

SER, Ms. ABZUG, Mr. BROWN of California, Mr. RANGEL, and Mr. CORMAN):

H.R. 14779. A bill amending the U.S. Housing Act of 1937; to the Committee on Banking and Currency.

By Mr. MORGAN (by request):

H.R. 14780. A bill to authorize appropriations for fiscal year 1975 for carrying out the provisions of the Board for International Broadcasting Act of 1973; to the Committee on Foreign Affairs.

By Mr. NEDZI:

H.R. 14781. A bill to authorize the Secretary of Agriculture to make grants to cities to encourage the increased planting of trees and shrubs and to encourage other urban forestry programs; to the Committee on Agriculture.

By Mr. PATMAN (for himself, Mrs. BOGGS, Mr. BRASCO, Mrs. BURKE of California, Mrs. COLLINS of Illinois, Mr. CORMAN, Mr. CRONIN, Mr. DULSKI, Mr. DUNCAN, Mr. EILBERG, Mr. FROELICH, Mr. GILMAN, Mrs. GRASSO, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Mr. JONES of North Carolina, Mr. McSPADDEN, Mr. MELCHER, Mr. MITCHELL of Maryland, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MURPHY of Illinois, Mr. MURPHY of New York, and Mr. NICHOLS):

H.R. 14782. A bill to amend title 38 of the United States Code so as to entitle veterans of the Mexican border period and of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American war and their widows and children, respectively, and to increase pension rates; to the Committee on Veterans' Affairs.

By Mr. PATMAN (for himself, Mr. PEPPER, Mr. PODELL, Mr. PREYER, Mr. RARICK, Mr. RIEGLE, Mr. ROE, Mr. ROYAL, Mr. SEIBERLING, Mr. SHOUP, Mr. SIKES, Mr. SMITH of Iowa, Mr. STAGGERS, Mrs. SULLIVAN, Mr. SYMINGTON, Mr. THONE, Mr. ULLMAN, Mr. WALSH, Mr. WAMPLER, Mr. CHARLES WILSON of Texas, Mr. WOLFF, Mr. YATRON, and Mr. YOUNG of Florida):

H.R. 14783. A bill to amend title 38 of the United States Code so as to entitle veterans of the Mexican border period and of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively, and to increase pension rates; to the Committee on Veterans' Affairs.

By Mr. PRICE of Texas:

H.R. 14784. A bill to adjust target prices established under the Agriculture and Consumer Protection Act of 1973, as amended for the 1974 through 1977 crops of wheat and feed grains and cotton to reflect changes in farm production costs; to the Committee on Agriculture.

Mr. ROYBAL:

H.R. 14785. A bill to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes; to the Committee on Education and Labor.

By Mr. SANDMAN:

H.R. 14786. A bill to amend the Mineral Lands Leasing Act to provide for a more efficient and equitable method for the exploration for and development of oil shale resources on Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H.R. 14787. A bill to require passport applicants to swear to an oath of allegiance to the United States as a condition precedent to being issued a passport; to the Committee on Foreign Affairs.

By Mr. STEPHENS (for himself, Mr. LANDRUM, Mr. WAGGONER, Mr. SCHNEEBELI, Mr. DUNCAN, Mr. ARCHER, Mr. FULTON, Mr. CONABLE, Mr. J. WILLIAM STANTON, and Mr. BURLESON of Texas):

H.R. 14788. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of small business investment companies and shareholders in such companies; to the Committee on Ways and Means.

By Mr. STOKES:

H.R. 14789. A bill to require every retail dealer engaging in interstate commerce to assemble fully any bicycle sold by such dealer; to the Committee on Interstate and Foreign Commerce.

By Mr. TALCOTT:

H.R. 14790. A bill to amend the Internal Revenue Code of 1954 and certain other provisions of law to provide for automatic cost-of-living adjustments in the income tax rates, the amount of the standard, personal exemption, and depreciation deductions, and the rate of interest payable on certain obligations of the United States; to the Committee on Ways and Means.

By Mr. TAYLOR of North Carolina (for himself, Mr. SKUBITZ, Mr. HALEY, Mr. HOSMER, Mr. JOHNSON of California, Mr. RUPPE, Mr. O'HARA, Mr. KASTENMEIER, Mr. RONCALIO of Wyoming, Mr. DON H. CLAUSEN, Mr. MEEDS, Mr. SEBELIUS, Mr. STEPHENS, Mr. REGULA, Mr. SEIBERLING, Mr. STEELMAN, Mr. BLATNIK, Mr. QUILLLEN, Mr. JONES of Alabama, Mr. JOHNSON of Colorado, Mr. BEVILL, Mr. CEDERBERG, Mr. FLOWERS, Mr. BUCHANAN, and Mr. THOMSON of Wisconsin):

H.R. 14791. A bill to amend the Wild and Scenic Rivers Act (82 Stat. 906), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TAYLOR of North Carolina (for himself, Mr. SKUBITZ, Mr. HALEY,

Mr. HOSMER, Mr. CRONIN, Mr. WON PAT, Mr. DE LUGO, Mr. BAUMAN, Mrs. MINK and Mr. OWENS):

H.R. 14792. A bill to amend the Wild and Scenic Rivers Act (82 Stat. 906), and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TIERNAN (for himself and Mr. REUSS):

H.R. 14793. A bill to establish an independent commission to administer the internal revenue laws; to the Committee on Ways and Means.

By Mr. YOUNG of South Carolina:

H.R. 14794. A bill to amend section 37 of the Internal Revenue Code of 1954 to make the tax treatment of retirement income comparable to that of social security income; to the Committee on Ways and Means.

By Mr. BROOMFIELD (for himself, Mr. BUCHANAN, Mr. FRELINGHUYSEN, Mr. GILMAN, Mr. ROSENTHAL, Mr. MATTHIAS of California, Mr. TAYLOR of North Carolina, Mr. WINN, and Mr. ZABLOCKI):

H.J. Res. 1011. Joint resolution designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations; to the Committee on Armed Services.

By Mr. WINN:

H. Res. 1099. Resolution to amend the House Rules to require that the report of each House committee on each public bill or joint resolution reported by the committee shall contain a statement as to the inflationary impact on the national economy of the enactment of such legislation; to the Committee on Rules.

## MEMORIALS

Under clause 4 of rule XXII,

479. The SPEAKER presented a memorial of the Legislature of the State of California, relative to the issuance of a postage stamp commemorating the centennial of the American Gynecological Society; to the Committee on Post Office and Civil Service.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ROBERT W. DANIEL, JR.:

H.R. 14795. A bill for the relief of the employees of the Southeastern Tidewater Opportunity project; to the Committee on the Judiciary.

By Mr. WINN:

H.R. 14796. A bill for the relief of NEES Corporation; to the Committee on the Judiciary.

## EXTENSIONS OF REMARKS

### DON MCBRIDE RECEIVES DISTINGUISHED SERVICE AWARD

#### HON. TOM STEED

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. STEED. Mr. Speaker, I am happy to note that one of the most outstanding Oklahomans in public service, Don McBride, has been honored by the Department of the Army with its Distinguished Service Award. The citation came, because of his work in support of our na-

tional water resources development program.

Don McBride has been a director of the Tennessee Valley Authority since 1966. Earlier, as a longtime expert adviser to Senator Robert S. Kerr, he did as much as any man for the development of the Arkansas valley navigation system and of the vital water resources of Oklahoma in general.

His counsel has been of invaluable help to our congressional delegation in the many problems that arise in connection with water development.

I have known few people who have performed such consistently devoted

service in their chosen field, and I am proud to claim him as a former resident of Carnegie as my constituent.

Maj. Gen. John W. Morris, Director of Civil Works, Office of the Chief of the Army Corps of Engineers, presented the award at the convention of Oklahoma Water, Inc. A decade ago General Morris served with distinction as the district engineer at Tulsa.

Following is a brief excerpt from his remarks:

REMARKS BY MAJ. GEN. JOHN W. MORRIS

In recognition of his dedication to water resource development, his profound knowledge and his astute ability as an administra-

tor, President Lyndon B. Johnson appointed him a director of the Tennessee Valley Authority, where he continues to give illustrious service to the Nation.

In recognition of this lifetime of dedication, the Secretary of the Army, has authorized the presentation of the distinguished civilian service award, and I will read the citation: "For Noteworthy Assistance to the Department of the Army during the period 1939 through 1973. During this period, while serving in such positions as Chief Engineer and Chairman of the Oklahoma Water Resources Board, as Secretary-Manager of the National Reclamation Association, as water resources adviser to the Senate select Committee on National Water Resources, and as a Director of the Tennessee Valley Authority, Mr. McBride enthusiastically and energetically supported water resources development programs. His invaluable assistance and support, which reflect his deep-seated sense of public responsibility, contributed significantly to the ability of the Department of the Army to accomplish its water resource development missions. Signed: Howard H. Calloway, Secretary of the Army."

It is with deep pride and honor that I make this presentation to Mr. Donald McBride.

The brief biographical sketch that follows gives only the highlights of Don McBride's contributions to the field of water resource development:

**DON MCBRIDE, DIRECTOR, TENNESSEE VALLEY AUTHORITY**

Don McBride became a member of the TVA Board of Directors on May 20, 1966, following more than 30 years of public service with Federal and state organizations. His primary experience has been in the field of water resource development.

Mr. McBride was active in studies which led to the 1961 report prepared by the Select Committee on National Water Resources—a report considered to be one of the most complete works ever issued on water resource development in this country.

In 1949 he helped prepare the United States Senate report on the comprehensive development of the Arkansas, White, and Red River basins. He also assisted in preparation of the TVA self-financing legislation passed by Congress in 1959.

At the time of his appointment to the TVA Board by President Johnson, Mr. McBride was a special assistant on the staff of Senator A. S. (Mike) Monroney. He served from 1950-63 as principal advisor and consultant on water resources legislation to the late Senator Robert S. Kerr.

In the post-war years, 1946-49, he was Secretary-Manager of the National Reclamation Association.

Following positions with various private companies and state agencies concerned with the design and construction of power transmission lines and irrigation projects, in 1939 Mr. McBride was appointed chief engineer and later a director of the Oklahoma Planning and Resources Board, with responsibility for administration of the state's water rights.

He became chairman of the Planning and Resources Board in 1944. During his two-year term as chairman, he formulated a plan of revenue bond financing to develop the Oklahoma state park system—a plan which is still in use.

Mr. McBride was born June 1, 1903, in Cowles, Nebraska. He attended engineering school at the University of Nebraska and is a registered professional engineer in Oklahoma. He is the author of numerous publications on the subject of water resource development.

In 1964, Mr. McBride was honored by the Arkansas Basin Development Association for his efforts in the development of the Arkansas River. He has received similar awards

from organizations in Oklahoma and, in 1962, was named to the Engineering Hall of Fame, Oklahoma State University, "for integrity, leadership, and meritorious service to the profession of engineering."

Mr. McBride is a member of the Baptist Church. He is married to the former Mary Lou Patterson of Tellico Plains, Tennessee. They have three children.

#### LIBERALS ASTRAY

### HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. DENNIS. Mr. Speaker, that great liberal newspaper, the New York Times, has editorially taken to task our "liberal" colleagues in the House who have recently scuttled the proposed plan submitted by the Bolling Committee for congressional reorganization. The Times calls on these Members "to prove that they can come up with constructive alternatives rather than the self-interested negativism they have evinced thus far." It will be interesting to see how and whether the majority responds—particularly those liberal and reforming Members who, according to the Times, have been guilty of "an unseemly performance." The Times editorial follows:

#### LIBERALS ASTRAY

By the time that the LaFollette-Monroney Legislative Reorganization Act passed Congress in 1946, it had been the subject of intense public controversy and of innumerable articles and editorials. For more than a year now, a committee of ten House members drawn equally from both parties has been at work on a reform proposal that—so far as the House of Representatives is concerned—would be as far reaching and as desirable as the LaFollette-Monroney Act. But in a Congress and a nation preoccupied with Watergate, this committee has done its work silently and unnoticed.

On Thursday, reform paid the price for that silence. By a narrow margin, the House Democratic caucus shelved the reorganization plan by sending it to another committee for study. The barons of the House led by Representative Wilbur Mills of Arkansas, chairman of the Ways and Means Committee, and the pressure group lobbyists know what was at stake even though the public did not.

It was not essential that the plan be submitted to the Democratic caucus. It could have gone directly to the floor as a privileged motion. But Speaker Albert and Representative Richard Bolling of Missouri, chairman of the committee that drafted the reorganization, believed that as a practical matter the reforms would not last unless they had the support of a majority in each party.

House Republicans meeting in their conference endorsed the reforms. The Democrats did not. Significantly, they did the deed in secret avoiding a rollcall vote. There is no justification for conducting public business in that devious fashion.

Labor unions and liberal Democrats who on most other days are in the vanguard of those calling for progressive change were instrumental in blocking the reforms. Since the AFL-CIO did not want the Labor and Education Committee split into two committees or the Post Office Committee abolished, it used its political muscle against the plan. Noted liberals such as Representatives Frank Thompson of New Jersey, John Brademas of Indiana, James O'Hara of Michigan, and

Phillip Burton of California would have lost cherished subcommittee chairmanships and for that selfish reason opposed the plan. It was an unseemly performance.

In theory, reform is not dead. The study committee to which the plan has been referred could resubmit it with only minor changes at the Democratic caucus in July. In coming weeks, the liberals who joined with their party's old-timers in unorthodox alliance have an opportunity to prove that they can come up with constructive alternatives rather than the self-interested negativism they have evinced thus far.

#### ICHORD QUESTIONNAIRE RESULTS

### HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. ICHORD. Mr. Speaker, given the many important decisions facing this Nation and the Members of this legislative body, I would like to take this opportunity to bring to the attention of my colleagues the results of my recent questionnaire sent to the citizens of the Eighth Congressional District in Missouri. As many of the questions before us today are of national importance, I felt that the responses to this questionnaire would be of deep interest to my distinguished colleagues, and at this point I would request consent to insert same in the CONGRESSIONAL RECORD:

**STATEMENT BY CONGRESSMAN RICHARD H. ICHORD TO ACCOMPANY THE RESULTS OF THE 1974 EIGHTH CONGRESSIONAL DISTRICT POLL**

It has been my policy during the 14 years I have served in the U.S. Congress to send out an annual poll to the residents of the 8th Congressional District of Missouri. I have always made it very clear that whereas I earnestly solicit the views of the people I am elected to serve that I accept full responsibility for all of the votes I cast in the U.S. Congress. As I wrote in my letter introducing my 1974 questionnaire: "I believe that a representative shirks his responsibility if he always takes a public opinion poll before voting on an issue and I also feel that he is neglectful of his duties if he fails to ascertain the opinions of the people he represents on the important issues facing the nation. Certainly, the representative should always lay his judgment along side the judgment of his constituents."

Interestingly enough, there has been only one time in my memory which my vote has differed from a majority of those answering my poll. I believe that my political views and philosophy are closer to the people I represent than are the views and philosophy of any Member of Congress to that of his or her constituency.

The poll results I am about to release seem to be of special interest this year because of the large number of responses—almost 44,000—and because of the general public interest in the impeachment question.

At this point in time I have no more information on the charges that might be brought against the President than do any other citizens who read the newspapers, watch T.V. and listen to the radio. Since there is a good chance that I will be called upon with the other Members of the U.S. House to vote on a resolution of impeachment, it would be improper if not irresponsible for me to take a position on the question at this time. If evidence is submitted to the House of Representatives by the Judiciary Committee, I can only pledge to make a very careful and thorough study of such evidence



and make my decision to the best of my ability based on the facts in the case. Therefore, I can only offer this morning the results of the opinions of the constituents of the 8th District who responded to my poll. The bulk of the responses were received in my office during late March and early April and it may well be that some opinions have changed since that time. One of the difficulties with any public opinion poll is that public opinion changes from time to time—sometimes it changes very rapidly but most often any significant change in public opinion is a slow process. The effect, if any, of the controversy over the tapes and the recently released transcripts is not weighed in this poll.

With this background in mind I would like to offer you the results of the 1974 8th Congressional District poll:

*Ichord polls shows narrow rejection of impeachment by Eighth district voters; strong sentiment for death penalty and speedy conclusion of impeachment issue; overwhelming opposition to MFU status and credit to the Soviet Union, wage and price controls and gasoline rationing; slight rejection of new diplomatic relations with Cuba and year-round daylight saving time*

The 1974 8th Congressional District poll sent out by the office of Congressman Richard H. Ichord, D-Mo., drew a heavy response of 43,855 replies with 47.3 percent or 20,724 district residents rejecting the impeachment of President Nixon, 41.3 percent or 18,097 voters favoring impeachment, while 11.4 percent or 5,034 were undecided. The poll was answered by 22,602 women and 21,253 men. Women rejected impeachment by a 47.9 percent to 39.9 with 12.2 percent giving no opinion. Men turned down impeachment by a closer 46.5 percent to 42.7 percent and only 10.8 percent undecided. Four of the nineteen counties in the 8th district, Boone (57.3 percent yes), Franklin (47.2 percent yes), Oregon (45.8 percent yes), and Shannon (55.0 percent yes) favored the impeachment of President Nixon while the other 15 counties rejected the proceedings. The strongest opposition to impeachment was found in Cole (58.5 percent no), Moniteau (58.9 percent no), Gasconade (56.5 percent no), Osage (53.4 percent no) and St. Louis county (51.1 percent no) followed closely by Phelps, Howell and Dent—82.5 percent of those who responded to the poll were in favor of deciding "the issue of impeachment, one way or the other, as soon as possible." Another 81.1 percent of the almost 44,000 district residents who responded to the poll favored "the restoration of the death penalty for certain crimes of violence" with over 90 percent of those responding from Gasconade, Oregon, and St. Louis county favoring the death penalty. Boone county with only 73.4 percent favoring the death penalty was the lowest percentage.

An overwhelming 78.1 percent of those responding rejected the extension of credit to the Soviet Union, 9.6 percent favored loans to the Soviets and 12.3 percent were undecided on the issue. The granting of credit to the Russians was strongly rejected in all 8th District counties with 18 of the 19 counties showing 80 percent and above opposed to such loans with only Boone county dropping to 67.7 percent objecting to Soviet credit—73.4 percent of those returning questionnaires believed that the Soviets should not receive Most-Favored-Nation trade status at this time.

By a 38.5 percent yes to 46.5 percent no and 15.0 percent undecided district voters disapproved a volunteer change over to the metric system of weights and measures. By small margins the conversion to the metric system was favored in five counties, Boone, Howell, Phelps, Pulaski and St. Louis, and rejected in the other 14 counties with heavy

opposition in such counties as Shannon, Texas, Crawford and Oregon.

The question of establishing new diplomatic relations with Cuba was narrowly rejected by a 42.7 percent yes, 44.0 percent no and 13.3 percent undecided. Seven counties, Boone, Dent, Franklin, Gasconade, Phelps, Pulaski, and St. Louis, favored new diplomatic relations with Fidel Castro's government while the other 12 8th district counties rejected such a move.

By a vote of 52.0% no and 40.3% yes and 7.7% undecided 8th district residents stated their opposition to year-around daylight saving time. 16 counties opposed year-around daylight saving time with Phelps, Moniteau, and St. Louis counties showing a preference for it.

78.3% expressed their opinion that wage and price controls had not been effective in fighting inflation and 70.4% voiced opposition to gasoline rationing. In a 48.9% no to 41.5% yes and 9.6% undecided the district voters rejected the financing of presidential elections out of the public treasury and 58.0% believed that Congress should pass some type of national health insurance legislation.

#### 1974 ANNUAL QUESTIONNAIRE

1. The House Judiciary Committee is still conducting an investigation to determine if grounds exist for the impeachment of President Nixon. The Constitution states that the President can only be "removed from Office on Impeachment for, and Conviction of, Treason, Bribery, and other high Crimes and Misdemeanors." A majority vote is required in the House for impeachment which is similar to the indictment of a grand jury. In an indictment, the grand jury must find that there are reasonable grounds to believe that the defendant is guilty of the commission of a crime. If the President is impeached, the matter then goes before the Senate where final determination is made whether or not the evidence against the President is sufficient to warrant his conviction. A two-thirds vote is required in the Senate for such a conviction.

