.

Thus far, the subcommittee has held hearings on two aspects of Federal information and communications technology—part 1 on April 10 and 17, 1973—expert technical witnesses—and part 2 on June 19 and 26 and July 17 and 31, 1973—Federal agency witnesses. These hearings are in print and available from the subcommittee office—room B-371B—ext. 5-3741.

The final phase of these hearings is scheduled to begin next week and will deal with the broad implications of such technology on Federal information and communications systems, the individual citizen's right of privacy, and other important issues raised during the first two parts of our investigation. Among these issues to be dealt with by witnesses who will testify during our concluding hearings are:

First. Extent of use of information and communications technology by the Federal Government;

Second. Kinds of applications of information and communications technology by Federal agencies;

Third. Research and development of information and communications technology by the Federal Government;

Fourth. Planning and design responsibilities for Federal information and communications systems;

Fifth. Policy and regulatory responsibilities for Federal information and communications systems;

Sixth. Separate management of information and communications systems in the Federal Government;

Seventh. Safeguards for private information in Federal information and communications systems;

Eighth. Policy and regulatory responsibilities for private information in Federal information and communications systems;

Ninth. Extent of public access to information in Federal information and communications systems; and

Tenth. Policy management and regulation of access to information in Federal information and communications systems.

This listing of issues is not all inclusive; other issues of significant importance in our investigation relate to such problems as the misuse of such technology for purposes of governmental propaganda, surveillance, and other invasions of constitutional liberties and matters involving information overload, information integrity, and similar technical problem areas.

These hearings will be held on Tuesday, January 29; Thursday, January 31; and Tuesday, February 5, beginning at 10 a.m. each day, in room 2203 of the Rayburn House Office Building. A number of outstanding witnesses are scheduled to testify, representing all parts of the information systems industry, academic institutions, and public interest organizations.

COAL SEEN AS RECESSION KEY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, as you know I am sponsoring with a number of my colleagues legislation which would establish an Emergency Coal Administration to launch a high-priority program to develop the vast coal resources of this country.

I was struck by an article in the January 19, 1974, issue of Business Week magazine which cited the marked difference between two economic forecasts—both based on the same input-output system of analysis, but one showing no decline in the 1974 gross national product as a result of the oil shortage and the other indicating a 3-percent cut in GNP and an additional 3-percent unemployment as a consequence of the shortage.

The difference in these analyses is attributable almost entirely to the assumption of one economist that coal will be substituted for oil very extensively throughout the economy and the assumption of the other economist that there will be no appreciable substitution of coal for oil this year.

I am told that the 14-percent increase in coal production assumed by the economist forecasting no GNP decline is within the capacity of our domestic coal industry, if we make a national effort to maximize coal production. But, I am also advised, there will not be an increase of the magnitude necessary to avoid economic recession if we do not make a national commitment to coal utilization and do not take the steps necessary to remove the serious obstacles to increased production, transportation and use of coal.

My H.R. 12045 and companion bills H.R. 12121 and H.R. 12252 would embody such a national commitment in an Emergency Coal Administration Act. It would empower the head of such an administration, who would be the head of the Federal Energy Office, to utilize emergency powers to maximize the production, transportation and use of coal with the same urgency we used to stimulate war production in World War II. And, while the greatest impact would be in the years ahead, when we hope to move toward self-sufficiency in energy, the commitment to increase our use of coal would have a decisive effect on the plans of coal producers and potential coal users in the current year.

The enactment of the Emergency Coal Administration Act of 1974 could be the decisive act which would enable the country to avoid an economic recession this year. I believe we can move forward with early hearings in the Interstate and Foreign Commerce Committee and through early enactment of this legislation demonstrate our national commitment to coal, and thereby save the country from the consequences of the high unemployment and significant loss of production indicated in the second of these input-output studies.

I believe the entire Business Week article will be of interest to our colleagues

and I insert it in the RECORD at this point:

INPUT-OUTPUT: SIZING UP THE SQUEEZE ON ENERGY

For many years, input-output was a neglected byway in economics, which concentrated on the use of macroeconomic models to forecast gross national products. But with the nearly across-the-board shortages that have plagued the economy, further aggravated by the energy crunch, there is a tremendous increase in interest in what I-O analysis—the concept developed by 1973 Nobel Prize winner Wassily Leontief—says about the economic outlook. And some of what it says is startling.

The huge 180-sector I-O model at the University of Maryland is giving surprisingly optimistic results. It shows real GNP up 1.7% this year from last, virtually the same as without an Arab oil embargo. It shows the unemployment rate topping out at a little more than 5%, well in line with pre-embargo predictions of a "growth recession." Says economist Clopper Almon, Jr., director of the project: "A drop of as much as 1.8-million bbl. per day in oil imports will have no impact on either real output growth or unemployment."

But there is sharp disagreement from other economists using I-O analysis. Brandeis University Professor Anne P. Carter, one of Almon's former colleagues, has run the numbers through her own I-O model and come up with strikingly different figures. With a shortfall of 12%, which is about what Almon uses, her model yields an additional 3% unemployment this year from the oil crisis alone, which would add about 2.7-million more workers to the unemployment rolls. That would go on top of a jobless level of approximately 5% that the business slowdown by itself would have produced. Although there is no explicit GNP forecast in her model, she estimates at least a 3% decrease in real output just from the oil crisis, which is probably enough to send the economy into a recession.

COMPLEX MAZE

Given the uncertainties over both the size of the oil shortage and the degree of resilience and flexibility of the U.S. economy, it is clear why Almon and Carter disagree. Both I-O models may contain part of the truth. As Carter puts it: "It may be that my model is applicable to the first six months of this year and Almon's to the next six months."

In any case, I-O has certainly come into its own in the new shortage economy that businessmen must now live with. Says another Leontief student, Otto Eckstein of Data Resources, Inc.: "There is new emphasis on input-output and industry analysis. Because of supply constraints, businessmen and economists have discovered that the economy is not only demand determined. It is not a Keynesian world alone." In a world of supply shortages, I-O can be a powerful tool for tracing the effects of a specific shortage through the complex maze of interrelationships that characterizes an industrial economy.

In addition to private analyses like those of Almon and Carter, extensive work is being done by analysts in the Commerce Dept.'s Inter-Industry Economics Div. They are providing material to the Treasury, the Federal Energy Office, and several high-level task forces on the economic impact of the embargo.

In assuming a shortfall of 1.8-million bbl. per day, Almon agrees with many informed oil economists that leakages and diversions of crude petroleum have made the 2.7-million-bbl. shortfall estimate of Federal energy czar William E. Simon unrealistically high. But that is only part of it. The model's upbeat forecast is based on a number of assumptions. In Almon's view:

The domestic coal industry will reverse the declines of the past three years and produce about 14% more coal this year, bringing the mines back to 1970 levels.

Crude oil will cost about twice as much in 1974 as a year earlier and business will respond by economizing on energy and substituting coal for oil wherever technology allows. Almon sees the main adjustment coming from electric power companies, which will use 27% more coal this year while cutting their consumption of fuel oil by a whopping 58%.

Major industrial energy users, like the steel, paper, and chemical industries, will cut oil use by an average of 30%. Says Almon: "Where the oil is used for space heating, there is no reduction in output but simply a lower thermostat. In process heating, the entire drop in many cases is offset dollar for dollar by the shift to coal."

Higher gasoline prices will cut the personal use of petroleum by about 15%, freeing crude for refinement into fuel oil and distillates.

Almon sees all of these adjustments as free-market decisions based on price changes. He maintains that his results show the pricing system needs no help from government and believes that a fuel allocation program will only make things worse.

Carter's model, on the other hand, assumes a fuel allocation program similar to the one announced by the President late in November, which included cutbacks in space heating and gasoline for private automobiles. If these cuts in consumption fall short of expectations, then the employment impact would be even more severe. Indeed, she believes that her estimates are on the conservative side since they do not take energy-induced bottlenecks fully into consideration, and ignore the secondary impact of decreasing employment on consumer spending.

DIFFERENCES

Although their results are divergent, Almon and Carter both start from Leontief's basic framework. Leontief explained in one of his earliest writings that, "The central concept of I-O analysis is the idea that there is a fundamental relationship between the volume of output of an industry and the size of the inputs going into it." Coefficients are calculated showing, for example, how much glass, paint, plastic, and rubber are needed for every \$1,000 worth of automobile produced. With a table of these coefficients showing how each product depends on all the others, much more complex calculations can be made.

In fact, the amount of flexibility in the coefficients—the possibility of substitution between inputs—is the main source of difference between the Almon and Carter models. Carter builds in "cushion factors," like the running-down of inventories at a faster pace, or the reorganization of processes to conserve energy without reducing output. "This fat in the system," she says, "makes the over-all impact on the economy smaller than it would otherwise be." But she has absolutely no shift to coal taking place and therefore industry is not sheltered from the full impact of residual fuel oil shortages, unlike the Almon scenario, where electric utilities make the primary adjustment. By contrast, she feels that the assumption of a movement from oil to coal is unrealistic.

Almon grants that there are "serious obstacles to the increased coal usage that has been built into the model," but he feels that the economic incentive, in terms of relative price changes, is great enough to overcome them. The main obstacle to the shift, Almon says, is in the anti-pollution regulations. Expansion of coal production in the shortrun will require greater use of high-sulfur soft coals, which, if extensively used by electric utilities, will lead to violation of the primary clean-air standards in urban areas. Strip mining, already under heavy fire for its environmental effects, will

have to be the main source of the greater coal output. Moreover, many power plants are not conveniently located to receive coal shipments and expansion of the rail network is a time-consuming process. Nevertheless, Almon believes that his assumptions can be met and the shift made.

FORECASTING DISASTER

Carter's model can be interpreted as showing what will happen if present estimates of the shortfall are in the right range, and if there is no great shift to coal. The additional 3% unemployment that results is serious enough, but it is interesting to note what her model does when fed the initial government estimate of a deficit of 3.4-million bbl. per day. The result is a forecast of economic disaster. In her words: "The energy shortage now reaches beyond all cushion factors and every sector is forced to reduce employment. Initial layoffs vary from 14% in heavily oil-dependent industries to much smaller percentages in those using other energy sources. The average unemployment rate due strictly to the oil shortage reaches about 8%." But this is not the end, she explains. Bottlenecks become a serious problem and reduction in employment and output can easily occur even in those industries that are non-oil intensive.

In testimony last month before the Joint Economic Committee, Carter called for strong government action should the oil shortfall reach 20%. She proposed not only a fuel allocation program, but also a reduction in final demand for energy-intensive products and a favoring of labor-intensive industries. "What we would be facing," she told *Business Week*, "is not a recession but a depression. In such a case I have to opt for a program that maximizes employment and not output."

But many economists now feel that things simply will not be that bad. Oil expert M. A. Adelman, of the Massachusetts Institute of Technology, says that the embargo has been basically broken and expects a shortage of less than 1-million bbl. per day. Robert Stobaugh of the Harvard Business School Energy Project recently estimated that the deficit would fall in the 1-million-to-1.5 million range.