(a) Given this background, do you feel that the House of Representatives should vote in favor of impeachment of the President?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	9,082	42.7	9,015	39.9	18,097	41.3
No.....	9,876	46.5	10,848	47.9	20,724	47.3
No opinion.....	2,295	10.8	2,739	12.2	5,034	11.4
Total.....	21,253		22,602		43,855	

(b) Do you feel that it is imperative that the House of Representatives decide the issue of impeachment, one way or the other, as soon as possible.

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	84.2		81.7		82.5	
No.....	10.8		11.6		11.2	
No opinion.....	4.0		6.7		6.3	

2. Do you favor year-round daylight saving time recently passed by the Congress?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	43.7		38.1		40.3	
No.....	50.0		54.1		52.0	
No opinion.....	7.3		7.8		7.7	

3. Do you feel that wage and price controls have been effective as a means of fighting inflation?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	13.2		13.7		13.4	
No.....	80.0		76.8		78.3	
No opinion.....	6.8		9.5		8.3	

4. The Economic Stabilization Act, which authorizes wage and price controls expire April 30, 1974. Do you believe this act should be renewed?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	29.8		27.3		28.4	
No.....	59.1		54.0		56.5	
No opinion.....	11.1		18.7		15.1	

5. Would you favor Government rationing of gasoline as a means to reduce consumption of gasoline?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	19.8		18.3		18.7	
No.....	75.9		74.6		75.2	
No opinion.....	4.3		7.1		6.1	

6. Do you favor the restoration of the death penalty for certain crimes of violence?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	82.8		79.4		81.1	
No.....	12.1		13.7		12.9	
No opinion.....	5.1		6.9		6.0	

7. The Administration believes it is in the best interest of this country to greatly expand trade with the Soviet Union. On December 11, 1973, the House of Representatives passed the Mills-Vanik amendment to the Trade Reform Act of 1973 by a vote of 319-80, which would prohibit Most-Favored-Nation (MFN) treatment—that is to charge the lowest rate of tariff to the products the Russians would sell to the U.S.—and credit to the Soviet Union until the Soviet Union changed its repressive emigration policies. An identical amendment offered by Senator Jackson in the Senate has 76 co-sponsors. Since the Mills-Vanik amendment passed the House the Export-Import Bank has granted an additional \$128.8 million in loans to the Soviet Union at 6% and 7% interest. The Export-Import Bank is presently considering a \$49.5 million loan to the Soviets for exploration of their gas fields in Eastern Siberia.

(a) Do you favor the granting of MFN status to the Soviet Union at this time?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	14.2		9.8		11.2	
No.....	72.8		74.0		73.4	
No opinion.....	13.9		16.2		15.4	

(b) Do you favor the extension of credit to the Soviet Union by the Export-Import Bank and other Government financial institutions at this time?

	His		Hers		Total	
	Number	Per- cent	Number	Per- cent	Number	Per- cent
Yes.....	10.9		8.4		9.6	
No.....	77.9		78.2		78.1	
No opinion.....	11.2		13.4		12.3	

8. Should Presidential election campaigns be financed out of the public treasury?

[In percent]

	His	Hers	Total
Yes.....	31.7	31.2	31.4
No.....	59.4	57.8	58.6
No opinion.....	8.9	11.0	10.0

9. Do you believe we should work to establish new diplomatic relations with Cuba?

[In percent]

	His	Hers	Total
Yes.....	45.5	40.8	42.7
No.....	43.9	44.1	44.0
No opinion.....	10.6	15.1	13.3

10. Do you feel we should adopt a long-range volunteer program to change over to the metric system of weights and measures?

[In percent]

	His	Hers	Total
Yes.....	42.2	35.0	38.5
No.....	44.2	48.8	46.5
No opinion.....	13.6	16.2	15.0

11. Do you believe that the Congress should pass some type of national health insurance legislation which would subsidize the premiums for the poor and offer all citizens protection against catastrophic medical expenses?

[In percent]

	His	Hers	Total
Yes.....	63.9	64.9	64.4
No.....	26.2	25.9	26.1
No opinion.....	9.9	9.2	9.5

## NEWS RELEASE

## HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. DENNIS. Mr. Speaker, I have released to the press a statement regarding the current push for the President's resignation which I should like to call to the attention of my colleagues, as well as to the general public. My statement follows:

MAY 13, 1974.

WASHINGTON, D.C.—Rep. David W. Dennis (R-Ind.) said today that he does not favor the resignation of President Nixon, but instead, feels that "the constitutional processes should take their course."

"The hearings of the Judiciary Committee have just begun, and of course I have not made up my mind about impeachment," Congressman Dennis said.

"I am, however," he continued, "opposed to the President's resignation. I think the constitutional processes should take their course."

"Resignation would inevitably be considered a confession of guilt, and, in my view, is not possible for a President who asserts his innocence," Rep. Dennis stated.

"Moreover, I doubt that it has become appropriate for party leaders to urge resignation. Currently there is much public clamor and discussion; but certainly anyone in public life who urges resignation should first seriously ask himself the question—to what extent am I moved by moral indignation, and to what extent by concern for my own political survival?" the Hoosier Congressman said.

AN ADDRESS BY CIA DIRECTOR,  
WILLIAM E. COLBY

## HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. NEDZI. Mr. Speaker, few Americans would dispute that an effective central intelligence agency is vital to the security of the United States.

Nevertheless, we must acknowledge that there continues to be some unease in the land about the conduct of intelligence gathering, its underlying philosophy, and its possible abuses. A strong measure of reassurance is needed.

The top men in our intelligence services rarely "go public." When they do, their remarks deserve our close attention.

Accordingly, I am pleased to place in the RECORD the recent address of William E. Colby, Director of the CIA. Of particular interest is Mr. Colby's description of how technology has revolutionized the intelligence business in the years since the U-2.

Entitled "Foreign Intelligence for America," the address was delivered on May 3, 1974, at the well-known forum, the Los Angeles World Affairs Council.

The address follows:

## FOREIGN INTELLIGENCE FOR AMERICA

(By William E. Colby)

Foreign intelligence has a long tradition in America. One of our earliest national heroes, Nathan Hale, was an intelligence agent. Our first President, General Washington, was an assiduous director and user of intelligence. Intelligence has changed in recent years, however, and today its reality is different from its traditional meaning. In the common understanding, intelligence is still linked with secrecy and spying. But what I would like to talk about tonight is the way we in America have changed the scope of the word "intelligence," so that it has come to mean something different from that old-fashioned perception. These changes have stemmed from characteristics peculiar to America and from the nature of our society.

The first and most dramatic change in today's meaning of the word "intelligence" stems from the technological genius of Americans. We have applied to intelligence the talents of our inventors, of our engineers, and of our scientists. In the short space of eighteen years since the U-2 began its missions, we have revolutionized intelligence. In 1960 this country engaged in a great debate as to whether there was a missile gap between the Soviet Union and ourselves. Today the facts are so well established that such a debate is impossible. Then we had to try to deduce from bits of circumstantial evidence how many missiles the Soviets had; today we see and count them. We wondered then what new missiles the Soviets might be developing; today we follow their tests and determine from them the range, the size and the effectiveness of such missiles.

This technical contribution to intelligence not only provides a better basis for decisions about the national security of the United States, it also enables us to negotiate agreements such as the Nuclear Test Ban Treaty and the Strategic Arms Limitation Treaty. Over the years such limitation treaties were always stopped by one essential feature: the United States needed some assurance that the other party would abide by a treaty's restraints. Thus we came up with the "open

skies" proposal and tried to negotiate on-site inspection procedures. The Soviet leaders rejected these because they believed such measures would permit foreigners an undue degree of access to their sovereign territory.

It was only after American intelligence developed the ability to monitor such agreements from afar, through technical means, that we on our side became sufficiently confident to begin the process of mutual arms limitation. In the text of the first SALT agreement, intelligence in fact was even admitted to polite diplomatic society under the name of "national technical means of verification."

Technology has revolutionized the intelligence business in many other ways beyond those I just described. They provide a precision to our knowledge of the world around us, which was inconceivable fifteen years ago. I might add that I give full credit to the many talents here in California which have contributed immensely to this effort.

The second major contribution America has made to intelligence stemmed in part from a bad American habit. This was our habit of disbanding our intelligence machinery at the end of every war, requiring us to reassemble one hastily at the beginning of a new war. Thus we abandoned intelligence in the period after World War I, when Secretary of State Stimson is alleged to have commented that "gentlemen do not read each other's mail." We disbanded the Office of Strategic Services in October 1945, only to establish a new central intelligence apparatus to help meet the Cold War in 1947.

This habitual exercise provided something new in 1942. We were faced then with the urgent need to provide intelligence support to our governmental and military leadership about such disparate areas of the world as the North African littoral, the "hump" between China and India, and distant Pacific islands. General William Donovan, our first director of central intelligence, mobilized the talents of academia and industry to assemble every possible American source of information on these subjects.

This central pool of intellectual talent proved its worth and provided the base for the second major American contribution to the intelligence profession. While certainly the collection of information is vital to intelligence, an equally vital contribution comes from the analysis, assessment and estimating process. The analytic staff within the Central Intelligence Agency has access to all the raw information on foreign areas available to our Government, ranging from that which is completely public to the most secret products of our worldwide collection apparatus. It subjects this information to the intellectual talents and experience of its membership, which in scope and scholarship can rival those of our large universities. It then produces objective and reasoned assessments of developments around the world and projections of likely future trends.

Some of the work of this corps of experts has come to light through the revelation of the Pentagon Papers, in which the various national estimates on Vietnam were shown to have been independent, objective assessments of the likely future course of events there. This is not the time or place to debate American involvement in Vietnam and the many factors which influenced it; I mention these reports only to demonstrate what this assessment process can contribute: an independent and objective assessment of a foreign situation, unaffected by political commitments or departmental parochialism.

As has been reported in the press, I have made certain changes in the bureaucratic structure through which these assessments are produced, but the estimating process in its essential remains as it was. I hope I have even reinforced it by my own insistence that



honest differences among the experts must be fully reflected in our final output rather than concealed under useless generalizations.

America's success in this assessment process perhaps influenced the formation by the Soviets a few years ago of the Institute for the Study of the U.S.A. The Soviets apparently have recognized, as we did long ago, that it is as important to study and try to understand American society as it would be to spy on it. While some other nations also consider assessment a part of their intelligence process, I know of none which can match the investment we in America have made in research and analysis as an integral element of our intelligence mechanism. The product delivered to our policy-makers has often demonstrated the value of this investment, and opened new perspectives for the concept of intelligence.

American intelligence presents another unique feature. It must operate within the tradition of an open society in America. But, as General Washington once noted, "upon secrecy, success depends in most enterprises" of intelligence. These principles are not easily reconcilable, and we are breaking new ground in intelligence doctrine as we try to resolve the dilemma between them.

Part of our solution to this problem appears in the National Security Act of 1947, providing that CIA have no police, subpoena, or law enforcement powers, or internal security functions, i.e., that it is restricted to foreign intelligence. This limitation is clearly recognized among our employees, although my predecessors and I have candidly admitted that CIA made mistakes with respect to the wig and other equipment and the psychological profile provided to the Watergate "plumbers." I am confident and have assured the Congress publicly that it will be respected in the future.

The 1947 Act recognized the other horn of our dilemma when it charged the Director of Central Intelligence with responsibility for the protection of intelligence sources and methods. It is this charge that led my predecessors and me to take such Constitutional steps as are possible to retain the essential secrets of intelligence. In this respect we have at least one common interest with the profession of journalism: we are both interested in the protection of our sources.

We are currently engaged in the courts in an effort to enforce the secrecy agreement that one of our ex-employees signed when he came to work with us. In it he acknowledged that he would be receiving sensitive information and agreed to hold it secret unless we released it. We are not objecting to most of a book he proposed to write, even including about half of the items that we initially identified as technically classified. We are struggling, however, to prevent the publication of the names of a number of foreigners, publicity which could do substantial injury to individuals who once put their confidence in us. Similarly, we hope to withhold the details of specific operations where exposure could prevent our receipt of further information of great value. In some cases, the publication of the fact of our knowledge of a situation can be of major assistance to another nation in deducing how we must have learned of it and shutting us off from it. I might add that we do not censor our ex-employees' opinions. We have cleared several such books full of criticism, in which the authors have been careful not to reveal our sources or operations. The most serious aspect of this struggle is that if we cannot protect our sources and methods, friendly foreign officials and individuals will be less forthcoming with us in the future, when it could be of critical importance to our country. No serious intelligence professional has ever believed that General Washington's maxim could be replaced by a variation of the Wilsonian approach to covenants, or "open intelligence openly arrived at."

Another unique aspect of American intelligence is our relationship to the Congress. Some of my foreign counterparts around the world display considerable shock when they learn that I appeared in an open hearing before the television cameras as a part of my Senate confirmation. Many of them would never be subjected to detailed scrutiny by their Parliament, and their identities are frequently totally unknown. Some months ago, for example, two journalists were prosecuted in Sweden—hardly a closed society—for revealing the startling fact that their country had an intelligence service. In our country our intelligence authority stems from an act of Congress, it is subject to oversight by the Congress, and it depends upon funds appropriated annually by the Congress.

The Congress has provided for itself a way of resolving the dilemma between the need for secrecy in intelligence and the demands of our open society. Those Senators and Congressmen designated to exercise oversight of CIA or review its budgets are fully informed of our activities, inspect us at will, and are given detailed and specific answers to any questions they raise. Other individual Senators and Congressmen and other committees frequently receive the same intelligence assessments of the world situation as are provided to the Executive Branch, on a classified basis, but they are not provided the operational details of our intelligence activities. This arrangement was established by the Congress and is of course subject to change. My own position is that the method by which Congress exercises its oversight of intelligence activity is a matter for the Congress to decide.

As a related aspect of American intelligence in this open society, I might say something about our relations with the public and the press. We do not conduct a public relations program; we are not in the public information business. But we do make as much information as possible available to the news media and to the public. Groups of our citizens, including high school students, have visited our facilities, where we try to respond to their questions about the nature of American intelligence.

Thus we in the intelligence profession are aware that ours must be an intelligence effort conducted on American principles and that it must be more open and responsive to our public than the intelligence activities of other nations. At the same time, we must respect the essential professional requirement embodied in the National Security Act to protect our intelligence sources and methods. We will consequently continue to arouse wonderment from some of our foreign associates as to our openness, and concern among some American citizens that we still must keep some information secret if we are to conduct an intelligence effort at all.

Technical intelligence, the intellectual process of assessment, and our exposure to our Constitutional authorities and the public are three major contributions America has made to the intelligence profession. I do not want to be accused, however, of concealing the fact that intelligence still requires clandestine activity. Our technical intelligence and our study and assessment of material openly available throughout the world have certainly revolutionized the intelligence profession in the past twenty years. But they have not removed the needs of our national policy-makers for information on the intentions of other powers. They have not removed the need to identify at an early stage research abroad into some new weapon which might threaten the safety of our nation, so that we do not become aware of a new and overpowering threat, especially from a nation not as open as ours, too late to negotiate about it or protect ourselves.

The need for clandestine collection can perhaps be illustrated by comparing the task facing me with that facing Mr. Andropov, the

head of the KGB in the Soviet Union. Mr. Andropov faces a veritable cornucopia of easily acquired information about America from published and public sources. Out of this, he must pick those facts which are significant and assemble them into an accurate assessment of America. My task is to search for individual facts kept in the utmost secrecy in closed societies, and with these few facts try to construct whole assessments, in somewhat the way one extrapolates a reproduction of the skeleton of a *Brontosaurus* from a thigh bone. Without the contributions of clandestinely acquired information, our *Brontosaurus* could in some situations be very deformed indeed.

Simple prudence, of course, causes us to use clandestine collection only when the information is available in no other way and is of real value to our country. My point is that such situations do exist. Thus we will continue to need Americans and friendly foreigners willing to undertake clandestine intelligence missions. I might add only that we must do a better job of training future generations of American intelligence officers and agents than Nathan Hale received in a one-day briefing and the advice to place his reports in his shoes.

From this description we see that intelligence in today's complicated world is a complex affair. It must warn our Government of new generations of intercontinental missiles being developed, it must be attentive to foreign economic threats to America's strength and well being, and it must identify political problems around the world which can adversely affect our interests. The very complexity of the challenge has led to the active collaboration of all the different elements of the American Government which can contribute to the process of information collection and national assessment. President Nixon has charged my predecessors and me with the leadership of this Intelligence Community and has provided certain interdepartmental mechanisms through which to implement this charge. This charge of leadership for the entire American intelligence process applies to the substance of our intelligence needs and to the resources devoted to intelligence. It puts on me the responsibility of preventing separate bureaucratic interests from impinging on the effectiveness or raising the cost of our national intelligence effort.

This then is foreign intelligence in and for America today. It reflects the technical and intellectual talents of America, it reflects our open society, it reflects the courage and integrity of our professional intelligence officers. Most important of all, it provides American policy-makers with critical information and reasoned assessments about the complex foreign political, economic and military challenges to our national security and welfare. It is designed to help us to achieve and to live in peace, rather than to protect us only in time of war. It has become an important and permanent element of our national foreign policy structure. We Americans who are a part of it are proud of it, and of the improvements we Americans have brought to a profession which can be traced at least to Moses, who sent a man from each tribe to "spy out" the land of Canaan.

Thank you very much.

#### POULTRY INDEMNITY BILL IS A GIVEAWAY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. CONTE. Mr. Speaker, this morning I sent the following letter to the chairman of the Rules Committee:

S. 3231, the Poultry Indemnity Payments bill, is special interest legislation that ought to be kept in a Mississippi chicken coop, far from the nest of the House floor where strange things have been known to hatch.

I had thought that with the beekeeper indemnity program and the Cotton, Incorporated, boondoggle, Congress had perfected the "give-away" type of farm subsidy. But with the Poultry Indemnity bill, the hen has finally laid the golden egg. The federal government is being asked to put up a lot of scratch to feed to a small flock of chicken farmers who let the fox into the coop.

The legislation deserves only your feather-weight consideration. The other body has laid an egg. I only hope that the yoke doesn't spread to this House.

DR. KARL F. MEYER, PUBLIC  
HEALTH GIANT

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. LEGGETT. Mr. Speaker, it was with great sadness that I learned of the passing of Dr. Karl F. Meyer. His contributions in the field of public health are directly responsible for the saving of thousands of lives around the world, and it will be a long time before we are blessed with the presence of another who possesses the skills Dr. Meyer cultivated in the 89 years of his life. A veterinarian by training, Dr. Meyer chose this field so that he could, as he told his friends, "be a universal man and study all diseases in all species." True to his desire, his work has had such broad implications that it touched on virtually all fields of medicine.

I insert in the RECORD a New York Times article that chronicles the dramatic career of this remarkable man:

DR. KARL F. MEYER, VIRAL SCIENTIST

SAN FRANCISCO, April 28.—Dr. Karl F. Meyer, an internationally renowned veterinarian scientist, died late yesterday in a hospital in San Francisco. He was 89 years old.

PUBLIC HEALTH GIANT

(By Lawrence K. Altman)

Dr. Karl Friedrich Meyer was regarded as the most versatile microbe hunter since Louis Pasteur and a giant in public health.

As a youth in Basel, Switzerland, pictures of the Black Death, or plague, so fascinated him that he became an outdoor scientist instead of following in the aristocratic business world in which he grew up. He told friends that in choosing to become a veterinarian he could "be a universal man and study all diseases in all species."

Public health leaders yesterday called his contributions to medicine "monumental." His scientific work had such broad implications that it touched on virtually all fields of medicine.

Dr. Meyer was credited with rescuing the canning industry when epidemics of botulism, a deadly form of food poisoning, threatened to wipe out commercial canning in its infancy. The National Canners Association elected him to its Hall of Fame last January. It was the last of the scores of honors he received from scientific, industrial and civic groups.