Neither Almon nor Carter have run such low-shortage estimates through their computers. It is clear, however, that Almon's results could only be made more optimistic, and that the serious impact Carter sees would be very much blunted or even eliminated, to the extent that the embargo does prove ineffective. No matter who wins the Almon-Carter debate, through it is clear that I-O models will play an increasing role in economic forecasting as oil-centered fears are succeeded by concern over shortages of metals and other primary materials just now coming over the horizon.

CUBAN DECLARATION OF FREEDOM

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, we have recently been made aware of an effort by American automobile companies to obtain licenses to export automobiles from Argentina to Cuba in contravention of the embargo which has been maintained by the United States and most of the other countries of the hemisphere.

I believe the granting of such licenses would be inexcusable, whatever pressures may be applied to these companies by the Peron government, as long as the Castro regime remains in power in Cuba.

We must not allow our embargo against Cuba to be dissolved by the device of third country export. On the contrary, I think we should take this occasion to reiterate our support of the embargo and to declare our support for the aspirations of the freedom-loving Cuban people.

This is the eighth anniversary of the issuance by a representative group of Cuban exiles of a ringing "Declaration of Freedom" which I have brought to the attention of the House on previous occasions. It is an excellent occasion for us to reiterate our stand against the oppressive regime of Fidel Castro to affirm what I believe is the concern of the overwhelming majority of the American people about the presence of a hostile, anti-democratic regime in the Western Hemisphere.

The Congress should reflect the sentiment of the American people and, in doing so, affirm our Nation's historic devotion to freedom, not only for ourselves but for all men everywhere. We can do this by endorsing the Cuban Declaration of Freedom, as I have proposed in my House Concurrent Resolution 94.

I again urge the adoption of this resolution and I insert the resolution in the RECORD at this point:

H. CON. RES. 94

Joint resolution commending the Cuban "Declaration of Freedom"

Whereas on January 23, 1966, a "Declaration of Freedom" was adopted by one thousand five hundred Cubans in exile meeting in Key West, Florida; and

Whereas this declaration was written at the San Carlos Club from which the great Cuban patriot, Jose Marti in 1898, turned the course of history by proclaiming the ideological basis of a free Cuba; and

Whereas Cuba once again has fallen victim to a totalitarian regime as embodied by Castro communism; and

Whereas the "Declaration of Freedom" reads as follows:

"In the city of Key West, Monroe County, State of Florida, United States of America, we, the Cuban exiles in the United States, in the name of God Almighty, and speaking both for ourselves and the oppressed people in Cuba, the martyr island, do say:

"That on January 1, 1959, the slavery yoke that came from Europe and was extinguished in Cuba at the end of the nineteenth century, was resumed.

"That those responsible for this high treason to our fatherland and to our people are just a score of traitors who, usurping the government of the country have been acting as mercenary agents for the Sino-Soviet imperialism, and have surrendered to that imperialism our freedom and our dignity, also betraying the American hemisphere.

"That as a consequence of this high treason, those who are usurping the power in Cuba (as they were never elected by the people), are imposing a regime of bloodshed, terror and hate without any respect or consideration to the dignity of the human being of the most elementary human rights.

"That in their hunger for power, these traitors, following the pattern of totalitarian regimes are trying, within Cuba, to separate the family, which is the cornerstone of actual society, and at the same time, are poisoning the minds of the Cuban children and youth, in their hope of extending the length of time for this abominable system.

"That the rule of the law has been wiped out in Cuba, and it has been replaced by the evil will of this score of traitors, who are

acting under orders from their masters, the Sino-Soviet imperialists.

"In view of the foregoing, we declare:

"First, That the actual Cuban regime is guilty of high treason to our fatherland and to the ideals of the freedom revolution which was started on October 10, 1868.

"Second, That this score of traitors who have committed treason against our fatherland, in case they survive the downfall of their regime, will have to respond, even with their lives before the ordinary courts of justice of Cuba.

"Third, That as the noble Cuban people will not ever surrender, because that nation was not born to be slave, we, the Cuban people, hereby make the present declaration of freedom.

"We hereby swear before God Almighty to fight constantly, until death comes to us, to free Cuba from communism.

"The fundamentals of this resolution for freedom are:

"First. God Almighty, above all things, in whom we believe as the essence of life.

"Second. The fatherland, with all of its laws, traditions, customs, and history as a spiritual value, only surpassed by the concept of God.

"Third. The family, as the cornerstone of the human society.

"Fourth. Human rights, for each and every citizen, regardless of race or creed.

"Fifth. The law, as the foundation for the proper development of the human society.

"Sixth. Democratic government, with its three independent branches: Legislative, executive, and judicial.

"Seventh. Representative democracy, through the exercise of universal suffrage, periodically, free, and secretive, as the expression of popular sovereignty.

"Eighth. Freedom of worship, freedom of teaching, freedom of the press and free enterprise.

"Ninth. Private property and ownership, as the basic expression of liberty.

"Tenth. The improvement of living conditions for both rural and city working masses, with the just and necessary measures, keeping in mind the legitimate interests of both labor and capital.

"Eleventh. The derogation and eradication of anything which is opposed to the political and religious fundamentals aforementioned, and specifically, the abolition of communism and any other form of totalitarian manifestation.

"Signed and sealed in Key West, Fla., on the 23d day of January, 1966."

Now, therefore, be it Resolved by the House of Representatives (the Senate concurring), That it is the sense of the House of Representatives that this inspiring declaration should be patriotically considered by all Cubans in exile and by all who wish to end the tyranny of Castroism and communism in Cuba and that the "Declaration of Freedom" should serve to unite those pledged to restoring Cuban liberty and independence, and that it should be the objective of the United States to commend and encourage recognition and respect for the declaration.