He discovered two of the viruses that cause encephalitis in horses and man, and devel-

oped controls for parrot fever, or ornithosis, among other contributions.

#### DISEASE SPREAD TRACED

Dr. Meyer responded to public health emergencies as a one-man fire brigade. His example served as a model for the Federal Epidemic Intelligence Service in Atlanta from which epidemic detectives trace the spread of diseases around the globe.

His productivity was matched by few other scientists. He wrote 800 scientific papers, more in active retirement over the last 20 years than most scientists publish in an entire career. Some of his most significant contributions—on an experimental plague vaccine now being tested in Southeast Asia—are scheduled to be published in next month's issue of the Journal of Infectious Diseases. The issue is dedicated to Dr. Meyer's 90th birthday, May 19.

"KF," as his friends called him, was born in Basel in 1884 of a family that traced its printed genealogy to the 14th century. His father was an international tobacco merchant and his mother a teacher.

#### MOVED TO CALIFORNIA

The son trained as a veterinarian at the University of Zurich. By the age of 26, he had gained an international reputation from work in South Africa where he showed that cattle could be protected against East Coast fever, a deadly tick-borne infection.

Dr. Meyer moved in 1910 to the University of Pennsylvania, where he helped link Bang's disease of cattle and a human disease reported from Malta by Dr. David Bruce. The animal and human diseases are now called brucellosis. Paul de Kruif once wrote:

"While there he once bet his colleagues that, dressed in a tuxedo, he could do the complete autopsy of an elephant, unassisted, without getting a drop of blood on his shirt front. He collected. His dexterity astounded his fellows."

In Philadelphia in 1914, Dr. Meyer isolated the Eastern equine encephalitis virus just as he was preparing to move to California. There, he developed a vaccine against the viral disease. It was the first of his two discoveries of encephalitis causing viruses. The other came in 1932 when he identified the Western equine encephalitis virus.

In 1916, Dr. Meyer became director of the Hooper Foundation at the University of California in San Francisco. It was a position he held until 1954, when he reached mandatory retirement age. But he pursued his lifelong interest in plague and other diseases.

#### ISOLATED PARROT FEVER

Earlier, in the nineteen twenties, when botulism cases had been traced to California canned olives, Dr. Meyer was called on to save the industry. He developed the flash sterilization method of canning and made canned goods safe without spoiling the product simply by calculating the heat penetration in all types of cans and developing a "fakeproof" system to weed out unethical producers.

Dr. Meyer responded to typhoid epidemics. His work emphasized the importance of the human carrier as the most important source of the disease. It is a basic tenet of public health practice today.

In the thirties, when Philippine farm workers were struck by a mysterious disease, Dr. Meyer traced it to a fungus called coccidioides in the soil. The disease, now known as coccidioidomycosis, or valley fever, is commonly diagnosed in the San Joaquin Valley of California and elsewhere.

When California's aviaries were struck with parrot fever, it was Dr. Meyer who isolated the virus and went on to show that the infection affected all birds. Control measures he helped develop for the pet industry had a major impact on the turkey industry.

But Dr. Meyer's research experience almost cost him his life. He contracted parrot fever, or psittacosis, as it is also called. As his life hung in the balance he wrote his presidential address to the Society of American Bacteriologists in 1935.

Dr. Meyer also showed that leptospirosis was not an infection spread just by rodents but also by infected dogs, cattle and other animals. On another occasion, he recognized that illness among cattle in the Bay Area was due to lead poisoning. He traced the outbreak to a smelter's industrial wastes.

Dr. Meyer's major disappointment was his failure to develop a polio vaccine. But he, like so many others, could make no progress in an era when it was impossible to grow the virus.

He rejected a planned international convocation at Rockefeller University here for his 90th birthday, by saying:

"In times of tight fiscal policies for science, I don't want people to spend money on me."

He leaves his wife, the former Marion Lewis, a daughter, Mrs. Bartler P. Cardon of Phoenix, Ariz., and a grandson. His first wife, the former Mary Lindsay, died.

#### ONE HUNDRED AND EIGHTEEN STUDENTS RECOGNIZED AT QUINCY JUNIOR COLLEGE HONORS CONVIVUM

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, on Friday, April 26, 1974, I was very pleased to have the opportunity to participate in the annual honors convivium at Quincy Junior College in Quincy, Mass. On this occasion 118 students received recognition for their outstanding scholastic achievement during the past academic year. I am very proud of these students in view of the fact that their accomplishments exhibit qualities which will benefit our country as these fine young people grow to become our leaders.

I was honored to present scholarships to several deserving students and I was very happy to note that funding for scholarships at Quincy Junior College has increased sevenfold for 1974.

The following is a report of the proceedings at the annual honors convivium at Quincy Junior College:

#### ONE HUNDRED AND EIGHTEEN STUDENTS RECOGNIZED AT QUINCY JUNIOR COLLEGE HONORS CONVIVUM

Nearly 200 students and guests attended the dinner and Honors Convivium of Quincy Junior College held on Friday evening, April 26, at the Red Coach Grille in Hingham. Seated at the head table and presenting the awards were Congressman James Burke, Former Governor Foster Furcolo, Mr. Charles Sweeney, Chairman of the Community College Association and Vice-Chairman of the Quincy School Committee, Dr. Edward F. Pierce, President of Quincy Junior College, Councillor James Sheets representing Mayor Hannon of Quincy, the Honorable Gertrude Halloran, member of the Community College Association and contributor of a permanent scholarship, Mrs. Maude Taylor Johnson, Treasurer of the Community College Association and Chairman of the Scholarship Committee, Mrs. Russell Beatty, Dean Richard Mula, and Dean Hugo Saluti. Presenting



Student Government scholarships was Thomas Keady, president.

Recognized for scholarships awarded for use in the Spring Semester of 1974 include Laura L. Piscatelli, Nancy E. Bowen, Diane P. Dalabon, Joyce R. DiBona, Geoffrey A. Ferracane, Mark F. Gillespie, Jean M. Johnson, Barbara T. Connolly, Barry S. Fineberg, Mary Laing, James M. Manning, Robert E. Moore, Mary J. O'Brien, Charlene Lewis, Frederick A. Joseph, Kathleen Mudge, Terry A. Mahar, Robert L. Owen, Debra A. Parziale, Merlin B. Smith, Iris Samoff, Debra J. Titus, Lee D. Thompson, and Arthur LaBrecque.

Receiving scholastic recognition for honors achievement during the Fall Semester of 1973 were Nancy A. Ahonen, Joan M. Amendola, Everett Anderson, Jr., Nina B. Appel, Marcia L. Bailey, Michelle M. Boudreau, Diane M. Brabazon, Karen A. Bray, Allan M. Brown, Jr., Constance M. Bryan, Ethel L. Burton, Frances M. Cahalan, Robert J. Cheney, Barbara T. Connolly, Mark A. Connors, Teresa A. Corea, John J. Crowley, Jr., Linda K. Curvin, Lorraine D'Amico, Louis P. Farina, Richard J. Fay, William J. Fein, Barry S. Fineberg, William A. Fitzpatrick, Jr., Robert A. Flaherty, Frank E. Glynn, Joseph L. Guarino, Gladys Heltin, Peter W. Howlett, Michael Iacovello, Deirdre A. Irvine, Lori A. Johnson, Margaret C. Kelly, Douglas W. Kemp, Janet M. Kressler, Arthur F. LaBrecque, Mary Laing, Lorraine A. Leonard, Deborah A. Lewis, Paula J. Logan, Anne M. Luca, John B. Mahar, James A. Mahonen, James M. Manning, Mary A. Marotta, Suzanne M. Martin, Mary J. Mayo, Jerome F. McAdams, James L. McCarthy, James M. McDonough, Kathleen E. McGill, David L. McKinnon, Bruce W. McLain, Paul W. Meallo, Marie T. Miller, Robert E. Moore, Peter E. Nason, Cynthia R. Nelson, Mildred A. Nestor, Jeanine C. Nogueira, Mary J. O'Brien, Laura L. Piscatelli, George E. Pitts, Jr., Joseph P. Renna, Elizabeth Sestuccia, Stephen E. Ruben, Russell Savella, Peter Schottmiller, Terrance L. Silvernall, Thomas J. Smith, Marcus Sorgman, Rebecca A. Stoflet, Arthur J. Stratford, Jr., Egle E. Subatis, Carol A. Templeton, Lee D. Thompson, Gerard L. Travers, Barbara A. Tully, William P. VanRiper, Ronald A. Ward, Dolores Ware, Margaret T. Wassell, Elizabeth M. Wayburn, Maureen M. Wilson, William H. Wirta.

In addition to the presentation of scholarships given in memory of Capt. Edward Brudno by Congressman Burke, a gift of Mrs. H. Russell Beatty in memory of her late husband the former President of Wentworth College and Institute, and the Capt. William McIntyre scholarship donated by the Hon. James McIntyre, and the Walter Hannon scholarship, the Community College Association presented future scholarships to freshmen for the Fall Semester of 1974. Patricia Foley received the Community College Association award presented by Charles Sweeney, Mark Carnathan received the Dr. Charles Djerf award presented by Charles Sweeney, Brian Walsh received the Kenneth P. & Priscilla Holland White award presented by Maude Johnson, Michael Coffee received the Judge Gertrude Halloran award presented by Congressman James Burke, John Lynch received the Quincy Junior College award presented by Dr. Edward F. Pierce, Joanne P. Condon received the Maude Taylor Johnson award presented by Hon. Foster Furcolo, Rita M. Todd received the Maude Taylor Johnson award presented by Hon. Foster Furcolo and Thomas Collins received the Deans' award presented by Dean Hugo F. Saluti.

Dr. Edward F. Pierce announced that monies for scholarships had been increased seven fold for 1974 and a 50 percent increase over the present level is expected next year. New scholarship donors include Congressman Gerry Studds, 3 scholarships, the Antonelli Iron Works, 2 scholarships, a scholarship from Senator Allan McKinnon, among others.

## PETROLEUM INDUSTRY CAPITAL REQUIREMENTS AND TAX POLICY

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. TEAGUE. Mr. Speaker, my attention was recently called to an article by Dr. William A. Johnson, Assistant Administrator for Policy Analysis and Evaluation of the Federal Energy Office. It appeared in a publication of the conference board, and consisted of excerpts from Dr. Johnson's remarks at a meeting sponsored by the International Management and Development Institute here in Washington.

In the article, Dr. Johnson makes the following assertions:

It is alleged that the oil industry is earning "unconscionable" profits and that this is proof that the major oil companies are benefiting from the difficulties of our nation. It is true that 1973 witnessed record increases in rates of return for the industry. However, these increases were experienced by independent as well as major oil companies. Moreover, 1972 was the worst year in recent industry history, partly because prices of 70 percent of the industry's refinery output were effectively frozen from August 1971 to January 1973. In 1973, the industry simply caught up to where it should have been. It is now estimated that the 1973 composite rate of return on equity for the industry as a whole will be about 13.2 percent. This is slightly below the rate of return for all industry in the United States.

Now, the reason, presumably, why we are considering new taxes on "windfall" profits in the oil industry, and other tax changes that are estimated to cost the industry altogether about \$13 billion over the next 6 years, is because the industry is earning more than it should—in someone's judgment.

Since there are other industries that are more profitable, I must inquire of that someone where the line falls between enough and too much. I would ask that someone whether he believes the oil industry has a less urgent need for attracting capital and, therefore, what is enough for industries that earn more is too much for the oil industry that earns less.

If that is the reasoning behind the enormous tax increase on oil companies that is proposed in H.R. 14462, then it is false reasoning. I know of no industry in America that has a greater need for funds for investment, nor any industry that Americans should more encourage to obtain those funds, than the oil industry. Because it is only by a massive flow of new investment that we can get out of our energy bind and put a stop to what some have called "oil blackmail" by the petroleum exporting countries.

I contend, Mr. Speaker, that in the next few days the House in acting on the Oil and Gas Energy Tax Act of 1974, H.R. 14462, will not only be asked to make a decision affecting the petroleum industry's tax burden but will be asked to make a decision on how many oil and gas wells we do not want drilled; how

many miles of pipelines, how many tankers, how much new refinery capacity we do not want constructed. Let us understand that.

If my colleagues are smart enough to figure out how many wells and refineries and tankers we do not need, fine. But they are a lot smarter than I am; or they may merely be more expedient. If the long lines return to the filling stations and homes go cold, and factories close and farm tractors grind to a halt, I do not want the record to reveal that I decided that is the way it should be.

But let us be clear that the question soon to be before the House is not taxes on the oil industry, but what we are willing to risk in dependency on a limited number of outside sources for our essential energy supplies. Because that is what is ultimately at stake in the decision about the wells and refineries and tankers we do not need.

How many dollars of profits oil companies have to earn to generate and attract the capital to bring our dependency on foreign petroleum to a prudent level is something that no one really knows. But there is a way of finding out without engaging in a lot of hazardous guesswork.

That way is to allow full credits against increased tax payments on profits that are plowed back into energy development. That is where H.R. 14462 falls down in that it would allow only an inferior plowback credit.

If the oil industry is earning so much that it cannot reinvest it in energy development in the United States and in more diversified areas abroad, then we will know without guessing whether there are extra funds available for taxation. As it is, this bill is guessing.

I believe the proponents of H.R. 14462, in deciding to siphon billions of dollars of additional taxes out of the petroleum industry, have underestimated the size of the job the industry is facing. And I believe they have overestimated the industry's ability to absorb billions of dollars in additional taxes and still get the job done.

But let us be men enough to acknowledge that if we make the decision, we bear the responsibility. There should need be no search the next time for a scapegoat.

Now, I want to return to something I alluded to earlier. This legislative proposal defines for one industry, out of many, the level of profits that are to be regarded as "windfall" profits, and it singles out that one industry in a highly discriminatory fashion for special taxation based on this definition. Let us clearly recognize that and ponder its wisdom.

I am compelled to comment also on two other features of this bill. The first has to do with the proposed elimination of the percentage depletion provision as it applies to oil. In passing, I observe that the production of more than 100 minerals is covered by the percentage depletion provision and once again one particular mineral is singled out for discriminatory treatment. But more importantly, I understand that during its de-

liberations the Ways and Means Committee rejected a proposal to retain percentage depletion on oil that is subject to price controls. H.R. 14462, in its provisions dealing with percentage depletion, does not distinguish between oil that is under price control and oil that is free to find its competitive market price. This can be described as holding-and-hitting, and coupled with other discriminatory features of this bill it raises this question: Can H.R. 14462 be described as legislation thoughtfully designed to deal with the serious problem of the deteriorating energy posture of our Nation? Or is it more accurately described as a blind venting of spleen against the Nation's petroleum industry?

The identical questions may be asked, Mr. Speaker, with respect to the provision of H.R. 14462 dealing with foreign income. The United States will be heavily dependent upon foreign oil sources for a long time—5 to 10 years at least. Many U.S. oil companies have undertaken foreign exploration ventures which hold promise of diversifying the sources of supply. With no provision for a reasonable transition period, H.R. 14462 would change the rules of the game on projects that were studied and undertaken on the basis of present tax laws. Longer-range, H.R. 14462 diminishes the ability of U.S. companies to compete with foreign oil companies in finding, developing, and bringing new petroleum supplies into the very world market upon which we depend, and stacks the deck in favor of foreign oil companies and the owners of foreign oil companies as the recipients of the American dollars that go to pay for the oil American consumers need.

Mr. Speaker, the solution to our Nation's energy problems is not higher taxes on the petroleum industry but a higher level of spending by the petroleum industry for exploration and development for new petroleum reserves. It is axiomatic that capital spending becomes feasible and capable of being expanded if justified by profitability. At the present time, the petroleum industry's level of capital spending is inadequate to promote reasonable self-sufficiency by 1985 even though the industry has substantially increased capital spending since 1972. Higher prices and capital requirements are discussed in a memorandum that was submitted for the hearing record before the Committee on Ways and Means on energy tax legislation. Mr. Speaker, for the information of the Members of the House, I would include that discussion at this point in the RECORD as a part of my remarks:

**CASH FLOW FROM HIGHER DOMESTIC CRUDE PRICES IN COMPARISON WITH CAPITAL REQUIREMENTS FOR SELF-SUFFICIENCY**

The National Petroleum Council has estimated that the industry should spend \$19 billion per year during 1971-1985 for oil and gas exploration, development, refining, transportation, and synthetics (plants and mines) in order to achieve 83 percent oil self-sufficiency by the end of the period. This figure is in 1970 constant dollars, but general prices in 1973 were already 14 percent above 1970 (measured by the price index used to deflate Gross National Product).

Moreover, expenditures in 1971 and 1972 averaged only \$7 billion per year. If we allow for this 1971-1972 under-expenditure and for inflation, the industry's capital requirements for 1973-1985 would be about \$23.5 billion annually in 1973 prices. Preliminary data would indicate about \$26 billion annually for 1974-1985 in 1974 prices. This will require more than tripling the 1972 expenditures of \$8 billion for these items.

Preliminary data indicate the planned 1974 petroleum industry domestic capital expenditures in the above categories will be about \$14 billion—up \$6 billion from 1972. Thus, despite a major increase in the level of expenditures, the industry is still under-spending the NPC requirements by some \$12 billion annually.

How does the increase in cash flow attributable to higher domestic crude prices compare with actual and needed capital expenditures?

If operating costs remain the same, every dollar of incremental crude price yields about 50 cents of after-tax profits to a corporate producer of existing oil:

	U.S. tax computation	Increase in profit
Extra revenue.....	\$1.00	\$1.00
Less—		
Royalty (at 15 percent).....	.15	.15
State and local taxes (at 8 percent of 85 cents).....	.07	.07
Percentage depletion (at 22 percent of 85 cents).....	.19	
Total.....	.41	
Taxable income.....	.59	
Federal income tax (at 48 percent).....	.28	.28
Total.....		.50
Net income.....		.50

This 50-cent figure is for a corporation on a gross production basis considering royalty as an expense. An independent producer in a 70 percent marginal tax bracket would receive about 37 cents on the dollar. Thus, on average, a dollar of incremental crude value means about 47 cents of incremental profits to crude producers. (That assumes an 80/20 split of production between corporations and individuals.) In round numbers, the producer keeps half; and governments and royalty owners get half. The minimum tax is disregarded in the computation.

The above computation overstates producers' cash flow somewhat because, as time passes, operating costs will increase. We have assumed that all of the increase in price on existing production represents profit (before tax), but some part of it is needed to cover rising operating costs.

Since 1972, the average price of domestic crude has increased by about \$3 per barrel (from \$3.39 to about \$6.50). With 4 billion barrels of production, that would imply an increased cash flow of about \$6 billion (= half of \$3 x 4 billion barrels). That increase is about the amount required to cover planned 1974 expenditures: \$8 billion spent in 1972 plus \$6 billion extra cash flow = \$14 billion. While \$14 billion approximates the expected level of expenditures in 1974, it is far less than the needed expenditures.

Reflecting world prices, uncontrolled new domestic crude oil is selling for something over \$10 per barrel—up about \$7 per barrel since 1972. If all domestic oil were selling at \$10, the implied increase in cash flow since 1972 would be about \$14 billion (= half of \$7 x 4 billion barrels). That is much more than the \$6 billion increase in planned spending, but it is still not enough to cover needed expenditures: \$8 billion spent in 1972, plus \$14 billion extra cash flow equals

\$22 billion, which is well below the \$26 billion needed.

Of course, some of the \$26 billion could be borrowed; but far and away the majority of the funds must be generated internally. The First National City Bank of New York suggests about 80 percent (80 percent of \$26 billion is \$21 billion). And some of the added cash flow must go to dividends in a period of inflation if equity values are to be maintained.

It might be argued that a temporary windfall profit tax could be applied until expenditures actually reach the required level without damaging the national effort to achieve a reasonable level of self-sufficiency. However, to the extent that the industry is under-spending now, it must over-spend later. Thus, the money will be needed in the future if self-sufficiency is to be attained. Taxing away any present surplus will leave a corresponding future deficit.