AKRON, OHIO, CITY COUNCIL URGES IMPEACHMENT OF PRESIDENT NIXON

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, yesterday, the City Council of Akron, Ohio, adopted, by a vote of 12 to 1, a resolution urging the House of Representatives "to proceed with the impeachment of Richard M. Nixon at the earliest possible

moment consistent with thoroughness, fairness and justice so that his guilt or innocence can be properly adjudicated in the Senate of the United States according to the terms of the United States Constitution." I believe that this is the first time the legislative body of any city council in the country has taken such action.

The city council's resolution is of particular interest to me, not only because I am a member of the Judiciary Committee but because Akron is my "hometown" and the principal city in the district which I represent.

The council's resolution points out that the failure to resolve the question of President Nixon's guilt or innocence of various offenses has severely impaired his effectiveness, credibility and authority as President and that such impairment has limited the effectiveness of elected officials at all levels of government.

I think the members of the Akron City Council who voted for this resolution should be commended for their leadership in bringing to the attention of the House of Representatives the damage to all levels of government when the President has lost the ability to govern effectively. They are also to be commended for their clear recognition that impeachment of the President does not constitute a conviction but is merely a means whereby the innocence or guilt of the President can be finally determined by a trial in the Senate.

As a member of the Judiciary Committee, I am particularly aware of the fact that we cannot and should not even impeach the President except to the extent that we have presented to us evidence from which we have probable cause to believe that the President has committed a high crime or misdemeanor within the meaning of the impeachment clause of the Constitution. It is my intention as a member of the committee to expedite a decision by the committee "at the earliest possible moment consistent with thoroughness, fairness and justice." The interest and initiative shown by the members of the Akron City Council in this matter will help us move ahead with that task.

The text of the Akron City Council resolution follows:

RESOLUTION No. 33

Resolution No. 33, 1974, urging the House of Representatives of the United States to proceed with the impeachment of President Richard M. Nixon at the earliest possible moment consistent with thoroughness, fairness and justice so that his guilt or innocence can be properly adjudicated in the Senate of the United States according to the terms of the United States Constitution; and declaring an emergency.

Whereas, there are now substantial grounds for believing that Richard M. Nixon may be guilty of the following offenses:

1. Obstruction of justice;
2. Gross failure to control the actions of his subordinates in the Executive Department resulting in their commission of numerous illegal, immoral, and unconstitutional acts;
3. Violating the Constitution of the United States;
4. Subverting the Presidential electoral process;

5. Bringing his office into scandal and disrepute; and

Whereas, the failure to resolve the question of Richard M. Nixon's guilt or innocence of said offenses has severely impaired his effectiveness, credibility and authority as President of the United States; and

Whereas, such impairment of Richard M. Nixon as President has, by process of association, limited the effectiveness of elected officials at all levels of government in performing their functions and maintaining the faith of their constituents; and

Whereas, the proper functioning of government at the state and local levels is now dependent to a great extent on the effectiveness and unimpaired leadership of the executive branch of the federal government; and

Whereas, the impeachment process is the only method provided in the Constitution and laws of the United States by which Richard M. Nixon's guilt or innocence of said offenses may be finally determined.

Now, therefore, be it resolved by the Council of the City of Akron;

Section 1. That the House of Representatives of the United States be urged to proceed with the impeachment of Richard M. Nixon at the earliest possible moment consistent with thoroughness, fairness and justice so that his guilt or innocence can be properly adjudicated in the Senate of the United States according to the terms of the United States Constitution.

Section 2. That a copy of this resolution, certified by the Clerk of the Council, be forthwith transmitted to the Speaker of the House of Representatives, the Chairman of the Committee on the Judiciary of the House of Representatives and the Representative of the Fourteenth Congressional District.

Section 3. That this resolution is hereby declared to be an emergency measure for the reason that the Congressional urging contained herein should become effective at the earliest possible moment because of the timing of the action contemplated hereby is such a crucial part of the problem, and provided this resolution receives the affirmative vote of two-thirds of the members elected or appointed to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force at the earliest time allowed by law.

SIERRA CLUB SUPPORTS CUYAHOGA VALLEY PARK BILL

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I am delighted to bring to your attention a resolution passed by the Sierra Club endorsing proposed legislation to establish the Cuyahoga Valley National Historical Park and Recreation Area in Ohio. Support from the Sierra Club emphasizes the national significance of the Cuyahoga Valley and the need to preserve its magnificent natural and historical resources for future generations.

The Cuyahoga Valley is the last major open space left between the heavily industrialized cities of Akron and Cleveland. It is within an hour's drive of 4 million people. Preserving the valley would be a great step in meeting the Nation's critical shortage of open space near our metropolitan areas. And with the growing demands on our Nation's energy supplies and the increasing costs of fuel, it will become even more difficult

in the future for people to drive long distances to our national parks in the West. Certainly now is the time to put our parks where the people are.

Last April I was pleased to join our distinguished colleagues, CHARLES VANIK and RALPH REGULA as coauthors of a bill to establish the Cuyahoga Valley National Historical Park and Recreation Area. Fifty Members of the House have co-sponsored the legislation. Hearings are expected to be held early in this session by the House Interior Subcommittee on National Parks and Recreation.

Support for the proposal has been tremendous. Some 46 State and local organizations in Ohio have endorsed the park, including city councils, major newspapers, park and recreation boards, labor unions, historical and conservation groups and planning commissions.

Mr. Speaker, I would like to enter in the RECORD at this point the letters and resolutions of endorsement I have received recently from the Sierra Club, the city of Akron and the United Steelworkers of America.

SIERRA CLUB,

Madison, Wisc., January 15, 1974.

Congressman JOHN F. SEIBERLING,
House of Representatives,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: At its most recent meeting, held in San Francisco the weekend of January 12-13, the Sierra Club's Board of Directors passed the following resolution:

"The Sierra Club supports the establishment of a Cuyahoga Valley National Historical Park and Recreation Area of approximately 20,000 acres in the State of Ohio, and opposes major new non-compatible development, such as transmission lines and highways, in that portion of the Cuyahoga Valley that has retained its natural character and historical interest."

We are, of course, aware of your leadership on this project, and we deeply appreciate your work. We intend to help in whatever way we can to implement the foregoing resolution, and look forward to continued close cooperation with you and your staff.

Please keep us informed of plans for hearings before the Parks and Recreation Subcommittee, and be in touch with us regarding any additional ways in which our action can be useful.

Sincerely yours,

JONATHAN P. ELA,
Midwest Representative.

RESOLUTION No. 629

Resolution No. 629, 1973, urging the Congress of the United States to take necessary steps with respect to the passage of the Cuyahoga Valley National Historical Park and Recreation Area Bill introduced in the House of Representatives, i.e., H.R. 7077, which will provide for the preservation of the scenic and historic open space known as the Cuyahoga Valley; and declaring an emergency.

Whereas, the House of Representatives is now considering H.R. 7077, which would provide for the establishment of the Cuyahoga Valley National Historical Park and Recreation Area; and

Whereas, the primary purpose of this bill is to preserve for present and future generations the magnificent scenic and historic open space that is known as the Cuyahoga Valley; and

Whereas, this area is the only major open space remaining between the Cities of Cleveland and Akron; and

Whereas, there presently exists in this

country a critical need for open space and recreational facilities in urban areas; and Whereas, the preservation of the Cuyahoga Valley in its present condition would provide highly desirable open space and recreation facilities for the entire northeastern Ohio area.

Now, therefore, be it resolved by the Council of The City of Akron:

Section 1. That this Council hereby urges the Congress of the United States to take the necessary steps with respect to the passage of the Cuyahoga Valley National Historical Park and Recreation Area Bill introduced in the House of Representatives, i.e., H.R. 7077, which will provide for the preservation of the scenic and historic open space known as the Cuyahoga Valley.

Section 2. That the Clerk is hereby authorized and directed to send copies of this resolution to Representative John Seiberling, Senator Robert Taft, Senator William B. Saxbe, and presiding officers of the Senate and House of Representatives of the United States, and to President Richard Nixon. That additional copies of this resolution be sent to Secretary of the Interior, Rogers B. Morton; Roy A. Taylor, Chairman and Ranking Member of the National Parks and Recreation Sub-Committee of the House Committee on Interior and Insular Affairs; Joe Skubit, Ranking Minority Member of the National Parks and Recreation Sub-Committee of the House Committee on Interior and Insular Affairs.

Section 3. That this resolution is hereby declared to be an emergency measure for the reason that this legislation should be effective at the earliest possible moment, in order that the position herein expressed may be made available in sufficient time for it to be taken into consideration by the appropriate Federal officials, and provided this resolution receives the affirmative vote of two-thirds of the members elected or appointed to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force at the earliest time allowed by law.

GOLDEN LODGE L. U. 1123,

UNITED STEELWORKERS OF AMERICA,
Canton, Ohio, November 26, 1973.

HON. JOHN SEIBERLING,
House of Representatives,
Washington, D.C.

DEAR SIR: Golden Lodge, Local #1123, United Steelworkers of America, at its regular meeting on November 21, 1973, voted unanimously to support H.R. 7077.

Thank you for your consideration.

Very truly yours,

J. R. MROCKOWSKI,
President.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MAILLIARD (at the request of Mr. RHODES) for the week of January 21, 1974, on account of recuperation from surgery.

Mr. FRASER (at the request of Mr. O'NEILL) for January 21 through 24 on account of official business—attending the Consultative Assembly of Europe at Strasbourg.

Mr. WALSH (at the request of Mr. RHODES), on account of recuperation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legisla-

tive program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COCHRAN) to revise and extend their remarks and include extraneous matter:)

Mr. CRANE, for 60 minutes, today.

Mr. QUIE, for 30 minutes, on January 24.

Mr. KEMP, for 15 minutes, today.

(The following Members (at the request of Mr. MOAKLEY) to revise and extend their remarks and include extraneous material:)

Mr. FORD, for 5 minutes, today.

Mrs. COLLINS of Illinois, for 15 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. ALEXANDER, for 30 minutes, today.

Mr. VANIK, for 10 minutes, today.

Ms. HOLTZMAN, for 30 minutes, today.

Mr. DRINAN, for 20 minutes, today.

Mr. MOSS (at the request of Mr. ALEXANDER), to address the House for 5 minutes, and to revise and extend his remarks and to include extraneous matter.

Mr. RANDALL, to address the House for 5 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PERKINS, and to include extraneous matter.

Mr. MILFORD, in five instances, and to include extraneous matter.

Mr. DELLUMS, and to include extraneous matter notwithstanding the fact that it exceeds seven pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost \$1,515.25.

Mr. MAHON, and to insert extraneous material to his remarks during debate in the Committee of the Whole today on the bill H.R. 11354.

(The following Member (at the request of Mr. ALEXANDER) and to include extraneous matter:)

Mr. BINGHAM in 10 instances.

(The following Members (at the request of Mr. COCHRAN) and to include extraneous matter:)

Mr. BURKE of Florida in two instances.

Mr. HANSEN of Idaho.

Mr. DERWINSKI in three instances.

Mr. HINSHAW.

Mr. ERLNBORN.

Mr. DON H. CLAUSEN.

Mr. HUBER.

Mr. ROBINSON of Virginia.

Mr. FINDLEY.

Mr. WALSH.

Mr. WINN.

Mr. SHOUP in two instances.

Mr. WYMAN in two instances.