**CONCLUSION**

While these cash flow and expenditure data are necessarily only approximations, it seems clear that the industry should be spending at levels even higher than implied by the increase in cash flow which would result if all domestic crude oil were selling at world prices:

Crude price (dollars per barrel).....	\$10.00
Incremental needed expenditures (billions of 1974 dollars).....	18.0
Incremental cash flow (billions of 1974 dollars).....	14.0
Deficit (billions of 1974 dollars).....	4.0

The above computations are in 1974 dollars and make no allowance for future inflation.

O. L. WARR

**HON. EDWARD YOUNG**

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. YOUNG of South Carolina. Mr. Speaker, one of the deep satisfactions of public life is the opportunity to be associated with some very special people. Osta Lee Warr was such a man. The contributions he made to South Carolina, and the contributions he continued making up to his death, have enriched the lives of all who knew him, as well as those who did not enjoy that great and special privilege.

The Charleston News and Courier was one of many newspapers which expressed a sense of loss at the passing of this fine gentleman:

O. L. WARR

A brilliant student at the University of South Carolina, Osta Lee Warr was described by the late W. W. Ball, then dean of the school of journalism and later editor of The News and Courier, as the most promising young newspaperman of his acquaintance.

Mr. Warr decided against journalism as a career and returned to Darlington County to become a farmer in the section known as Quietude. Years later he wrote a series of provocative essays for The News and Courier which appeared under the caption "The Farmer From Quietude".

Mr. Warr wrote other articles for publication. He also was elected to a term in the S.C. House of Representatives and occupied other posts of public service. He was a keen observer of the times, loyal to his state and possessor of a sense of humor to enliven his conversation. His death at age 66 has removed a citizen we held in high esteem.



# SCHOOL DESEGREGATION FEARS QUIETED IN MINNEAPOLIS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. FRASER. Mr. Speaker, U.S. District Judge Earl Larson has ordered that no Minneapolis school have more than 35 percent minority students by the time the Minneapolis public school's desegregation plan is fully implemented within the next 2 years.

Last fall saw the first large-scale efforts to accomplish the order. Integration has worked successfully despite some initial tension. Some reasons for the relaxation of the tension are the years of preparation for the busing program, the hiring of "crisis resolution aides," a more relaxed climate surrounding racial matters in the city, and the positive attitudes of the kids involved.

The following articles were printed in the Minneapolis Star on April 29, 1974. They represent the point of view of the students who are involved in the program:

## BUSING—AFTER A TRIAL, HOW IS IT WORKING?

There were fears last fall that as Minneapolis junior high school students started being bused for racial desegregation, there would be fights, parents putting their children in private schools and maybe even a riot or two.

But none of that happened. The students made sure it didn't.

"I never did believe all that stuff about the kids are going to be fighting," said Cornelius Tucker, assistant principal at Anthony Junior High.

"It never has been the kids. It's the adults. If they don't get that crap from the parents, they won't bring it here," he said.

To an outside observer, the schools last week looked calm. Masses of children of various colors moved through the halls of Bryant Junior High—a picture of chatting girls, boisterous boys, bossy teachers, laughter. At Anthony, the halls were not so crowded, and the atmosphere was pleasant and peaceful.

Things were not always this calm, and last fall there were many uptight children steeling themselves for confrontations. But the tension passed, and one of the reasons it did was children getting together with children.

One such meeting took place all year at Bryant in a "values clarification class," which consisted of about 20 students from various economic, racial and social backgrounds.

"The purpose of the class is for us to help get blacks and whites integrated and to help figure out the problems of doing that and of why we already aren't," explained James Holmes, a black 13-year-old, 8th grader.

The class, which meets an hour everyday at 10 a.m., is an informal session where kids share their thoughts on racial issues and through discussion learn to understand one another.

Then they share their insight with others of their race outside the class, hoping to create a snowball effect of understanding and harmony.

If you are a strong leader around school and you start to do something, then you will make others follow you," James said.

He believes that those in the special class are all potential leaders.

Although there is no values class at Anthony, the feeling among people in the area is that the year went well because white

parents in that area at least let their children return to school and because the children learned to adjust to one another very quickly.

"When I first came here I was kind of scared because I was used to being around black kids," said Stacy Jackson, a 7th grader at Anthony.

"But after a while I got to know some of the kids and now I have some friends that are white and everything is OK," she said.

The problem that parents, school officials and children consider the toughest to deal with is the belief that parents both black and white are watching their children come together but themselves are sitting back in apathetic silence and doing nothing.

No one really knows if the parents' old prejudices can be overcome or if they even want to alter their attitudes. Some feel that integration will never really be achieved if the parents don't change.

Others like Tucker feel that the children will accomplish it themselves.

"Kids don't worry with that stuff they hear at home, 'cause kids are going to be kids and are going to do what they want to do," he says. "And if they want to be friends they are going to do that, too."

## WILLIE DECIDED TO STAY IN THERE . . .

(By David E. Early)

Willie Holmes' smooth black face changed into a slight frown when he recalled the disappointment of finding out that he could not go to Ramsey Junior High School as he had planned.

"Man, I had never even heard of Anthony Junior High," said 12-year-old Willie, who lives at 4427 Blaisdel Av. S.

It was the middle of summer, 1973, and he was happy because his grades were so high at Fuller Elementary School that he had been skipped from 5th grade to 7th.

But then he was informed about forced desegregation and an irritating anxiety set in.

"I thought I was going to have problems with my other two sons," his mother, Mrs. Earline Holmes, said. "But after one of them went to school in Arkansas and the other got to go to Bryant. I thought everything was going to be all right."

But everything was all wrong for Willie.

Shortly after school began he got into several fights with white children on the buses and in school, argued with teachers, refused to do school work, charged the Anthony personnel with being bigoted, was habitually late to school and constantly hounded his mother to help him get a transfer to Bryant.

"I just didn't like it," Willie says. "The 9th grade whites would pick on us and it seemed like the other white kids didn't want us at their school."

Mrs. Holmes says that Willie, usually a peaceful kid, was miserable. "When one of my children is upset, I get upset," she said.

She called and visited Anthony on several occasions to find out why her son's grades were not up to par and why he felt that everyone there was on his back.

Finally, in March Mrs. Holmes and Willie went to the school board to ask for a transfer to Bryant.

But by the time Willie and some of the staff and students at Anthony had begun to understand one another. The mutual respect had taken a while longer to develop, but now the young man had come to a decision.

"I just decided that I was going to stick it out," he says. "I had made some friends, black and white, and I wanted to make good grades, so I would be respected at Anthony."

Mrs. Holmes says when Willie told her that he wanted to stay at Anthony, she urged him to study hard and that she would stand behind his new decision all the way.

Willie, an avid athlete, says that to get the respect he desires that he would strive to be an A student as well as a great athlete.

"That's when everybody really respects you," he says.

"I didn't like it at first and I can't say that I like it now, but if they are going to bus the kids, then it's a matter of the teachers, parents, counselors and the people over there getting used to it," Mrs. Holmes said.

"Maybe next year it will be better, that is, if the adults can change their messed-up attitudes," she added.

So now Willie, an intensely competitive kid, looks forward to next year at Anthony as a time when he will match wits with the system. Instead of fighting it, he will make it work for him and other incoming 7th graders.

"My advice to new students being bused in is, don't try to be tough, but don't be afraid either. Have confidence in yourself. Get your bookwork and if you're an athlete, be an intelligent athlete."

"Then they'll respect you," he said.

## IT'S WORKING LIKE GREAT

(By Zeke Wigglesworth)

Susie Heidelberg is 13, upper-middle class, opinionated, outspoken and white.

"I think," she said, looking at her parents, "that when we grow up, the kids I'm in school with, it will be a better world."

Then she sighed.

"They (her parents) are just too old to change."

She lives in a nicely furnished, older house at 1242 W. Minnehaha Pkwy., a white neighborhood.

"The people around here, they just don't understand," she said. "Like I'm afraid to bring my friends here because they'll be prejudiced against my parents because of all this," and she pointed to the nice house.

"We're young, we're flexible and I think we can change our attitude," she said, "but I'm not sure my parents can."

Susie is one of several thousand Minneapolis youngsters—seventh graders—who last fall boarded school buses to begin the city's first large-scale efforts at forced desegregation.

She lives in the Burroughs Elementary School area and would have attended Ramsey this year. But because Ramsey became an all-9th grade school, and because a better racial balance in the city junior highs was ordered, she went instead to Bryant. She thinks it's the best thing that ever happened to her.

"When I first started going there, I was very afraid," she said. "I was afraid I was going to say something and they'd beat me up or I'd say something and they wouldn't like me. But that's all changed."

She likes being in a school with a large minority population, partly because she thinks it gives her insights to other lifestyles and partly because she says the children she goes to school with are "honest."

"The people around here (Burroughs) just hide things. At Bryant, kids will say, in front of you, that they don't like you, and that hurts. But around here (the Ramsey area), they whisper to somebody else and they tell you, and that hurts even worse."

There seem to be many reasons why Susie is making it at Bryant. She's smart, first of all, and is described by her mother, Ruth, as a "real competitor." And she is the first child in the family (there are five children) who has gone to Bryant, and that means a lot to her.

"That means that kids don't come up and say, 'Oh, you're the other Heidelberg's sister.' It means that what's happening to me is mine, and I can come back and tell them (her family) and it's all new."

"It's basically a class situation, not a racial

one," she said. "Sometimes I forget what color people are, but I know they have a different way of looking at things than I do. And I guess I feel sorry for people who haven't had this sort of experience. I really love that school."

Her father, Kenneth, is the vice-president of Hirshfield's Paints and Wallcoverings, and a man who takes his daughter's 13-year-old militancy in stride.

"I grew up in Minneapolis, went to school in Emerson and Central," he said, "and I was sort of worried when Susie started at Bryant because that's a tough neighborhood. I was also a little upset because I didn't really understand what it would accomplish. It seems a little silly, I guess, to move everybody around like that because I'm not sure what it really does and I'm not sure we know what we're doing."

Mrs. Heidelberg agreed.

"I guess I was upset because I knew about how badly the school needed money. I wondered if all that money they were spending for buses was worth it. I guess if she hadn't been forced we never would have sent her to Bryant, because she can walk to Ramsey from here and that's good exercise."

Susie's deliberations on the older generation are not confined to her parents.

"My friends at school, well, their parents have hangups, too. I think they're sort of afraid that their parents would be prejudiced against me, too."

She said the school was "very tense" at first last fall, because students on both sides of the color line were uneasy, afraid of reactions from the other side. But now, she said, things are different.

"I think I sort of put black people together, thought they were all alike. But they're just like everybody, else, and I think we all learned that at Bryant. The whole thing, well, it's working like great."

**REPRESENTATIVE JACK KEMP SALUTES VFW PVT. LEONARD POST, JR., POST NO. 6251, OF CHEEKTOWAGA, N.Y.**

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. KEMP. Mr. Speaker, we in western New York are particularly proud of VFW Pvt. Leonard Post, Jr., Post No. 6251, of Cheektowaga, N.Y. The post has been recognized as the No. 1 New York State VFW post in the category of community service, and last year finished ninth in national competition.

This year, under the able leadership of Comdr. John Slenicki, Pvt. Leonard Post, Post No. 6251, is actively on its way to becoming the No. 1 VFW post in community service in the Nation. The post over the years has contributed to many fine charitable causes, and its members unselfishly give of their time to participate in patriotic, civic, and community affairs. The post's "Care Program" entertains the retarded, the mentally ill, the homeless and the aged, and has helped residents at institutions such as the Buffalo State Hospital, West Seneca State School for the Retarded, the Erie County Home, and Infirmary, the Erie County Rehabilitation Center, St. Anthony's Home, and the United Church Homes for the Aged.

The post, which was organized in 1946 has grown from 32 members to more than 1,030 members, each of whom is deeply committed to public service and community participation. The continuing efforts of Pvt. Leonard Post VFW Post of Cheektowaga are appreciated by all western New Yorkers.

I wish to bring to the attention of my colleagues just some of the accomplishments and initiatives undertaken by the post. On behalf of all of western New York, I commend the post for their contributions to the community and thus the country, and wish them well in this year's competition.

### SPORTS ILLUSTRATED ENDORSES MATHIAS HOUSE SPORTS BILL

### HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. McFALL. Mr. Speaker, from the time that Gen. Douglas MacArthur and then-Attorney General Robert F. Kennedy began pressing for legislation to eliminate disputes between the major sports organizations, Sports Illustrated, one of the leading sports publications in this Nation, opposed any Federal effort to resolve the bitter feuds which have resulted in a serious lack of American preparation and success in international amateur athletic competition.

Now, 10 years later, their editorial policy has changed. They support both the creation of a commission to investigate the U.S. Olympic Committee and, therefore, the Olympic sports, and also a bill introduced by my colleague from California, BOB MATHIAS, which provides for binding arbitration in jurisdictional disputes, free of Government intervention, and also secures a bill of rights for the individual amateur athletes.

I have long been proudly associated with the annual California Relays in Modesto, Calif. which is an AAU sanctioned event held in conjunction with the California Junior College Track and Field Championships.

This meet is another reason Modesto has twice been selected as an All-American City. The Commission and legislation has the full support of the AAU and the USOC.

I commend to my colleagues this article in Sports Illustrated for their consideration:

#### SCORECARDS AMATEURS' HOUR

(By Andrew Critchton)

Any day now the U.S. Senate will take up the subject of amateur athletics and this country's participation in international competition, particularly the Olympics. Sometime later the House will respond with a bill of its own.

Without going into past AAU-NCAA-USOC hassles that unhappily have occupied this country's athletic bodies for over a decade, it is enough to know that the Senate will be considering two bills that will put the government foursquare in amateur sports. One, which the Senate is expected to approve quickly, would establish a commis-

sion to review U. S. participation in the Olympic Games and perhaps recommend a new organization to direct it. The other bill, setting up its own Olympic study board, would go much further by creating a five-member Amateur Sports Board that would charter national athletic governing bodies such as the AAU, adjudicate disputes between them and provide recourse to the U.S. courts. The board would also approve organizations to represent the U.S. abroad, designate teams and individuals for international events and conduct domestic competition. Finally, the bill would establish a 16-member Sports Foundation to develop and improve sports facilities. To that end the U.S. would match, to a limit of \$50 million, funds raised privately. In both bills the principal members of the boards would be designated by the President.

The House bill, if you can hang with this for one more dose, was introduced by two-time Olympic champion Bob Mathias. It would amend the federal Olympic charter to provide for binding arbitration by the American Arbitration Association, an independent organization, in jurisdictional disputes and in securing a bill of rights for individual athletes.

Since 1964, when the then-Attorney General, Robert F. Kennedy, advocated in these pages a sports-development foundation that would require some federal involvement, we have stated our opposition to the intrusion by government into sport. We see no objection, however, to a study of our sometimes imperfect administrative performance in the Olympics. The United States Olympic Committee says it would welcome that, if for no other reason than to clear its name.

Leading athletes favor the foundation idea with its promise of \$100 million for facilities, but in a country of this size \$100 million would prove little more than a chimera, and the government would have a foothold. It would have almost a stranglehold on amateur sport if the Amateur Sports Board were enacted into law and the President were given the right to select amateur sports leaders. A more broadly representative USOC that, from time to time, is subject to outside investigation is preferable, in our view, to total governmental control, as practiced by an increasing number of nations.

The brightest idea, and one we would like to see enacted, is Mathias' for compulsory arbitration through the non-governmental AAA. It just could succeed at last in knocking some sense into AAU and NCAA heads.

**DETROITER DONATES 10,000 UKRAINIAN BOOKS TO HARVARD**

### HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. NEDZI. Mr. Speaker, book collectors are generally an interesting breed.

The urge to collect and the self-discipline needed are relatively rare. If these two aspects of the collector are combined with a sense of purpose and specialization, then the benefit to history is often an important one.

I recall the story told of one of Detroit's greatest book collectors, Clarence Burton, the first president of the Detroit Historical Society and father of Detroit's magnificent Burton collection.

Before he died at the age of 79 in 1932, he meticulously filled out in longhand a form sent to him by the Detroit News to provide accurate biographical infor-



mation for the files. Under the category "Recreation" he set down one of the most masterful understatements of all times:

"Work hard at old books," he wrote.

Last week I remembered the above story when I read a Ukrainian-born Detroit man is donating his entire personal library of 10,000 volumes on Ukrainian literature and history to Harvard's Ukrainian Research Institute.

The man, Michael Bazansky, 64, a retiree, is a resident of the 14th Congressional District, which I represent.

Under leave to extend my remarks, an article on Detroit Michael Bazansky which appeared in the Detroit Free Press of May 8, 1974, follows:

DETROITER DONATES 10,000 UKRAINIAN BOOKS TO HARVARD

(By Dennis Von Hatten)

A Ukrainian-born Detroit man is donating his entire personal library, containing more than 10,000 volumes, to Harvard University's Ukrainian Research Institute.

Michael Bazansky, 64, has been gathering books and archives that deal with Ukrainian literature and history for 29 years and he estimates that he has spent more than \$25,000 on the collection.

Edward Kasinec, in charge of the reference library of the Ukrainian Research Institute, called Bazansky's library one of the most significant personal collections of Ukrainian material in the United States.

Bazansky began his collection in 1945 after his release from a German concentration camp in Bavaria as a means of "serving the Ukrainian people."

He came to the United States and settled in Detroit in 1949 and became a U.S. citizen in 1954.

Bazansky, retired and living alone on Social Security, was a journalist in Europe and has worked at various jobs since coming to this country. He is prominent in the Ukrainian community.

Officials for the Ukrainian Research Institute in Boston contacted Bazansky about two months ago and he decided to donate the collection, which fills most of his nine-room house in northeast Detroit, because he was getting "too tired to keep it up."

Bazansky plans to move to the Boston area next year and a spokesman for the Ukrainian Research Institute said he would become connected with the institute in some honorary capacity so he would have access to his collection.

#### SOME GOVERNORS OPPOSE UDALL LAND USE BILL

### HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. ROUSSELOT. Mr. Speaker, tomorrow, May 14, the House Rules Committee is expected to reconsider H.R. 10294, the Udall Federal land use bill. This legislation provides for Federal regulation and funding of the implementation of State land use planning and calls for the development of a "national land use policy." It would permit the Federal Government to inject itself arbitrarily into land use decisions which affect the rights of property owners and the prospects for development of vital economic and energy resources. Several of my colleagues and I forcefully expressed our

opposition to H.R. 10294 on February 26, 1974, when the bill was last considered by the Rules Committee, and the committee wisely deferred the granting of a rule at that time.

Opposition to the Udall bill has not subsided in the meantime. In fact, I have received a letter, dated April 25, 1974, from Governor Reagan, urging full consideration of California's position against it. In letters to Mr. UDALL and to Chairman MADDEN, of the Rules Committee, the Governor said:

We believe it is impossible to centralize land use decision making at the federal level without: (1) establishing an arbitrary bureaucratic machinery that would almost guarantee administrative chaos, or (2) seriously infringing on the constitutionality guaranteed concept of private ownership of property.

I am inserting copies of the Governor's letter and of his statement in opposition to the Udall bill in the RECORD for the attention of my colleagues:

STATE OF CALIFORNIA,

Sacramento, Calif., April 25, 1974.

HON. JOHN H. ROUSSELOT,

Member of Congress

Longworth House Office Building,  
Washington, D.C.

DEAR JOHN: I know you will be interested in the enclosed copies of my statement to Morris K. Udall, Chairman of the Subcommittee on Environment, and Ray Madden, Chairman of the House Rules Committee, regarding the federal land use bill HR 10294 (Udall).

Your full consideration of California's position will be greatly appreciated.

Sincerely,

RONALD REAGAN,

Governor.

STATE OF CALIFORNIA,

Sacramento, Calif., April 24, 1974.

Mr. MORRIS K. UDALL,

Chairman,

Subcommittee on the Environment,  
Washington, D.C.

DEAR MR. UDALL: California recognizes the need for the nation and each state and locality to develop a land use policy so that land—our most valuable resource—is used wisely. State and local agencies must develop balanced environmental, economic and social objectives in order to meet this responsibility. This process can best be accomplished by allowing the states and localities to determine and solve their own land use and environmental issues.

In attempting to accomplish environmental goals, federal agency administrators frequently issue guidelines and regulations which attempt to meet national as well as state objectives. Often the effects of this action is that a "functional feudalism", concerned with only one issue, dictates the land use objectives of states and localities. A federally mandated "guideline" on land use that might apply to a non-urban state may not apply to a complex state like California that has highly urbanized as well as non-urban, resource-oriented areas.

In California we are taking steps to develop a mechanism which will provide for the establishment of statewide environmental, social and economic objectives. This mechanism is attainable at the state level by coordination of functional planning, resolution of local jurisdictional conflicts while preserving local authority, and respect for private property rights.

The federal government should recognize California's leadership in this field and work to insure that state and local as well as national environmental goals are balanced with economic and social goals. In referring to the

pending national land use legislation in his State of the Union speech in January of this year, President Nixon stated: "This legislation would reaffirm that the basic responsibility for land use decisions rests with state and localities, and would provide funds to encourage them to meet their responsibility."

HR 10294 does not meet this objective. We believe that the states and localities must develop a balanced approach to land use needs and must maintain a process in order to conserve limited resources. We believe it is impossible to centralize land use decision making at the federal level without: (1) establishing an arbitrary bureaucratic machinery that would almost guarantee administrative chaos, or (2) seriously infringing on the constitutionally guaranteed concept of private ownership of property. It appears to us that the legislative approach contained in these measures would inevitably raise such constitutional issues.

A year ago, in outlining principles to be used on guidelines for land use legislation in California, I stated that California would be pleased to implement sound legislation, but HR 10294 as written does not meet California's criteria. While we appreciate the interest in establishing a federal land use policy, such a policy should not require federal infringement in an area of responsibility reserved to the states and localities.

Sincerely,

RONALD REAGAN,

Governor.

#### LOOK TO THE EAGLE

### HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. SPENCE. Mr. Speaker, earlier this month your very able administrative assistant, Charles L. Ward, spoke to the weekly breakfast meeting of the Capitol Hill Staff Prayer Group. The subject of his talk was "Look to the Eagle."

I have been privileged to read the full text of Mr. Ward's remarks in which he gives a brief and interesting summary of the history and habits of the American Bald Eagle, our national symbol, and then illustrates how we can better serve both God and man by emulating many of the habits of this great bird. I found his remarks quite inspiring and I would like to share them with my colleagues and others by inserting them in the RECORD at this point. Following is the text of the speech given to the prayer group by Mr. Ward, administrative assistant to the Honorable CARL ALBERT, Speaker of the House:

#### LOOK TO THE EAGLE

Since the American Bald Eagle is our national symbol, I thought it might be appropriate this morning to look to the eagle for a message.

Incidentally, when one of our young people asked me what I was going to talk about today, I mentioned that I was going to discuss the American eagle. He looked up at my sun-burned scalp and asked "Isn't the American eagle called the Bald eagle?" And I readily said "yes."

"How appropriate that you should choose that subject," he said as he tried not to stare at my bald head.

The eagle is mentioned many times in the Bible. . . . One of the most familiar passages is that one from Isaiah which reads:

"They that wait upon the Lord shall renew their strength, they shall mount up

with wings as eagles; they shall run, and not be weary; and they shall walk and not faint."

Elsewhere in the Bible we read of characteristics of the eagle—its swiftness, its powerful sight, its great powers of flight and its teaching its young to fly. In the 103d Psalm, we have a beautiful verse which goes something like this:

"Bless the Lord, O my soul, who satisfies you with good as long as you live, so that your youth is renewed like the eagle's."

The eagle is one of the most striking aspects of the Great Seal of the United States. As you may recall from history, the Founding Fathers considered designing a seal of such importance that the first committee to undertake this task was appointed on the same day—July 4, 1776—that our Declaration of Independence was adopted.

The first Great Seal committee was composed of three able and scholarly men—Thomas Jefferson, John Adams, and Benjamin Franklin. In the course of the six years that it took to design the Great Seal, three committees joined in the labor. Finally, on June 20, 1782, the Great Seal of the United States was adopted by the Continental Congress at Philadelphia. The design was new and truly American while managing to express our national awareness of the links that bound us to the great civilizations of the past.

I think it was particularly fitting that the American Bald Eagle should have been selected as the symbol of our land. This noble, courageous bird with his eternal vigilance was, indeed an excellent choice. Lord of the skies, the eagle has stirred the minds of men for ages. More than 3,000 years before Christ, the Sumerian city of Lagash adopted the bird as its divinity. Later, imperial Rome's conquering legions bore standards emblazoned with eagles. And Napoleon's armies, in the 19th century, marched under the banner of the eagle.

Although for millennia, eagles had represented imperial power, the bald eagle now symbolizes freedom and democracy. Because it is native only to North America and because of its great strength, courage and grandeur in flight, the bald eagle was chosen to be the United States' national symbol.

Few Americans are ever very far from the image of the bald eagle. Besides being the central figure in the Great Seal of the United States, it appears on all dollar bills, and on many coins, stamps and official documents. It actually appeared on some coins even before the adoption of the Great Seal in 1782. As a matter of fact, the first documented use of the eagle as an American symbol was in 1776—the same year as our Declaration of Independence—when Massachusetts engraved it on a copper cent. In 1787, it appeared on a New York copper and on two new coppers of Massachusetts. In later years, the eagle became even more popular, appearing on silver dollars, half dollars and the quarter. Gold coins were actually christened eagle, half eagle, quarter eagle, and the double eagle.

Today, our national bird is found almost everywhere except in one place—aloft in its native skies. For almost two decades, the number of bald eagles has shown a steady decline as advancing civilization, illegal shooting and poisons poured into our waters take their toll. Should this tragic trend continue, the harsh, creaking cackle of the bald eagle may be heard no more and our country's symbol may be vanished from our land.

Fortunately, Congress took steps in 1940 to protect the bald eagle by passing the National Emblem Law which banned the molesting or killing of birds anywhere in the then 48 states. Even under ideal circumstances, adult bald eagles reproduce slowly, laying only two eggs on the average per year. Unlike many other birds, bald eagles mate for life, and they generally return to the same nest each year, gradually enlarg-

ing it as they mend damage incurred during their absence. In time, the nests become enormous, the largest of any North American bird. One nest, occupied for 35 consecutive years measured 8½ feet across, 12 feet deep and was estimated to weigh two tons. Nests, of course, need to be fairly large since the young eaglets remain there until they are three to four months old.

The eagle spends more care in the education of its young than any other bird in our skies.

At first, the chicks get food popped into their mouths, but when they should begin to feed themselves the parents tear up a fish before the youngsters' eyes to show them how to do it. Presently, they bring a whole fish and stand back while the little fellows learn to quarter it themselves.

In their nursery or nest, eaglets play with sticks just as children play with toys and learn to grasp objects with the talons. Before they can fly, they must first pluck out their gray down and develop and preen their strong white plumage. The young eagles are taught to exercise every day. Their parents show them how to jump up and down on the ample platform of their home nest, flapping their wings. They do this by the hour, squealing and stamping like children in a game. All this is preparatory to flying and to fly as an eagle flies is something that is learned, it seems, only by weeks of practice.

At last the young eagles make a first terrified flutter from the edge of the nest. Usually, they tumble back again as fast as they can. If they're too slow about trying again, the parents discipline them by withholding food. Tantalizing morsels are dangled just beyond their grasp. When at last an eaglet completes his first solo flight, he gets a reward of food.

As a result of this wonderful home training, young eagles leaving the nest are better equipped for survival than any other North American bird. In fact, the young bald eagle, during the first year after leaving the nest, is considerably larger than either of its parents, often having a wing spread as much as a foot longer. The later reduction in size is due to the contraction of the bones, and the loss of weight is due to strenuous exercise.

But what has all this to do with Christian living? Why are we discussing the eagle at our prayer breakfast this morning?

Let's think about some of the points that we have already made about the eagle to see if there is anything we can apply to our attempts to be better Christians.

First, let's note the emphasis the eagle places on home and family. Isn't there a lesson there for us? The eagle maintains his nest as his home, practically all of his life which averages about 30 years. He builds a firm foundation . . . as Jesus directed us to do in his Sermon on the Mount.

One eagle's nest found on a rock off the California coast, contained several wagon-loads of sticks and leaves. Coarse branches sometimes six feet long formed the breast-works of this bird castle. Within, it was lined with soft grasses, moss and feathers. Just as the eagle's home is built on a firm foundation of materials, it also is built on a firm foundation of love. The eagle parents proudly demonstrate their love and loyalty to each other. They remain faithful to each other until death parts them. During the 35 days it takes to hatch their eggs, they take time about on the nest. Without stirring, one bird will sit as long as 72 patient hours. When weary it will signal the mate with a chattering sound. Then the change of guard will be made swiftly.

When the baby eaglets arrive in the nest, they, too, are treated with love and affection, but it is accompanied by strong discipline. The parents direct the training program, aimed at preparing them for when they depart from the nest. As James writes in his letter "Blessed is the man who endures trial, for when he has stood the test, he will

receive the crown of life which God has promised to those who love him."

The eaglets learn early from the examples set by their parents . . . not just what their parents say to them in their chattering. I wonder what sort of example we are to young people who are looking at our lives?

Many years ago I heard a true story which made a terrific impact on my own life. A speaker at a Methodist Men's meeting told how he had once had a call from an anonymous mother who simply let him know that she was a widow trying to raise a son and that this son was patterning his life after this man's. "Don't ever let him down," the woman begged, and then hung up. This man said from that day on, every time he saw some boys, he wondered if one of them was the lad who was looking to him as his example . . . He wondered how he was measuring up. When temptations came along, he always remembered that that boy might be watching . . . and he would avoid it.

And so, we learn from the eagle the importance of Christian example.

Another lesson we can note from the early life of the eagle is that of exercise and discipline. The eaglet is born small. He has to develop into the magnificent bird which is our national emblem. It takes daily exercise and discipline. He gets good training from his parents.

We are reminded of the Biblical admonition to train up a child in the way he should go and when he is old, he will not depart from it. We are reminded, too, that Jesus grew in wisdom and stature and in favor with man and God. Are our children getting this kind of training? Are they getting spiritual exercise as well as physical exercise? Are we reading the Bible together, having family devotionals together, praying together, going to church together, and, above all, serving our God and our fellow man together?

Another virtue of the eagle which we may want to adopt as Christians is its ability to "sail above the storm . . ." Poets have used the eagle as an inspiration for this quality through the years.

You know of Christians who because of their deep faiths are able to "sail above the storm . . ." to soar above difficulties and pettiness . . . to refuse to be done in by whatever Fate has to offer.

I think one of the most inspirational television programs I have ever witnessed was David Frost's interview several years ago with Rose Kennedy. Here was a woman who demonstrated the eagle's ability to sail above the storm and hold her head high. What a witness her interview was as she told of her deep faith . . . of her complete lack of bitterness or malice over the fact that two of her fine sons have been murdered . . . of her refusal to judge others but simply to concern herself with her own life and that of her children and grandchildren.

The eagle also demonstrates independence and certainly this is a characteristic of our American spirit. God wants each of us to be individuals and to develop the talents which he has given only to us . . . talents that no one else has at all. At the same time, he wants us always to know that we can depend on him even while being independent. As a matter of fact, our dependence on God is really what makes it possible for us to be independent. God guides us in the right paths. "This is the way—walk ye in it" he directs us.

I think God wants us to think for ourselves and not to be led meekly like a herd of sheep. It may not be particularly easy to stand up and make your own opinion heard, but in a democracy each individual must accept that responsibility. This type of courage—to do what you believe is right even if it means you will be very unpopular—is the most important quality that any one individual can possess.

Courage, of course, is only one side of the coin. We must also be willing to commit our-



selves to our beliefs and to maintain that commitment even when the going gets tough. This type of perseverance, of course, rules out any easy "cop-out." Like, the eagle, we may not have had any choice in the circumstances into which we were born, but if life is not as fair or as just as we would like it to be, it is our responsibility to do something about it . . . not just to complain and let George do it.

Jesus tells us that each of us must let our lights so shine before men that they may see our good works and give glory to our Father which is in Heaven. We must be doers of the word and not bearers only.

Another lesson we can learn from the eagle is that we must be vigilant . . . as a nation and as individuals. On the Great Seal, the eagle is depicted as holding a branch of 13 green olive leaves and seeds in his right talon. The olive branch has long been a symbol of peace. In the left claw are 13 arrows which symbolize war. But the head of the American eagle is always turned towards the olive branch, indicating a desire for peace even during war. The arrows serve as a reminder to any and all that we will not hesitate to defend ourselves if the need arises.

In our own lives, we find that this philosophy can serve as an excellent guide. No one wants to create problems, but if they do arise, we must not shirk making the hard decisions that sometimes will be required.

Our country has faced many hard decisions in the course of our 198-year history. During that time, the eagle has symbolized the character of a nation which is determined to be free but which is also willing to accept the responsibility that our liberty entails.

In First Peter, we are urged to be sober and to be vigilant; because our adversary the devil, as a roaring lion, walketh about, seeking who he may devour. As Christians we must indeed be vigilant as the eagle . . .

Quickly, now, let me review some of the characteristics of the eagle which I have touched on this morning. He's persistent and patient, he's responsible, he's independent and industrious, he's courageous and he's energetic.

Let's put the first letters of each of these characteristics together and see what we get: P for persistence and patience, R for responsibility, I for independence and industriousness; C for courage and E for energetic. PRICE—Price—and these elements truly are the price of living in a free society and preserving that society for our children and our children's children . . . for passing along the Christian heritage which is ours.

Winston Churchill once said:

"To every man there comes in his life time that special moment when he is figuratively tapped on the shoulder and offered the chance to do a very special thing, unique to him and fitted to his talents.

"What a tragedy if that moment finds him unprepared or unqualified for the work which would be his finest hour."

Let's look to the eagle and to Christ for our inspiration to be prepared for our own finest hour.

May we pray:

Heavenly Father, teach us to be as courageous and noble in our Christian service as is the majestic bald eagle, symbol of our land. Amen.

**BIG BUSINESS BOOMS AGAIN IN FIRST QUARTER 1974—BUT WHAT ABOUT THE CONSUMER?**

**HON. JONATHAN B. BINGHAM**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. BINGHAM. Mr. Speaker, the results are in for the first quarter of 1974,

and once again big business has racked up impressive sales and profit gains. After-tax profits of the 890 companies surveyed by Business Week were up a solid 16 percent over the same period of 1973. Among the big winners: metals, up 94 percent; natural resources—fuel, up 82 percent; oil service and supply, up 62 percent; food retailing, up 59 percent; and real estate, up 47 percent.

From the consumers' standpoint the first 3 months of 1974 have been an economic disaster:

The rate of inflation on an annualized basis was up 14.5 percent.

Spendable earnings were down 4.7 percent.

The prime interest rate was the highest on record: 10 1/4 percent and rising.

Most disturbing for the American consumer are the food sector figures. Despite administration cries that food prices are beginning to drop, it is becoming all too obvious that food middlemen are not passing farm price reductions on to the consumer and instead are filling their pockets with extra profits.

The time has come for a reassessment of the President's forfeited economic game plan, and a time for the reimposition of a price control scheme, similar to one I proposed last month, that will allow Americans to continue to purchase the items they need without first having to go to the bank.

I include herewith a summary, by industry, of the May 11 Business Week survey, and a detailed breakdown of the food retail and processing industries for the benefit of my colleagues and other readers of the RECORD who may be in doubt of the need to restore order at the supermarket.

The items follow:

**DETAILED BREAKDOWN OF FOOD RETAIL AND PROCESSING SECTORS IN BUSINESS WEEK SURVEY**

	1st quarter percent increase, 1974/1973	
	Sales	Profits
Retailing (food):		
Albertson's <sup>11</sup>	16	9
Bayless (A.J.) Markets	14	15
Borman's <sup>11</sup>	9	-30
Colonial Stores	19	38
Dillion <sup>6</sup>	25	28
Fisher Foods	29	35
Food Fair Stores <sup>6</sup>	11	29
Great Atlantic & Pac. Tea <sup>6</sup>	6	NM
Jewel <sup>11</sup>	8	10
Kroger	15	163
Lucky Stores	16	-4
National Tea	26	NM
Penn Fruit <sup>4</sup>	2	NM
Pneumo Dynamics <sup>1</sup>	**22	269
Pueblo International	16	NM
Safeway Stores	18	35
Southland	**17	21
Star Supermarkets	23	156
Stop & Shop <sup>11</sup>	9	-2
Supermarkets General <sup>11</sup>	8	10
Weis Markets	17	28
Winn-Dixie Stores <sup>6</sup>	25	34
Industry composite	14	59
Food processing: Baked goods, canned and packaged food:		
Alexander & Baldwin	13	-37
American Maize-Products	31	-12
Amstar <sup>6</sup>	57	99
Arizona-Colorado Land & Cattle	**48	29
Beatrice Foods <sup>10</sup>	25	16
Borden	23	15
Brewer (C.)	27	-5
CPC International	36	12
Damon <sup>4</sup>	17	16
ICN Pharmaceuticals <sup>1</sup>	6	-89
Johnson & Johnson	20	19
Lilly (Eli)	13	16
Malinkrodt Chemical Works	19	31
Merck	14	15
Miles Laboratories	7	1

1st quarter percent increase, 1974/1973

	Sales	Profits
Morton, Norwich Products <sup>4</sup>	28	7
Pfizer	26	33
Richardson-Merrell <sup>6</sup>	7	9
Robins (A. H.)	12	9
Rorer-Amchem	12	0
Schering-Plough	**14	16
Searle (G. D.)	13	16
SmithKline	14	12
Squibb	14	13
Sterling Drug	14	11
Upjohn	30	32
Warner-Lambert	9	10
Industry composite	16	16

<sup>1</sup> 1st quarter ending Feb. 28.

<sup>2</sup> 1st quarter ending Jan. 31.

<sup>3</sup> 2d quarter ending Mar. 31.

<sup>4</sup> 2d quarter ending Feb. 28.

<sup>5</sup> 2d quarter ending Jan. 31.

<sup>6</sup> 3d quarter ending Mar. 31.

<sup>7</sup> 3d quarter ending Feb. 28.

<sup>8</sup> 3d quarter ending Jan. 31.

<sup>9</sup> 4th quarter ending Mar. 31.

<sup>10</sup> 4th quarter ending Feb. 28.

<sup>11</sup> 4th quarter ending Jan. 31.

\*\*Sales include other income.

NM: not meaningful.

Data investors Management Sciences.

**SURVEY OF CORPORATE PERFORMANCE, 1ST QUARTER 1974**

	1st quarter percent increase, 1974/1973	
	Sales	Profits
All industry composite	24	16
Oil service and supply	35	62
Aerospace	20	19
Airlines	15	NM
Appliances	7	-34
Automotive	-11	-71
Banks and bank holding companies	53	12
Beverages	19	9
Building materials	16	12
Chemicals	23	41
Conglomerates	18	26
Containers	22	43
Dryers	16	16
Electrical, electronics	14	6
Food processing	24	17
Food and lodging	16	-12
General machinery	20	19
Instrument	18	4
Leisure time industries	12	-17
Metals and mining	33	94
Miscellaneous manufacturing	17	11
Natural resources	76	82
Nonbank financial	4	-3
Office equipment computers	19	23
Paper	20	37
Personal care products	22	9
Publishing	10	12
Radio and TV broadcasting	12	10
Railroads	16	39
Real estate housing	24	47
Retailing (food)	14	59
Retailing (nonfood)	9	3
Savings and loan	11	-9
Service Industries	28	30
Special machinery	13	-8
Steel	22	43
Textiles and apparel	12	17
Tire and rubber	12	7
Tobacco	16	1
Trucking	17	23
Utilities	15	4

**METRIC CONVERSION MUST BE FAIR TO AMERICANS**

**HON. RICHARD F. VANDER VEEN**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. VANDER VEEN. Mr. Speaker, on May 7, the House of Representatives voted not to suspend the rules and did not pass H.R. 11035, the proposed Metric Conversion Act. I voted against passage of the bill, even though I do favor the

eventual conversion of the United States to the metric system.