Mr. PARRIS in three instances.

Mr. GOLDWATER.

Mr. KEMP in two instances.

Mr. ARCHER.

Mr. ASHBROOK in five instances.

(The following Members (at the request of Mr. MOAKLEY) and to include extraneous material:)

Mr. HARRINGTON in six instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. JAMES V. STANTON in two instances.

Mrs. CHISHOLM.

Mr. WOLFF in four instances.

Mr. GIBBONS in three instances.

Mr. MURPHY of New York.

Mr. DELANEY.

Mr. BRADEMAs in six instances.

Mr. RODINO.

Mr. DULSKI in 10 instances.

Mr. RANGEL in 10 instances.

Mr. MELCHER.

Mr. LITTON in three instances.

ADJOURNMENT

Mr. ALEXANDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 4 minutes p.m.), the House adjourned until Thursday, January 24, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1759. A letter from the Chairman, Federal Trade Commission, transmitting a report on the effectiveness of cigarette labeling and current practices and methods of cigarette advertising and promotion, pursuant to section 8(b) of Public Law 91-222; to the Committee on Interstate and Foreign Commerce.

1760. A letter from the Clerk, U.S. Court of Claims, transmitting a report on judgments rendered by the Court of Claims during the year ended September 30, 1973, pursuant to 28 U.S.C. 791(c); to the Committee on the Judiciary.

1761. A letter from the national secretary-treasurer, Sons of Union Veterans of the Civil War, transmitting the proceedings of the 92d annual encampment of the organization, together with an audit of its accounts for the year ended June 30, 1973, pursuant to Public Law 83-605; to the Committee on the Judiciary.

1762. A letter from the Assistant Secretary of Commerce for Maritime Affairs, transmitting a report on the meeting of the Board of Visitors to the U.S. Maritime Academy held December 28, 1973; to the Committee on Merchant Marine and Fisheries.

1763. A letter from the Chairman, U.S. Civil Service Commission, transmitting a report on positions in grade GS-18 and established by Public Law at the maximum rate payable under the general schedule, pursuant to 5 U.S.C. 5114; to the Committee on Post Office and Civil Service.

RECEIVED FROM THE COMPTROLLER GENERAL
1764. A letter from the Comptroller General of the United States, transmitting a report on issues related to foreign sources of oil for the United States and the Department of State's involvement in the international petroleum situation; to the Committee on Government Operations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H.R. 12223. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. BEVILL:

H.R. 12224. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BLATNIK:

H.R. 12225. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Interior and Insular Affairs.

By Mr. BURKE of Massachusetts:

H.R. 12226. A bill to terminate the coverage of police officers of the Massachusetts Bay Transportation Authority under the old age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. BURTON:

H.R. 12227. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BYRON:

H.R. 12228. A bill to amend the Internal Revenue Code of 1954 to provide that amounts not in excess of \$500 a year received by volunteer firemen shall not be subject to income tax; to the Committee on Ways and Means.

By Mr. CLARK:

H.R. 12229. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CONABLE:

H.R. 12230. A bill to amend the Federal Trade Commission Act (15 U.S.C. 41) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. CONTE:

H.R. 12231. A bill to amend the Internal Revenue Code of 1954 with respect to certain charitable contributions; to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 12232. A bill to amend title 10 of the United States Code to require the presentation of full military honors at the burial of veterans; to the Committee on Armed Services.

By Mr. DOWNING (for himself, Mrs.

SULLIVAN, Mr. MOSHER, Mr. ANDERSON of California, Mr. BRAY, Mr. BREAUX, Mr. GINN, Mr. JONES of North Carolina, Mr. ROGERS, Mr. STUBBLEFIELD, Mr. TREEN, Mr. BOB WILSON, and Mr. YOUNG of Alaska):

H.R. 12233. A bill to promote the conservation and orderly development of hard mineral resources of the deep seabed, pending adoption of an international regime relating thereto; to the Committee on Merchant Marine and Fisheries.

By Mr. DRINAN:

H.R. 12234. A bill to amend the Internal Revenue Code of 1954 to deny the deduction of any expenditure of any oil company for advertising not directly related to the sale of products or services; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 12235. A bill to amend title 18 of the United States Code to permit the mailing, broadcasting, or televising of lottery information and the transportation, mailing, and advertising of lottery tickets in interstate commerce but only concerning lotteries which are lawful; to the Committee on the Judiciary.

By Mr. FORD:

H.R. 12236. A bill to amend the General Education Provisions Act to provide funds from appropriations for applicable programs during any fiscal year ending prior to July 1, 1975, may remain available for obligation and expenditure during the succeeding fiscal year; to the Committee on Education and Labor.

By Mr. FULTON (for himself, Mr. BROYHILL of Virginia, Mr. JARMAN, and Mr. MCSPADDEN):

H.R. 12237. A bill to amend the Social Security Act to provide for medical, hospital, and dental care through a system of voluntary health insurance including protection against the catastrophic expenses of illness, financed in whole for low-income groups through issuance of certificates, and in part for all other persons through allowance of tax credits; and to provide effective utilization of available financial resources, health manpower, and facilities; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 12238. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

H.R. 12239. A bill to require oil producers, refiners, and distributors to provide certain information as requested by the Federal Energy Administration, to authorize auditing of such information by the General Accounting Office, and to provide for enforcement; to the Committee on Interstate and Foreign Commerce.

By Mr. GINN:

H.R. 12240. A bill to enable egg producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for eggs, egg products, spent fowl, and products of spent fowl; to the Committee on Agriculture.

By Mr. GOODLING:

H.R. 12241. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. GUYER:

H.R. 12242. A bill to enable egg producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for eggs, egg products, spent fowl, and products of spent fowl; to the Committee on Agriculture.