The bill had been granted an open rule permitting debate and amendments. Thus, my vote against the bill was a vote against the procedure whereby this important legislation was called up—a procedure which did not permit full debate and the incorporation of needed progressive amendments.

The United States, if we are to remain competitive in world markets must convert to the measurement system used by every important industrial and trading power engaged in international commerce. Those nations which do not use the metric system, are not in the front rank of commercial exchange.

The question, Mr. Speaker, is not whether the United States should make this conversion; the question is whether we should make this conversion in an uncoordinated, unplanned, and piecemeal fashion, with the prolonged inconvenience, expense, and competitive disadvantage that entails. Conversion has already begun. Many U.S. industrial giants are already implementing this change—a change they realize is an economic imperative—a change to keep them competitive in world markets. A number of school systems are converting their textbooks to teach the metric system. Clearly, we need the timing, and coordinated planning that a national policy and administrative mechanism for metric conversion would bring.

Mr. Speaker, the open rule, with 1 hour of debate still stands with regard to H.R. 11035. The leadership can call up the bill for consideration under this rule. I urge that this be done and that the House be permitted to make changes in the bill which will lessen the inconvenience and expense to the American workingman and American industry.

Amendments have been proposed which would improve the bill considerably. They include conversion loans for small business—worker assistance programs for individual retooling—and extending from 10 to 15 years the period to complete national conversion. Mr. Speaker, these amendments are needed, if we are not to place an unfair financial burden on small businesses and the working man. Replacing tools used by carpenters, machinists, auto mechanics, draftsmen, and other workers and professionals, would cost from several hundred to several thousand dollars. To expect these Americans to pay out of their pocket for a national policy of metric conversion is manifestly unfair and counterproductive.

Conversion can and must be accomplished in a smooth and coordinated fashion all across the land. However, this conversion can be done and must be done in such a way that the Nation, as a whole, bears the burden. We will all benefit from this conversion; we should, therefore, all share in the expense entailed.

Mr. Speaker, I support metric conversion. But that conversion will be fair and equitable only if it is accomplished in the ways I have suggested. Again, I urge that the House be permitted to debate and amend this legislation under the rule already granted.

## PETROLEUM INDUSTRY TAXES AND PROFITABILITY

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. TEAGUE. Mr. Speaker, it is expected that in the next few days the House will be considering the Oil and Gas Energy Tax Act of 1974, H.R. 14462, which would among other things, first, phase out percentage depletion; second, impose a windfall profits tax on sales of crude oil; and third, adopt adverse changes in the U.S. taxation of foreign-source income derived from petroleum operations. Prior to the floor consideration of this legislation, the Democratic Caucus will be asked to instruct the Rules Committee to report a rule covering H.R. 14462, which would authorize floor amendments to the legislation designed to make the bill substantially more onerous than as reported by the Committee on Ways and Means.

The timing of my remarks today is directed to the pendency of that Democratic Caucus. Ordinarily, I would wait until the legislation which concerns me, the Oil and Gas Energy Tax Act of 1974, has reached the floor prior to expressing my views regarding it. However, the fact that consideration will soon be given to the formulation of a rule making it an order to offer amendments that are even more detrimental to an important segment of the energy industry, I am prompted to express my views at this time. I would like to discuss briefly some views concerning petroleum industry taxation and profitability.

Mr. Speaker, I am sure many in Congress would love to sock it to the oil industry by greatly increasing the industry's taxes. One of the foremost targets these taxers would have would likely be the depletion allowance. After all, to many people the depletion allowance is synonymous with loophole. Now that the industry's profits are higher and the public is mad about shortages of gasoline and other fuels, it would be hard to find a more politically popular idea than raiding the corporate coffers of the oil companies.

But what would be the real effect of any move to greatly increase the oil industry's taxes? What would it mean to the American people? After all, we are here to represent the best interests of all the American people—and that means the working, consuming, taxpaying public.

I believe we can agree that the best interests of the American people require an adequate supply of energy. Not energy so cheap and plentiful that it can be carelessly wasted, but enough to meet the people's needs for energy in their jobs, their homes, and their cars—at the lowest possible prices that will result in this energy being produced.

How would increasing oil industry taxes help the American working, consuming, and taxpaying public?

Will it reduce their taxes? In the short run, it would surely bring more money to the Federal Government, but I doubt that

this revenue would be offset by tax cuts for the public. The Government's appetite for money is just too large.

Will it bring lower prices for gasoline and other petroleum products? To the contrary, since higher taxes will increase the industry's costs of doing business, the likely result would be to push fuel prices even higher.

Finally, would higher taxes lead to increased supplies of energy? Once again, just the opposite is true. Any money that Congress taxes away from the oil industry will naturally reduce the amount of money the companies have to invest in efforts to increase energy supplies. A few months ago thousands of people were thrown out of work due to energy shortages. I do not believe the Congress should be taking steps to make these shortages return and thereby increase unemployment. So, as far as the public is concerned, increasing the oil industry's taxes will just mean less energy at higher prices and loss of more jobs, and if the people really understood this, I doubt if you would be getting much mail urging you to raise oil company taxes.

So why are we considering legislation to increase the taxes of the oil industry? Some argue that the industry does not pay its fair share of taxes. If I thought this was true, then I would be the first to say let us raise their taxes. But when you look at the total tax burden of the oil industry—the total taxes these companies pay to local, State, and Federal governments in this country—and compare these taxes to oil industry pretax income from U.S. operations, you find that the U.S. oil industry is paying its fair share of taxes, and then some. And when you compare the oil industry's worldwide pretax income to its worldwide taxes, you find the industry is very heavily taxed.

With respect to the petroleum industry tax burden, the Chase Manhattan Bank in a recent special economic report based on a financial survey of a group of petroleum companies had the following to say about the tax record of the 30 companies included in the survey:

Clearly, governments are benefiting far more from the operations of the companies than the companies themselves. In the United States alone, total direct taxes rose by 33.1 percent in 1973 compared with the 19.1 percent gain in profits. Income taxes were up 72.9 percent. Over the past five years direct taxes in the United States increased by 1,343 million dollars or 65.2 percent compared with the profit gain of 441 million dollars or 11.3 percent. Income taxes alone increased by 804 million dollars or 97.2 percent during that period.

In addition to the direct taxes they pay, the companies transfer to governments an enormous amount of money in the form of excise taxes. In 1973 the excise taxes amounted to 26.4 billion dollars—10.1 billion in the United States and 16.3 billion in the rest of the world. The total taxes taken in by governments as a result of the group's operations in 1973 amounted to 47.2 billion dollars—13.5 billion in the United States and 33.7 billion in the rest of the world. Of the total taxes paid, the major portion went to the governments of the petroleum importing nations. Indeed, the tax receipts of government in the United States alone exceeded those of all the major producing countries together. Compared with the year



before, the tax revenue of governments increased by 9.4 billion dollars. Over the past five years governments took in 172.7 billion dollars in taxes. The profits of the companies over the same period amounted to 39.2 billion dollars. By any test, governments have fared exceedingly well.

It should be readily apparent that the more money governments take from the companies in the form of taxes the less there is available for capital investment. When governments increase taxes they reduce profits and thereby create an immediate need for the companies to offset the loss by raising petroleum prices in an effort to restore their profits. But, if governments apply price controls or otherwise limit profits, the companies cannot offset the loss of capital funds caused by the tax increase and they are then forced to curtail their capital investment. Obviously, the companies cannot invest money they do not have.

Mr. Speaker, some people argue that the petroleum industry is now reaping so-called "windfall profits" and should not be allowed to keep the increased cash flow for its own use. According to this argument, the industry's profits are too high. But let me ask my colleagues this: Too high in relation to what? Back in the fifties the oil companies were earning a better return than most industries, and we had people looking for oil all over this country. But during the sixties and early seventies, the oil industry's return on investment has been usually lower than, and never much different from, the return of other manufacturing industries. Last year, the oil industry's profits improved, and this pushed their profitabil-

ity a little above average. This year oil industry profits appear to be going even higher.

There are some basic economic laws that Congress cannot repeal. One of these laws is that the supply of any commodity is directly related to the amount of money spent to provide it. Another is that investment capital seeks its most profitable employment. So if we want more energy, we should not pursue punitive and discriminatory tax policy against the petroleum industry. Today, energy production seems to represent a competitively attractive investment. Left alone, this opportunity will attract new competitors and large amounts of risk capital. Energy production will increase and, eventually, market forces will bring prices and profits back down.

However, if we insist in interfering with the marketplace by adding new tax burdens to the oil industry that, in effect, put a ceiling on the industry's profitability, we will really just be locking ourselves into a condition of permanent shortages of domestic energy and continued dependence on high cost and unreliable imports. We will aggravate rather than ameliorate our energy problems.

Any industry's profits must be high enough to attract investment capital. Now the oil companies like to talk about their being in a high-risk business. When they do this, they usually bring out their charts and graphs showing all the dry holes they drill before they find a producer, and the high costs of explor-

ing in frontier areas such as Alaska and offshore.

Whether or not you buy this high-risk argument, it seems to me that the Congress can be credited with adding greatly to the risks of investing in the oil business. By singling out this industry for punitive legislation just because it starts making a better return on its investment, the Congress is telling investors to put their money in soft drinks, real estate, cosmetics, electronics, or some other business where they can earn a better profit without attracting the scorn of the Nation's new commentators and politicians.

It has been said the industry's profits for the first quarter of this year will be "obscene." I have always heard the test of obscenity is whether a thing has redeeming social value. So what is likely to happen to the oil industry's profits? Can anyone doubt that petroleum industry profits will be used to improve our Nation's critical energy situation? Can anyone doubt that there is redeeming social value in such an imperative undertaking?

To put recent developments concerning oil industry profitability in some perspective, let us look at some revealing facts. At this point in the Record, I would like to include a table comparing earnings in the first quarter and fourth quarters of 1973 with first quarter 1974 earnings. This table also provides a succinct comment explaining significant factors in influencing the data:

1ST QUARTER EARNINGS DATA FOR SELECTED PETROLEUM COMPANIES

(Dollars in millions)

Company	4th quarter 1973	1st quarter		Percent	Comment
		1974	1973		
Ashland.....	\$34	\$19	\$16	19	Increase attributable to causes other than petroleum operations.
Amerada-Hess.....	132	50	37	35	4th quarter 1973 included nonrecurring item.
ARCO.....	92	94	50	87	Most of increase derived from foreign operations and chemical operations. Capital budget for 1974 exceeds \$1,000,000,000.
Citgo.....	42	69	37	87	Capital and exploration expenditures 1st quarter 1974—\$100,000,000.
Conoco.....	89	109	48	127	Most of increase from foreign operations and inventories. 1st quarter capital spending: \$191,000,000 compared to \$73,000,000 in 1st quarter 1973.
Exxon.....	787	705	508	39	Most of increase from foreign operations; U.S. increase 16 percent. Also, inventory adjustment. Capital spending up 52 percent to \$782,000,000 for 1st quarter.
Getty.....	52	74	33	124	72 percent of increase from foreign operations. Capital spending is up.
Gulf.....	230	290	165	76	Increase attributable to foreign operations; domestic earnings from petroleum declined.
Marathon.....	68	31	20	55	Increase entirely foreign. Capital expenditures in 1st quarter—\$75,000,000.
Mobil.....	272	259	156	66	Petroleum operations increase: U.S. 33 percent, foreign 63 percent. 1974 exploration and capital outlays will exceed \$1,500,000,000; over 1/2 in the United States.
Murphy.....	19	27	8	238	Increase largely foreign operations.
Occidental.....	24	68	8	750	Principal part of increase came from nonpetroleum operations.
Phillips.....	87	81	43	88	Increase derived 31 percent from U.S. operations and 69 percent foreign. 1974 capital expenditures will be 3 times 1973 earnings.
Shell.....	79	122	80	53	Capital expenditures—\$307,000,000, 2 1/2 times 1st quarter earnings.
Skelly.....	17	20	10	100	1974 capital expenditures—\$160-170,000,000.
Standard of California.....	284	293	153	92	Increase is from foreign operations and nonrecurring inventory effect. Capital expenditures in 1st quarter of 1974 was \$370,000,000; up 77 percent.
Standard of Indiana.....	121	219	121	81	U.S. petroleum operations up 34 percent. Direct taxes up 131 percent. Higher foreign oil earnings and increased chemical operations. Annual capital spending, \$1,400,000,000.
Sohio.....	12	23	18	28	Earnings increase attributable to all aspects of company operations except domestic petroleum.
Sun.....	75	91	49	86	Capital and expl. expenditures 1974 1st quarter—\$120,000,000. Cf. 1st quarter 1973 of \$20,000,000.
Texaco.....	415	589	264	123	Nearly 1/2 increase from nonrecurring inventory adjustment. Without inv. adj., U.S. operations declined 15 percent, capital expenditures—\$475,000,000.
Union.....	51	73	38	92	1st quarter 1974 capital and expl. expenditures—\$85,000,000 with an annual C. & E. exp. program of \$350,000,000.
Total.....	2,982	3,306	1,862	78	

Mr. Speaker, for most of these firms listed in the foregoing table, the major source of profit growth was in foreign operations. Profit growth in the United States was relatively small or minimal for most of these companies and, in at least one instance, domestic earnings declined despite an increase in overall profits. The following résumé sets forth comments from the companies' earnings re-

ports which explain significant factors in their first-quarter earnings records:

#### PRINCIPAL SOURCES OF OIL INDUSTRY PROFIT GROWTH: FIRST QUARTER 1974

In general, earnings improvement in the year-to-year comparison was ascribed to three main factors:

1. Inventory profits resulting from valuation of inventories by many companies by the method which assumes that the oldest

acquisitions are sold first (first-in, first-out, or FIFO), as opposed to the method which assumes that the last acquired inventories are disposed of first (last-in, first-out, or LIFO). During a period of rising prices, the stated profits of a company using the FIFO method tend to be inflated because the products sold can be replaced only at much higher cost. Comment on this point by several companies:

"The division's earnings, which reflect con-

tinuing use of the first-in, first-out method of valuing inventories, were approximately \$65 million higher than if inventories had been valued on the alternative last-in first-out method."—Continental Oil Company

"In many of our principal markets abroad, the first quarter results were affected by the sale of relatively low cost year-end 1973 inventories at prices reflecting, in part, the higher crude oil costs. The first quarter earnings include an estimated \$80 million, or \$0.36 a share, related to this item which is not expected to recur. A large portion of our inventories abroad are required to be maintained at specified levels by the various host governments. Sales in the first quarter required immediate replacement with much higher priced material. This is not unlike sale of a low-cost private home at a substantial profit only to find that the cost of replacement housing is as high or even higher than the sales prices of the old home."—Exxon Corporation

"Marathon's earnings improvement in the first three months of the year was entirely attributable to the company's foreign operations. A major portion of the earnings advance overseas was due to a non-recurring profit derived from sales of low-cost inventories which have subsequently been replaced at higher costs."—Marathon Oil Company

"Mobil utilizes the average cost inventory accounting method in its foreign operations. Under this method, income is charged with an average of current costs and historic costs. If Mobil had charged foreign income with current costs, its first-quarter earnings would have been lower by about \$90 million."—Mobil Oil Corporation

"This was attributable to steeply rising prices realized for petroleum products refined from relatively low cost crude oil which entered our integrated system months ago."—Murphy Oil Corporation

"In assessing these increased profits," Haynes said, "it is important to understand that over 70% of our petroleum inventories are accounted for on a first-in, first-out method; thus the much higher cost of our new raw materials was capitalized as an inventory asset, rather than being charged against current profit.

"If all of our inventories had been accounted for on a last-in, first-out basis—that is, current cost related to current revenue—our company would have had essentially no increase in profits in the quarter as compared with the year earlier period."—Standard Oil of California

"Foreign petroleum operations benefited from improved margins on product sales in Western Europe, particularly the Scandinavian countries, and higher price levels on the crude oil the company produced for itself. Significant gains were shown from Gulf's operations in Canada and Latin America and from expanded sales of bunker fuel. Continued improvements from the company's tanker fleet also benefited earnings.

"Gulf's inventories of crude oil and petroleum products are valued at average cost applied on a last-in, first-out (LIFO) basis, except in Canada. This means that the company charges against its earnings today's high cost of crude oil rather than the lower cost of oil remaining in its inventories from earlier periods. Some other companies use the first-in, first-out (FIFO) method of inventory accounting, which inflates current profits while postponing the full impact of escalating world crude oil costs."—Gulf Oil Corporation

2. Relatively minor increases in U.S. profits from higher prices authorized for new, released and stripper-well oil. These profits were partially offset by the lag, due to federal regulations, in recovering the costs of high-priced imported crude oil and in some cases from reduced domestic operations because of insufficient raw material. As indicated in the following illustrative citations:

"The Western Hemisphere Petroleum Division's earnings increased primarily due to improved prices for crude oil, natural gas, and refined products. Increased exploration expenses and higher operating costs partially offset these benefits."—Continental Oil Company

"Mobil's U.S. earnings from petroleum operations increased from \$49 million in the first quarter of 1973 to \$66 million in the first quarter of this year. Under government price controls, the average selling price of U.S. crude oil produced by Mobil in the first quarter of 1974 increased by approximately \$3 per barrel from the first quarter of 1973."—Mobil Oil Corporation

"The U.S. government policies designed to stimulate development of domestic oil and gas production resulted in higher prices beginning in the fall of 1973. The impact of this action more than offset the effect of sales volume decline in the first quarter."—Exxon Corporation

3. Higher returns from worldwide chemical operations:

"Chemical earnings totaled \$94 million as compared with \$33 million in the first quarter of 1973. The improvement reflected increased volumes and higher realizations as worldwide demand for chemical products strained the industry's production capability."—Exxon Corporation

"Mobil's earnings from worldwide chemical operations increased sharply over a year ago, totaling \$18 million compared with \$5 million in the first quarter of 1973. The major part of this increase resulted from increased prices for chemical products, chiefly petrochemicals, . . ."—Mobil Oil Corporation

"The principal factors in the increase were higher crude oil prices and improved performance of chemical operations."—Shell Oil Company

"Earnings from worldwide chemical operations amounted to \$26 million, an increase of \$16 million over the initial quarter of 1973."—Standard Oil Company (Indiana)

Additional causes of profit improvement included receipts from higher tanker rates, extraordinary credits and other non-recurring items. Thus:

"The conversion of foreign currency profit-and-loss statements into U.S. dollars had the effect of increasing Mobil's first-quarter 1974 dollar earnings from foreign operations by about \$20 million compared to the corresponding period of 1973. While the dollar was somewhat stronger during the first quarter than it had been during 1973, it was weaker on average than it had been in the first quarter of 1973."—Mobil Oil Corporation

Heightened investment activity, stimulated by increased earnings, was reported by a number of companies. Several of the firms reported current first-quarter capital investment substantially higher than current earnings and well above such expenditures in the comparable 1973 period.

"Conoco's first-quarter capital expenditures were \$191.2 million compared with \$72.8 million in the comparable quarter last year."—Continental Oil Company

"The profit increase generated additional funds for investments. Exxon's capital and exploration expenditures totaled \$782 million for the first quarter of 1974, an increase of \$267 million or 52 percent over the first quarter of 1973."—Exxon Corporation

"The improved level of profitability reaffirms Gulf's decisions to commit about \$2 billion during 1974 on new capital projects. . . . During the first three months of 1974, Gulf's expenditures for exploration and other capital projects totaled nearly \$400 million, an amount which far exceeded earnings during the period. By comparison, only \$154 million was spent on such projects during the first quarter of 1973.

"Capital expenditures within the U.S. ex-

ceeded \$300 million during the quarter."—Gulf Oil Corporation

"Swearingen cited as an example Standard's bonus commitments to the Federal Government during the first quarter of 1974 of \$230 million for offshore leases in the Gulf of Mexico and for shale properties in Colorado. This amount alone exceeds first quarter earnings. And bear in mind these payments are only for the right to begin exploration and development activities. Huge additional expenditures will be needed to develop these properties, he said."—Standard Oil Company (Indiana)

Company comments on the profit outlook for the remainder of the year are generally favorable, although a reduction in the growth of profits is anticipated. This slowing in growth is already apparent in comparisons with the final quarter of 1973. The effect of higher costs of crude oil, rising costs of exploration and operations and increasing severance taxes are among the reasons that the rate of profit improvement is not expected to continue.

"The increased costs for replenishing stocks are being included in the company's inventories as of March 31 and will be charged against future earnings as actual sales are made. Thus, the inventory profits realized during this period will not recur in subsequent quarters."—Texaco Inc.

"The exceptionally favorable results in the first quarter of this year are not indicative of the earnings gain anticipated for the full year 1974. A major part of the first-quarter earnings gain came from the Eastern Hemisphere Petroleum Division, which benefitted from the sale of year-end 1973 inventories at prices which moved upward during the quarter largely in response to crude oil cost increases that became effective January 1. Essentially all the division's lower-cost inventories were sold during the first quarter so that gains from this source are not projected for the remainder of the year."—Continental Oil Company

Mr. Speaker, all of the companies included in this résumé announced sharply increased capital and exploration spending budgets for 1974. And since the energy shortage is the No. 1 domestic problem facing our country today, I think it would be hard to find a better use for these funds.

I believe our present energy problems are largely the result of Government interference in the marketplace, starting with the regulation of natural gas well-head prices. Therefore, the answer to our problems is not more Government interference, but less.

Looking at the Oil and Gas Energy Tax Act from this perspective, I would close with these few comments. I oppose the windfall profits tax on both philosophical and practical grounds. Philosophically, I do not believe it is right to single out a particular industry for a windfall profits tax when many other industries are earning returns on their investments that are as high or higher. If any industry's profits get too high, this situation can be corrected much more effectively by the competitive forces of a free market than by Congress continually rewriting the tax laws. Practically, as I said earlier, this tax would mean less energy at higher prices.

I admit it is debatable whether or not the depletion allowance is a good thing for the Nation or even for the oil industry. Some people view percentage depletion a Government subsidy for consumers, because, historically, competition has forced the oil companies to pass this tax



break along to consumers in the form of lower prices. Otherwise, the industry's return on investment would have been higher than it has been in relation to industries without a depletion allowance.

But the percentage depletion allowance is almost as old as the income tax law itself, and it is deeply ingrained into the economics of the oil industry. It is especially important to the independent oil and gas producers, who depend heavily on raising capital from outside investors to finance their risky drilling programs. So, for practical reasons, I do not believe now is a good time to be trying to restructure the economics of oil and gas exploration and production, without really knowing what the results of this action would be.

We hear a lot about the long-term energy problem, which is really awesome. But we have also got a short-term problem, and over the next several years increasing domestic oil and gas production is one of the few ways to ease this problem. So this just is not the time to change the tax laws in ways that will scare off investors who might otherwise put their money in the domestic oil and gas business.

I think it all boils down to this: Increasing the taxes of the oil industry at this time may make good short-term political sense. But taking this action will prolong our energy problems and mean less energy at higher prices for the American people. It will mean fewer jobs and less rewarding jobs. So it does not make any real sense at all.

Mr. Speaker, I am opposed to the enactment of the Oil and Gas Energy Tax Act of 1974, H.R. 14462. And I am particularly opposed to any action which would permit the House to vote on amendments to make the legislation even more severe on the petroleum industry and thereby increasingly adverse to the national interest.

#### MEMORIAL DAY—A REMEMBRANCE FOR CREATED IDEALS

### HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. FORSYTHE. Mr. Speaker, flower-strewn graves, parades of soldiers marching to high school bands, and remembrances of things past stills the Nation into solemn commemoration of its dead.

It is Memorial Day—a day when America takes time to honor those who have died bearing arms in service to our country. But we must also remember those millions, the Thomas Edisons, the Abraham Lincolns, and the Alexander Graham Bells who have joined the bricklayers, the teachers, and the insurance salesmen, to create, through hard work and a sense of consciousness, an America worth working for.

Yes—the United States is faced with inflation, unemployment, and scandal. We are torn by problems, but not irreparably. On May 30, let us rejoice in the labor of our forefathers. Their hard

work has reached the moon, cured diseases, and discovered atomic energy. Their feelings of consciousness shape us to aid others by becoming firefighting volunteers and raising money for the Cancer Fund. Knowledge gained from our forefathers' efforts, will rebuild tornado ravaged Xenia, provide new sources of energy, and discover and learn from tragedies like Watergate. America's veterans, who have given their last measure of devotion to their country, sustain these ideals that create a strong America.

This Memorial Day we will reflect on those individuals whose knowledge prepares us to meet today's crises. As each flower is placed, each parade enjoyed, each ceremony observed let us acknowledge the world these individuals have created.

#### AN OVERDUE OVERHAUL

### HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. HANRAHAN. Mr. Speaker, the House of Representatives will soon take up the vitally important task of committee reorganization. I feel the following editorial from the May 1, 1974, edition of the Chicago Tribune will be of interest to my colleagues. I, therefore, enter it into the RECORD with the hope that the House acts in a positive manner on this long-needed reform:

#### AN OVERDUE OVERHAUL

House Democrats are scheduled to caucus today and tomorrow to debate a long overdue reform of the complex committee structure of the House of Representatives. The proposed reorganization plan, drafted and unanimously approved by a bipartisan select committee, faces considerable opposition both within and outside the House.

Basically, the sweeping overhaul would consolidate such broad policy areas as environment, energy, transportation, and health under the aegis of a single committee rather than scattered among several panels, who have acquired jurisdiction over the years on a piecemeal basis. Some committees would have their responsibilities broadened; others would be whittled down, and two committees would be eliminated, with their jurisdictions transferred elsewhere.

Central to the reform is the so-called "one-track system," which would limit members to one of 15 major committees. Altho some might sit on one of seven other "nonexclusive" committees, whose scope would be narrow, the goal is to balance the workload of members and eliminate overlapping schedules which spread a congressman's time too thin. The plan also would drop proxy voting in committees.

Opposition to the reorganization, the first since 1946 when the number of committees were cut from 48 to 19 (two were subsequently added), crosses ideological grounds and has made for some unusual bedfellows. Such special interest groups as the National Association of Manufacturers and the AFL-CIO are against the reform because they have built up a well established pattern of influence in the present committees. Liberal subcommittee chairmen and conservative committee chairmen fear the loss of power.

Perhaps the most striking example is the impact reform would have on Chairman Wilbur D. Mills and his Ways and Means Committee. While the committee would retain

control over taxes and Social Security, it would lose its jurisdiction over foreign trade, health insurance, unemployment compensation, work incentive programs, and general revenue sharing.

There are some parts of the plan with which we disagree. The elimination of the Internal Security Committee, long a target of House liberals, should be dropped. With terrorism and political kidnapping on the rise everywhere, this committee has an important role. It should be retained.

On the whole, however, the reorganization is eminently sensible and long overdue. No reform worthy of the name is going to satisfy everyone. Some toes must be stepped on. The archaic structure of the House and its proliferation of subcommittees (132) must be streamlined if it is to perform effectively in our increasingly complex society. We would urge the House Democrats to bring the reform resolution to the floor where it can be discussed and most of its provisions approved.

#### TWENTIETH ANNIVERSARY DINNER DANCE

### HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. WOLFF. Mr. Speaker, on May 4, 1974, I had the honor of attending the 20th anniversary dinner dance for the Long Island Jewish-Hillside Medical Center. The guest of honor at this gala occasion was Saul L. Epstein, founding president of the medical center.

The story of the medical center has been a dramatic one. In 20 years, it has grown from a small hospital to a major medical center serving people from all over the Greater New York metropolitan area. Under the direction of the president of the center, a new addition was recently added. There are also plans in the works for a new, well-equipped children's hospital. The geriatrics center continues to provide exceptional care to the older people of the area.

The growth of this great medical facility would not have been possible without the continuing efforts of the board of trustees. The people of Long Island and the New York area now have a hospital that not only serves them well, but also has a record for medical research that the community can be proud of. All of the present, life, honorary, and past trustees deserve recognition for the work that they have done, and I would like to insert their names in the RECORD at this point for the attention of my colleagues:

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#### RUMANIAN NATIONAL INDEPENDENCE HOLIDAY

### HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. DELANEY. Mr. President, Americans of Rumanian origin commemorated May 10 as the triple anniversary of important events in the history of their native land. I join with my colleagues to pay them tribute on this joyous occasion.

On that date in 1866, Charles, Prince of Hohenzollern-Sigmaringen, was proclaimed Prince of Rumania. Under Charles, Rumania obtained its first constitution and introduced a parliamentary form of government. Exactly 12 years later, on May 10, 1878, the Rumanians proclaimed their independence after severing political ties with the Ottoman Empire.

On May 10, 1881, Charles I was crowned King of Rumania, and a kingdom was established by the will of the people. A prosperous era, which lasted over six decades, opened on that day for Rumania.

Today, the people of Rumania are unable to celebrate their national day of independence. Instead they must observe May 9, the anniversary of Soviet victory over their country.

No arbitrary resetting of an anniversary observance imposed from without on these proud people will ever alter their hope or dream for freedom.

Mr. President, let me express my hope and prayer that one day true freedom as well as independence will become a reality for Rumania and its people.

#### THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 32

### HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. HARRINGTON. Mr. Speaker, the idea of a Federal Oil and Gas Corporation has been consistently gathering support from experts in many fields and from Members from many geographical regions.

Canadian officials, who have also been struggling for ways to assuage the energy crunch, have proposed a similar corporation to increase Canadian energy independence, to increase research and development, to develop tar sands on a wide scale, and to help regulate the petroleum industry and the pricing and marketing of fuels.

The Canadian Corporation could be operating as soon as 1975, and expansion into other fields of energy could begin shortly thereafter.

Mr. Speaker, Canada's decision to move on with a Federal Corporation is further evidence that an American Federal Oil and Gas Corporation is a responsible proposal which demands the consideration of the Congress.

I would like to bring to the Congress attention an article from the May 3 edition of the Oil Daily which details the Canadian Government's plans.

The article follows:

CANADIAN-OWNED OIL COMPANY BEING ESTABLISHED  
(By Tom Kennedy)

CALGARY.—The Canadian federal government will soon legislate into existence the National Petroleum Corporation, with initial guarantees of up to \$1 billion to back efforts to make Canada secure and independent in fuel supplies.

Legislation is expected to go through Parliament within weeks and the corporation, to be known as Petrocan, could be in business under a 15-member board of directors by next fall.

In general, private petroleum industry is resigned to the fact that because of political considerations Ottawa will enter the petroleum business through the state-owned company.

Oilmen said that it could pose conflicts of interest for the federal government to run its own petroleum corporation and at the same time regulate private sector activity in the federally held frontier regions, for instance.

It will be impossible not to give the federally-owned corporation some advantages over private industry—there is nothing that a state company can do to improve on private industry efforts to guarantee energy deliveries, according to typical industry comments.

Legislation will enable Petrocan to buy any part or all the capital stock of Panarctic Oils Ltd. now held 45% by Ottawa. The rest of its equity is shared by 19 Canadian petroleum and mining companies.

Panarctic explored the Arctic Islands for the past six years using mostly advance funds from American utility and transmission companies in return for first refusal on commercial oil or gas finds.

Now the future disposition and even ownership of any Arctic fuels is in doubt because of the decision to make Panarctic available to the new state corporation.

Although government officials said Petrocan would not buy existing petroleum opera-

tions, most industry men are skeptical and expect that it will try to become an integrated operation as soon as possible if only to exert the desired government influence on the petroleum industry and trade.

They point out that the quickest way to achieve that aim is through the purchase of a major integrated operation.

The idea of a state petroleum company has been around in government quarters in Ottawa for years but only since the oil supply crisis of last fall has the federal government seriously considered it as the ultimate vehicle to regulate the petroleum industry and the pricing and marketing of fuels.

The scope of the petroleum corporation is not known but most industry men expect it to have powers to act as a marketing board for oil and gas and products whether produced from domestic or foreign supply feedstocks.

#### METHANOL: FUEL WITH A FUTURE

### HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. MAZZOLI. Mr. Speaker, the shortage of energy in the United States has prompted us to seek new and imaginative sources of energy for the future.

The Congress has responded admirably to the need for new energy with creative legislation to promote solar energy, geothermal energy, and a more rational governmental structure for energy research and administration.

But we seem to have somewhat neglected one critical energy requirement: new fuels for our transportation system.

Mr. Speaker, following is a report from the Science Policy Division of the Congressional Research Service on one of the new transportation fuels which is stimulating renewed interest in fuel alternatives to petroleum. Many experts believe that this fuel, methanol, is an inexpensive, clean, and immediately usable automotive fuel.

#### METHANOL AS A FUEL

The energy crisis has generated a great deal of interest in possible substitutes for or additives to gasoline as an automotive fuel. One of the most promising of these potential gasoline alternatives is methanol. On December 28, 1973, T. B. Reed and R. M. Lerner of MIT published an article in *Science* magazine entitled "Methanol: a versatile fuel for immediate use". (*Science*, Dec. 28, 1973, pp. 1299-1304). This article, printed in a publication which has wide circulation in the scientific community, first drew attention to the potential which methanol has as a gasoline additive. Drs. Reed and Lerner envision using methanol in a blend with gasoline, with the amount of methanol in the mixture on the order of 10 to 15 per cent. The methanol could be produced from coal, which is a material in ample supply in the United States.

The chemical formula of methanol is  $\text{CH}_3\text{OH}$ . At normal temperatures methanol is a liquid, popularly known as "wood alcohol". It can be produced from natural gas, from coal, or from wood, sewage, or other organic materials. Methanol should not be confused with methane, which has received some attention recently as a fuel which can be generated from animal wastes. Methane, chemical formula  $\text{CH}_4$ , is a gas at normal temperatures. It cannot be mixed with gasoline, and cannot be used in an automobile engine unless the automobile is equipped with either high pressure gas storage tanks



or a low temperature storage flask. Methanol, on the other hand, can be blended with gasoline and used in existing automobiles without the necessity for major modification to the automobile engines.

The methanol picture may be summarized as follows:

1. Methanol as an automotive fuel could be helpful in easing the present energy crisis.

2. The most promising source of methanol is coal, and there is more than enough coal on hand to provide the methanol required for this purpose.

3. Very little is being done now by the Federal Government to provide funding for research and development or to otherwise promote the use of methanol.

1. *Methanol as a fuel.*—Methanol is a widely-used chemical, with current annual United States production running roughly 1 billion gallons per year. Its properties, handling problems, etc., are therefore well known. The work done by Reed and Lerner and by others shows that methanol is compatible with gasoline, and can be added to gasoline in amounts up to 15 per cent and used in existing automobiles without the necessity of modifying the automobile engines. Blends containing more than 15% methanol are also satisfactory but require a carburetor adjustment.

2. *Sources of methanol.*—The potential sources of methanol can be grouped into three broad classifications: (a) Natural gas (methane), (b) Coal and related substances such as lignite, (c) Less-developed sources such as wood, sewage, animal wastes, and the like. These sources can be thought of as being available in a time sequence, with methanol available now from natural gas, in the near future from coal, and in the more distant future from wood and waste products. For the purposes of this analysis, we have concentrated on coal. Natural gas is a petroleum-based product, and thus the use of methanol from this source would not be helpful given the present situation of shortages, embargoes, etc. (However, Dr. Reed, one of the co-authors of the *Science* article, suggested that conversion of natural gas to methanol for shipping purposes might be a useful short-term method of obtaining useful fuel from the Alaskan oil fields before the pipeline is completed.) The advanced methods of obtaining methanol, from wood, from sewage, etc., were not considered useful enough in the near future to warrant analysis.

With regard to coal, the adequacy of the supply of methanol from this source is shown by the following rough calculation:

The United States consumes roughly 100 billion gallons of gasoline per year in private automobiles. Assume that 10% methanol were to be used, and that this consumption rate remained constant. Ten billion gallons of methanol would then be required. (Dr. Reed regards a 10% methanol mixture as more satisfactory than a 15% mixture.) Ten billion gallons is approximately equal to 60 billion pounds, or 30 million tons of methanol required. Dr. Reed believes that the efficiency of converting coal to methanol would be about 50%. Therefore, in order to obtain 30 million tons of methanol, 60 million tons of coal would be required. Since the Nation now produces 570 million tons of coal per year, only a little over 10% of our coal output would have to be converted to methanol in order to obtain enough methanol to provide a 10% mixture for all American automotive needs.

Dr. Reed estimates that it would cost 5.67 cents per gallon to convert coal to methanol, and that the methanol thus formed would be cheaper than gasoline. His data indicate that the gasoline-methanol mixture provides more power than does gasoline alone, although theoretically the addition of methanol should cause a reduction in available power. He believes that this discrepancy

could be accounted for by the methanol causing the automobile engine to function more efficiently, although he cautions that there are other researchers who disagree with his conclusions on this point.

3. *Governmental activity.* Federal activity concerning the use of methanol as an automobile fuel would appear to be minimal. It would seem that the possibility of using methanol in this manner was not taken seriously until Drs. Reed and Lerner published their article in *Science* magazine. The National Science Foundation, which has a group looking into the possibilities of various advanced fuels, has now begun to take an interest in methanol, and is going to sponsor several conferences on the subject during the summer. It would seem that methanol is an idea whose time is just beginning to come.

#### GOOD RIDDANCE TO CONTROLS

#### HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. HANRAHAN. Mr. Speaker, Americans have been quite pleased with the discontinuance of the Economic Stabilization Act. This expired on April 30 to the pleasure of most citizens. I wish to insert the following article which appeared in the Chicago Tribune for the benefit of my colleagues.

[From the Chicago Tribune, May 4, 1974]

#### GOOD RIDDANCE TO CONTROLS

Few Americans are mourning the passing of the nation's first—and perhaps last—experience with peacetime controls on wages and prices. Not many are celebrating, either, because they are busy coping with the "double-digit inflation," which means inflation at a rate of 10 per cent or more and which is, in part, a legacy of the controls.

Barely had the Economic Stabilization Act expired before Harry Bridges called his west coast longshoremen out on a brief strike to emphasize their demand for a 30 per cent an hour cost-of-living raise in wages. Major copper producers didn't even wait. They increased the price for copper cathode by 12 cent to 30 cents a pound, American Express Co. increased its annual credit card fee by \$5 and said the new \$20 fee will apply to renewal cards expiring in early summer.

No doubt other companies and labor unions will seek price increases and wage increases in the weeks ahead. They will rationalize their actions by arguing that the controls limited their ability to keep pace with rising costs and prices. As a result the nation will face an additional bulge in post-control prices and wages.

John T. Dunlop, director of the Cost of Living Council, has warned that contrary to the expectation of many administration economists, inflation in the second half of 1974 will not show much improvement from the first half. If he is right, the inflationary spiral for all of 1974 is likely to exceed the 8 per cent rate set last year.

Unless business and labor leaders act "responsibly" in a control-free economy, President Nixon told the Chamber of Commerce of the United States, "the demand for controls will again come up and be reflected in the Congress."

The gross national product in real terms dropped nearly 6 per cent in the first quarter, while inflation by the broadest measure climbed more than 10 per cent. Clearly a continuation of this pattern will lead to a recession that will throw thousands out of

work and limit the volume of goods and services business can sell, regardless of price.

We have seen the distortions that stem from controls; we have had shortages where none existed before—shortages which couldn't be blamed on the energy crisis or the Arab oil embargo.