H.R. 12243. A bill to provide that all letters, memorandums, and other papers produced or acquired by any officer or employee of the United States in connection with the performance of his duties shall be the property of the United States, and to prohibit the sale or use for personal gain of such property; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 12244. A bill to amend the Public Health Service Act to assure an adequate supply of chlorine and certain other chemicals and substances which are necessary for safe drinking water and for waste water treatment; to the Committee on Interstate and Foreign Commerce.

By Ms. JORDAN:

H.R. 12245. A bill to require any person engaged in exploring, developing, refining, or transporting by pipeline, any petroleum product, natural gas or coal to provide certain information to the Comptroller, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEGGETT:

H.R. 12246. A bill to amend title II of the Social Security Act to provide that an individual who is entitled both to an old-age or disability insurance benefit and to a dependent's or survivor's benefit may simultaneously receive the larger of such benefits plus one-half of the smaller; to the Committee on Ways and Means.

By Mr. LITTON:

H.R. 12247. A bill to prohibit the use of U.S. fuel to train commercial airline and military pilots who are nationals of any foreign country which places an embargo on its shipment of petroleum products to the

United States; to the Committee on Interstate and Foreign Commerce.

By Mr. MCCORMACK (for himself, Mr. TEAGUE, Mr. MOSHER, Mr. GOLDWATER, Mr. MCCLOREY, and Mr. BENITZ):

H.R. 12248. A bill to provide for the early commercial demonstration of the technology of solar heating by the National Aeronautics and Space Administration and the Department of Housing and Urban Development, in cooperation with the National Bureau of Standards, the National Science Foundation, the General Services Administration, and other Federal agencies, and for the early development and commercial demonstration of technology for combined solar heating and cooling; to the Committee on Science and Astronautics.

By Mr. MOAKLEY:

H.R. 12249. A bill to amend the Export Administration Act of 1969 (Public Law 91-184), as amended, to control the export of iron and steel scrap during periods of shortage; to the Committee on Banking and Currency.

H.R. 12250. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MONTGOMERY:

H.R. 12251. A bill to amend title 10, United States Code, to provide for the presentation of a flag of the United States for deceased members of the Reserve who die after completing 20 years of service, but before becoming entitled to retired pay; to the Committee on Armed Services.

By Mr. PEPPER (for himself, Mr. SCHNEEBELI, Mr. EILBERG, Mrs. COLLINS of Illinois, Mr. MADDEN, Mr. HAWKINS, Mr. YOUNG of Alaska, Mr. ROBERTS, Mr. MITCHELL of New York, Mr. RODINO, Mr. HELSTOSKI, Mr. FLOOD, Mr. ROE, Mr. WRIGHT, Mr. HANRAHAN, Mr. NEDEI, Mr. BROYHILL of Virginia, Mr. RANDALL, Mr. CHARLES H. WILSON of California, Mr. DUNCAN, Mr. RIEGLE, Mr. WALDIE, and Mr. WOLFF):

H.R. 12252. A bill to increase the production, transportation, and conversion of coal as a source of energy; to the Committee on Interstate and Foreign Commerce.

By Mr. PERKINS (for himself and Mr. QUIE):

H.R. 12253. A bill to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975; to the Committee on Education and Labor.

By Mr. PETTIS (for himself, Mr. ANDERSON of California, Mr. BELL, Mr. CLEVELAND, Mr. COLLINS of Texas, Mr. CONTE, Mr. DAVIS of Georgia, Mr. DERWINSKI, Mr. EDWARDS of California, Mrs. GREEN of Oregon, Mr. HANSEN of Idaho, Mr. HELSTOSKI, Mr. MCCLOSKEY, Mr. MALLIARD, Mr. MATHIS of Georgia, Mr. MAYNE, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MURPHY of New York, Mr. PREYER, Mr. RHODES, Mr. SEIBERLING, Mr. SHOUP, Mr. STARK, and Mr. UDALL):

H.R. 12254. A bill to provide for the establishment of the National Conservation Area of the California Desert and to provide for the immediate and future protection, development, and administration of such public lands; to the Committee on Interior and Insular Affairs.

By Mr. PETTIS (for himself, Mr. WIGGINS, Mr. CHARLES H. WILSON of California, Mr. WINN, Mr. FULTON, and Mr. YATES):

H.R. 12255. A bill to provide for the establishment of the National Conservation Area

of the California Desert and to provide for the immediate and future protection, development, and administration of such lands; to the Committee on Interior and Insular Affairs.

By Mr. RARICK (for himself, Mr. PARRIS, Mr. LOTT, and Mr. FLYNT):

H.R. 12256. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself, Mr. FORD, Ms. ABZUG, Mr. BADILLO, Mr. BROWN of California, Mrs. CHISHOLM, Ms. COLLINS of Illinois, Mr. DAVIS of South Carolina, Mr. DELUMS, Mr. ECKHARDT, Mr. EDWARDS of California, Mr. FASCELL, Mr. FRASER, Mr. HARRINGTON, Mr. HELSTOSKI, Mr. LEGGETT, Mr. LEHMAN, Ms. MINK, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MOSS, Mr. RANGEL, Mr. REES, Mr. RIEGLE, and Mr. ROE):

H.R. 12257. A bill to provide for the establishment of National Office for Migrant and Seasonal Farmworkers within the Department of Health, Education, and Welfare, with responsibility for the coordinated administration of all of the programs of that Department serving migrant and seasonal farmworkers; to the Committee on Education and Labor.

By Mr. ROYBAL (for himself, Mr. FORD, Mr. ROONEY of Pennsylvania, Mr. ROY, Mr. SARBANES, Mr. SEBELIUS, Mr. STARK, Mr. THOMPSON of New Jersey, and Mr. WALDIE):

H.R. 12258. A bill to provide for the establishment of a National Office for Migrant and Seasonal Farmworkers within the Department of Health, Education, and Welfare, with responsibility for the coordinated administration of all of the programs of that Department serving migrant and seasonal farmworkers; to the Committee on Education and Labor.

By Mr. SCHERLE:

H.R. 12259. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. SHOUP:

H.R. 12260. A bill to provide for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Interior and Insular Affairs.

By Mr. STEELE:

H.R. 12261. A bill to amend the Federal-Aid Highway Act of 1970; to the Committee on Public Works.

By Mr. STEIGER of Wisconsin:

H.R. 12262. A bill to amend the Internal Revenue Code of 1954 and title II of the Social Security Act to provide a full exception (through credit or refund) from the employees' tax under the Federal Insurance Contributions Act, and an equivalent re-

duction in the self employment tax, in the case of individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. TEAGUE:

H.R. 12263. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of New Jersey:

H.R. 12264. A bill to grant a Federal charter to the Pearl Harbor Survivors Association, Inc., to the Committee on the Judiciary.

By Mr. VEYSEY:

H.R. 12265. A bill to organize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration for research development and demonstration in fuels and energy, making the United States self-sufficient in energy needs by 1980; to the Committee on Government Operations.

By Mr. WILLIAMS:

H.R. 12266. A bill to amend the Food Stamp Act of 1964 to provide food stamps to certain households which include an able-bodied adult person who is a member of a labor union and is refusing to work at a plant or site subject to strike or lockout; to the Committee on Agriculture.

By Mr. CHARLES H. WILSON of California:

H.R. 12267. A bill to prohibit discrimination by any party to a federally related mortgage transaction on the basis of sex or marital status, and to require all parties to any such transaction to submit appropriate reports thereon for public inspection; to the Committee on Banking and Currency.

H.R. 12268. A bill to carry out the recommendations of the Presidential Task Force on Women's Rights and Responsibilities, and for other purposes; to the Committee on the Judiciary.

By Mr. YATRON (for himself, Mr. STARK, Mr. PIKE, Mr. PREYER, Mr. GUDE, Mr. FRENZEL, Mr. CONLAN, Mr. MORGAN, Mr. FASCELL, Mr. MARTIN of North Carolina, Mr. ANDERSON of Illinois, Mr. MANN, Mr. STUDDS, Mr. CHARLES WILSON of Texas, Mr. HELSTOSKI, Mr. HAMILTON, Mr. GAYDOS, Mr. DENT, Mr. FORD, Mr. BUTLER, Mr. HENDERSON, Mr. THOMSON of Wisconsin, Mr. SARBANES, Mr. BELL, and Mr. FOLEY):

H.R. 12269. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. RHODES:

H.J. Res. 876. Joint resolution authorizing the Secretary of the Army to receive for instruction at the United States Military Academy one citizen of the Kingdom of Laos; to the Committee on Armed Services.

By Mr. SCHERLE:

H.J. Res. 877. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ICHORD (for himself, Mr. ASPIN, Mr. DENT, Mr. RANDALL, Mr. MATHIS of Georgia, Mr. BAUMAN, Mr. ROUSSELOT, Mr. DUNCAN, Mr. MARAZITI, Mr. FUQUA, Mr. PEPPER, Mr. LUJAN, Mr. SISK, Mr. ASHBROOK, Mr. DICKINSON, Mr. LOTT, Mr. BEVILL, Mr. BURKE of Massachusetts, Mr. FOUNTAIN, Mr. RUNNELS, Mr. KOCH, Mr. EDWARDS of California, Mr. DENHOLM, Mrs. BURKE of California, and Mr. YATRON):

H. Res. 782. Resolution declaring the sense of the House with respect to a prohibition of extension of credit by the Export-Import Bank of the United States; to the Committee on Banking and Currency.

By Mr. PERKINS (for himself and Mr. QUIN):

H. Res. 783. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 175; to the Committee on House Administration.

By Mr. ROUSSELOT:

H. Res. 784. Resolution declaring the sense of the House with respect to prohibition of extension of credit by the Export-Import Bank of the United States; to the Committee on Banking and Currency.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

334. By the SPEAKER: A memorial of the Legislature of the State of Oklahoma, relative to exempting Oklahoma from the provisions of the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

335. Also, memorial of the House of Representatives of the State of Oklahoma, relative to requiring able welfare recipients to meet certain work requirements; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EILBERG:

H.R. 12270. A bill for the relief of Ho Thi Thu Nga; to the Committee on the Judiciary.

By Mr. MEZVINSKY:

H.R. 12271. A bill for the relief of Carmichael C. Peters; to the Committee on the Judiciary.

By Mr. STEELE:

H.R. 12272. A bill for the relief of Rafael Stochlitz Wurzel; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

385. The SPEAKER presented a petition of Estelle M. Kay, Cleveland, Ohio, relative to redress of grievances; to the Committee on the Judiciary.

SENATE—Wednesday, January 23, 1974

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

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

Eternal God, who art Truth, show us the truth about Thyself and ourselves.

Teach us the truth about man, his nature and his destiny. Make known to us the truth for this Nation and for all mankind. Keep us from falsehood and from half-truths. Make us apostles of the whole truth that we may serve this Nation and advance Thy kingdom. And when we are uncertain, give us the humility to turn to Him who said "I am the Way, the Truth, and the Life."

In Thy holy name, we pray. Amen.

MESSAGE FROM THE HOUSE

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

H.R. 6120. An act to permit the vessel *Manatra II* to be inspected, licensed, and operated as a passenger-carrying vessel, and for other purposes;