The answers to inflation and shortages are reduced government spending and increased production. Farm prices appear to be coming down as signs point to record production of food and feed grains. Increased output and productivity can have similar effects throughout the economy. But this will require restraint. Business must limit price increases deliberately, at least until shortages are overcome and competition restored. Labor, where there is no effective competition, must always exercise this restraint.

Now that we have put our economy back in the hands of the marketplace, we should do what is necessary to keep it there.

#### SALUTE TO GAYLE T. MARTIN

#### HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. BELL. Mr. Speaker, on Thursday evening, May 23, at Lococo's Restaurant in Manhattan Beach, a testimonial dinner will be held for my friend, Gayle Martin, the city manager of Manhattan Beach.

Gayle Martin was born in Alva, Okla., and grew up in western Colorado where he attended grade school and high school. He attended the University of Colorado where he received a bachelor's degree in civil engineering in 1940. He later attended the University of Michigan under a Navy postgraduate program studying naval architecture. He received his M.S. degree in public administration from the University of Denver in 1952.

Mr. Martin started his professional career as an engineer with the Babcock & Wilcox Co., where he worked until entering the Navy in 1942. He received a direct commission as an ensign and reported for active duty in September 1942. He served on active duty in a number of assignments until September 1949, when he returned to inactive duty only to be recalled to active duty for the Korean war to serve until June 1952.

While on active duty Mr. Martin rose to the rank of lieutenant commander. After his release to inactive duty he remained active in the Naval Reserve and progressed rapidly in rank with his military career being climaxed by his selection as a rear admiral in February 1968. Admiral Martin maintained a very active status in the Naval Reserve until his retirement on June 30, 1973, culminated 31 years of duty with the Navy.

Mr. Martin's career in city management started in Phoenix, Ariz., where he took a 1-year internship in city management in the office of the city manager. His first appointment as a city manager came in November 1952, in Deerfield, Ill. In 1954 he became manager at Maywood, Ill., and in November 1956, he was appointed as city manager in Manhattan Beach, Calif., where he has served for the last 17½ years.

City Manager Martin's service in Manhattan Beach has been marked by vast improvements in the services afforded the citizens and by extensive physical improvements within the city. Virtually all of the city's public buildings have been planned and built under his direction. These include the police and fire buildings, Joslyn Community Center, Manhattan Heights Community Center, two libraries, the city yard, and the new city hall which is currently under construction.

All of the city's parks have been built during Gayle's tenure in office. About three-fourths of the city's streets have been improved with paving, curbs, gutters, and sidewalks and a vast amount of beautification of the street system has been accomplished. Almost the entire storm drain system of the city has been constructed in the same span of time and the city's water system has been improved to a high level of efficiency.

The Manhattan Beach pier and the strand have received much-needed improvements and the beach bicycle path was inaugurated under Mr. Martin's leadership. All of the city's offstreet parking projects have been established during his tenure. All of these improvements to facilities and services have been attained in the face of severe financial limitations. Yet most of the improvements were made on a "pay-as-you-go" basis with a tight string drawn on the city's tax rate.

For these reasons, Mr. Speaker, it is with special pleasure that I call attention to the dinner honoring Gayle Martin on May 23 and note that I will be joining his many friends on that evening to show something of our profound admiration, gratitude, and respect.

#### DEV O'NEILL RECEIVES ROLL CALL MERIT AWARD

**HON. KENNETH J. GRAY**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. GRAY. Mr. Speaker, when I arrived on the Washington scene almost 20 years ago one of the first persons to extend a hand of friendship and help was the outstanding, congenial Dev O'Neill, House photographer. During the many years that have come and gone I am happy to say that Dev has never changed his philosophy on life. The handshake, the smile, and the offer to be of all possible assistance to everyone is still there. I cannot recall any prominent event taking place in the Washington area dealing with government or politics that you did not find Dev O'Neill getting the picture history of the event.

Mr. Speaker, my opinion of Dev is shared by thousands of other Washingtonians and by Members of Congress and their staff as well as the news media. Our mutual good friend, Sid Yudain, editor of the popular Roll Call newspaper, who has served so ably on Capitol Hill, recently awarded Dev the Congressional Merit Award.

In making the presentation at the annual congressional staff dinner dance at the Shoreham Hotel, Editor Yudain said—

The Congressional Merit Award was instituted to honor outstanding Congressional personalities who not only perform a valuable service but personally enhance the Congress by their presence in making a more interesting, more human place for members and staff and those on the outside.

Mr. Speaker, we all want to congratulate both Roll Call and Editor Yudain for giving Dev this achievement award on reaching his 25th year of serving the House of Representatives. I feel Sid Yudain could not have made a better selection and we all wish for Dev many more healthy, happy years of public service.

The text of the Congressional Merit Award follows:

[Roll Call, the newspaper of Capitol Hill]  
CONGRESSIONAL MERIT AWARD TO DEV O'NEILL

Who, for a quarter of a century has given generously of his unique ability, time, personality, and service to the Members and staff of the Congress, lightening the burdens of legislative life and enriching the personal lives of the myriad of diverse people privileged to know him.

SIDNEY YUDAIN,  
Editor and Publisher.

Presented May 1, 1974, at the Annual Banquet of the Congressional Staff Club, Shoreham Hotel, Washington, D.C.

#### PRESIDENT CANCELS \$1 BILLION DEBT OWED BY ISRAEL

**HON. JOHN R. RARICK**

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. RARICK. Mr. Speaker, one of the questions most frequently asked by concerned Americans these days is: What is the Kissinger-Nixon version of détente costing us? Today's Federal Register spotlighted some of the financial costs of détente to the U.S. taxpayer.

Citing as his authorities the Emergency Security Assistance Act of 1973 and the Foreign Assistance and Related Programs Appropriations Act of 1974, President Nixon "forgave" Israel \$1 billion in debts owed to the U.S. Treasury. So Tel Aviv has been given \$1 billion worth of war materiel and defense services free of charge by the President.

Naturally, the cost of the jets, tanks, bombs, and bullets transferred to Israel during and after the October Middle East war must be repaid by someone. Thanks to this new Presidential determination, that \$1 billion indebtedness falls squarely on the pocketbooks of the American taxpayers.

The Treasury simply does not have the money to pay the debt, which brings up another historical first. Yesterday, President Nixon asked Congress to extend the temporary debt ceiling to an alltime high—\$505 billion. As of March 30, 1974, the U.S. national debt was a mere \$474,499,564,962.34, and had accrued an interest cost of \$21,802,720,000.

It is easy to realize why the President must continue to come to Congress requesting that we escalate the national

debt by recordbreaking amounts, when we see how freely the Secretary of State hands out billions of dollars as he purchases détente around the world.

For every dollar owed to the Treasury by foreign governments and canceled by a stroke of a Presidential pen, the U.S. taxpayers must assume new indebtedness.

The statistics may continue to show that we are the most affluent Nation in the world, but how many other countries are willing to place their grandchildren in debt to pay for their generosity?

I ask that the related Presidential document follow:

[From the Federal Register, vol. 39, No. 94, May 14, 1974]

THE PRESIDENT—MEMORANDUM OF APRIL 23, 1974

(Presidential Determination No. 74-17)

EMERGENCY SECURITY ASSISTANCE FOR ISRAEL

Memorandum for the Secretary of State and the Secretary of Defense

THE WHITE HOUSE,

Washington, D.C., April 23, 1974.

By virtue of the authority vested in me by Public Law 93-199, the Emergency Security Assistance Act of 1973 (hereinafter "the Act"), and by Public Law 93-240, the Foreign Assistance and Related Programs Appropriation Act, 1974 (hereinafter "the Appropriation Act"), I hereby:

A. Determine (1) that it is important to our national interest that Israel receive assistance under the Act exceeding \$1,500,000,000 and (2) that obligations in excess of \$1,700,000,000 of the funds appropriated by the first paragraph in Title IV of the Appropriations Act will be in the national interest;

B. Release Israel from its contractual liability to the extent of \$1,000,000,000 to pay for defense articles and defense services purchased under the Foreign Military Sales Act (82 Stat. 1320, Public Law 90-629), as amended, during the period beginning October 6, 1973, and ending March 31, 1974; and

C. Determine that foreign military sales credits extended to Israel under the Act shall be in amounts not to exceed \$1,200,000,000 (less amounts necessary for payment by the United States of its share of expenses of United Nations activities in the Middle East as authorized by law) repayable as to principal over a period of twenty years following a two year grace period after initial disbursement and at a rate of interest of three percent per annum, with all other terms and conditions to be in accordance with those applicable to credits extended for foreign countries under the above-cited Foreign Military Sales Act, as amended.

This memorandum shall be published in the Federal Register.

RICHARD NIXON.

#### ADJUST THE TARGET PRICES

**HON. ROBERT PRICE**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. PRICE of Texas. Mr. Speaker, today, I have introduced legislation to adjust the target prices established under the Agriculture and Consumer Protection Act of 1973 for the 1974 through 1977 crops of wheat, feed grains, and cotton to include the escalator clause to reflect changes in farm production costs. The present farm bill provides for pro-



duction cost adjustments only for the 1976 and 1977 crop years while my amendment would make that provision applicable for the 1974 and 1975 crops as well.

Under the provisions of my bill, the Secretary of Agriculture would adjust the following target prices to reflect any changes in production costs: \$2.05 a bushel for wheat, \$1.38 a bushel for corn, \$1.13 a bushel for barley, \$1.31 a bushel for grain sorghum, and \$0.38 per pound for cotton. These production costs would include such items as interest, taxes, wages, fertilizer, and fuel oil.

The target prices represent a "minimum level" of producer support by the Federal Government. The Government will not, and I emphasize will not, pay producers anything as long as the wheat, feed grains, and cotton prices remain above the levels established by the Secretary of Agriculture.

Yesterday on the Chicago Board of Trade wheat closed at \$3.48 a bushel, corn sold at \$2.66 per bushel, and on the New York cotton futures market, cotton closed at \$0.58 per pound. As we can all see, these prices are quite higher than the target prices set forth in the 1973 legislation.

According to the law of supply and demand, if more of a product hits the marketplace than is necessary, prices fall downward. I am concerned that if more agricultural crops are produced than can be consumed by our domestic and foreign markets, prices would fall drastically.

The reason I am introducing this legislation is simply as a precautionary measure. If, let us say, the market falls below the target prices for wheat, feed grains, and cotton, the prices which farmers receive must reflect the increased costs he incurred while producing the crop. Perhaps target prices will never be used, but if they are, we must provide a measure which will not force the farmers to absorb all of the 1974 and 1975 increases in producing the Nation's food and fiber.

Recent years have seen dramatic increases in food production costs. These costs have more than doubled in the last 20 years and we all know that the prices of fertilizer and fuel have increased to all-time highs this past fiscal year. The cost of land, seed, machinery, wage rates, taxes, and even interest on borrowed money are all up significantly.

I have had the USDA estimate the target prices for corn, wheat, and cotton under the following conditions. First, assuming that target prices for 1974 would be adjusted to reflect changes in prices paid by farmers for production items from July 1973 to April 1974; and second, assuming that a normal increase in crop yields between 1973 and 1974 occurs. Under these conditions target prices for 1974 would be as follows: Corn—\$1.50 per bushel, wheat—\$2.26 per bushel, and cotton—\$0.42 per pound. Obviously, if my legislation is enacted, the USDA estimates would change.

We cannot expect our agricultural producers, who are primarily responsible

for our Nation's first favorable balance of trade in 3 years, to run the risk of taking all the loss on their operations should their products fall below an equitable target price.

Last month we passed an increased minimum wage bill and Congress continues to legislate an escalator—cost-of-living—clause for a large part of the population. Presently, more than 50 million Americans automatically receive some protection from the rising cost of living. As the consumer price index goes up, so do social security benefits, food stamp allotments, and wages for most workers under union contract. Surely our Nation's 1.5 million farmers and farm managers deserve the benefit of this escalator provision.

Again, I must emphasize that this legislation is merely a safeguard should overproduction around the world cause agricultural prices to plunge. I intend to make an all-out effort to have this bill enacted and I urge my colleagues to support it.

#### THE CONTINUED STRUGGLE FOR PRISON REFORMS

#### HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. BADILLO. Mr. Speaker, one of the major shortcomings in our criminal justice system is the archaic, unproductive, and repressive manner in which the inmates of our Nation's prisons, jails, correctional facilities, and detention centers are treated. All too often scant attention is given to the person but simply to the debased and dehumanized number in a cell. Little consideration is devoted to the way in which the legal processes apply to individuals who are confined behind bars and a general attitude of "out of sight, out of mind" seems to prevail. At those times when bureaucrats and legislators do focus their attention on the corrections system it is frequently with a wholly punitive attitude with little regard for taking constructive efforts to properly prepare prisoners for their return to society or for defending those basic rights which prisoners possess.

Last weekend the New York Times carried a very timely and pertinent editorial on this important issue. It comments on two items which offer great potential for substantive corrections reform and progressive penology but which either face serious opposition or are only partially implemented. I have already discussed the tragic failure of the State of New York to carry out, to date, the innovative proposal to establish a 2-year degree-granting college for prisoners, because of ill-conceived opposition by a number of New York legislators.

Also, I am disappointed that the U.S. Bureau of Prisons has failed to establish an independent and unbiased "ombudsman" or similar official to manage the

new inmate grievance procedure. Under the present setup the Bureau will be responsible for policing itself. Such a system contains a number of inherent defects and falls far short of the supposed objective of providing Federal prisoners with a system under which their grievances can be objectively and independently adjudicated. Any office or individual responsible for carrying out such a program must be free of the correctional establishment in order to guarantee the necessary independence of operations and the basic integrity of the system's decisions.

The issues raised in the New York Times editorial are to the point and warrant our careful consideration; I insert it herewith for inclusion in the Record and commend it to our colleagues' attention:

#### IMPROVING THE PRISONS

Two recent public decisions underline the timidity and shortsightedness which hamper the development of enlightened corrections policies in the United States. In Albany, the Legislature seems determined to kill a plan to establish a two-year degree-granting college for approximately 200 inmates of the state prison system. In Washington, the Federal Bureau of Prisons has adopted a half-hearted measure for adjudicating certain types of inmate grievances within the Federal prison system.

At a time when even corrections officials estimate that from 60 to 90 per cent of their prisoners should not be incarcerated, and when the central prison reform issue is how to establish effective non-institutional correctional programs which draw on community strengths, the Federal establishment is dealing with half loaves and the legislators in Albany are beating retreat.

The rationale for establishment of the proposed Bedford Hills program in Westchester was put simply by Peter Preiser, Correctional Services Commissioner, and Dr. Ernest Brody, Chancellor of the State University when they said, "We believe the proposed programs will make it possible for more prisoners to move back into society and lead productive lives." That is a reasonable proposition in a society obsessed with the fear of crime, much of it committed by maladjusted ex-convicts. The plan was killed, at least temporarily, when the Legislature boiled down to an unwillingness to "coddle" prisoners.

The new Federal grievance procedure strikes—but feebly—at the real problem of how to develop a system under which incarcerated human beings can gain redress of simple injustices without unduly overburdening the courts. Unfortunately, the *sine qua non* for establishment of a fair grievance system is the interposition of a disinterested third party to decide the complaints. Bureau of Prisons officials could not bring themselves to implant this basic element of fairness in their system. They made the wardens and ultimately themselves the arbiters of the grievances of the prisoners they keep.

Each situation, in its own way, demonstrates an unwillingness of society to come sharply to grips with the hardest questions in penology—provision of basic justice for prisoners after incarceration and the development of programs that offer some real hope of returning useful citizens from prison to society.

At least it can be said that the Federal effort is a move in the right direction—on which improvements can be grafted in the future. The retrogressive action of the legislators in Albany should be reversed.

## DEMOCRATS SANDBAG REFORM

## HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, yesterday's New York Times correctly portrayed the silent, secret sandbagging of the report of the Select Committee on Committees as victory for "self-interest negativism."

I am deeply disappointed by the caucus decision to defer the work of the Select Committee to the task force of the caucus headed by the gentle lady from Washington. I do not know if this effectively stops all further action but it is distressing to see the politicization of the bipartisan recommendations. I urge my colleagues to carefully consider their responsibility to themselves, this House and their constituents as July approaches.

The article follows:

[From the New York Times, May 13, 1974]

## LIBERALS ASTRAY

By the time that the LaFollette-Monroney Legislative Reorganization Act passed Congress in 1946, it had been the subject of intense public controversy and of innumerable articles and editorials. For more than a year now, a committee of ten House members drawn equally from both parties has been at work on a reform proposal that—so far as the House of Representatives is concerned—would be as far reaching and as desirable as the LaFollette-Monroney Act. But in a Congress and a nation preoccupied with Watergate, this committee has done its work silently and unnoticed.

On Thursday, reform paid the price for that silence. By a narrow margin, the House Democratic caucus shelved the reorganization plan by sending it to another committee for study. The barons of the House led by Representative Wilbur Mills of Arkansas, chairman of the Ways and Means Committee, and the pressure group lobbyists know what was at stake even though the public did not.

It was not essential that the plan be submitted to the Democratic caucus. It could have gone directly to the floor as a privileged motion. But Speaker Albert and Representative Richard Bolling of Missouri, chairman of the committee that drafted the reorganization, believed that as a practical matter the reforms would not last unless they had the support of a majority in each party.

House Republicans meeting in their conference endorsed the reforms. The Democrats did not. Significantly, they did the deed in secret avoiding a rollcall vote. There is no justification for conducting public business in that devious fashion.

Labor unions and liberal Democrats who on most other days are in the vanguard of those calling for progressive change were instrumental in blocking the reforms. Since the AFL-CIO did not want the Labor and Education Committee split into two committees or the Post Office Committee abolished, it used its political muscle against the plan. Noted liberals such as Representatives Frank Thompson of New Jersey, John Brademas of Indiana, James O'Hara of Michigan, and Phillip Burton of California would have lost cherished subcommittee chairmanships and for that selfish reason opposed the plan. It was an unseemly performance.

In theory, reform is not dead. The study committee to which the plan has been referred could resubmit it with only minor

changes at the Democratic caucus in July. In coming weeks, the liberals who joined with their party's old-timers in unorthodox alliance have an opportunity to prove that they can come up with constructive alternatives rather than the self-interested negativism they have evinced thus far.

## A GROWING PRIVATE TELEVISION INDUSTRY

## HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. PEYSER. Mr. Speaker, the private television industry, a relatively recent addition to the telecommunications field, is growing far beyond original expectations. This \$207 million industry is expected to triple in size by 1977.

Private programming is sold to clients with special interests and concerns. The industry serves each of their interests by professionally producing programs dealing with the specialized subjects in question.

A special study of this industry was conducted by D/J Brush Associates, a communications consulting firm located in my district. D/J Brush has been examining the private television field for some time, and I would like, for the information of my colleagues, to include in the Record some reports of their work:

## THE VIDEOPLAY REPORT

## BACKGROUND

The growth of non-broadcast, non-entertainment television has been fast, loose and unpredictable. For one thing—what do you call it? It always has been easier to say what it isn't than what it is, i.e., calling it "non-". A fall-out of the commercial development of television as a wireless broadcast medium radiating in all directions, this other type of television, which we dubbed "closed-circuit" (CCTV) was originally used to describe an actual wire path between TV camera and monitor/receiver. Broadcasting to the millions—the center of all attention—was something else.

With the invention of videotape for television storage and retrieval in the middle '50s, first for broadcast and then for closed-circuit in the late '50s, CCTV became an area of intensive technical and application development. Today we have a reported \$48.5 million industry. Those in the industry are anxious to know its dimensions and character. Responding to this need, two corporate marketing and communications consultants, Douglas and Judith Brush (D/J Brush Associates, Riveredge—One David Lane, Yonkers, N.Y. 10701—914/375-0476) have just completed a six-month study called Private Television Communications: A Report To Management. Published by Knowledge Industry Publications (Tiffany Towers, P.O. Box 429, White Plains, N.Y. 10602), the study is priced at \$245. We spoke with the Brushes and here is a report of some of their approaches, findings and conclusions.

## STUDY APPROACH AND SCOPE

The key to the Brush study and an aspect on which a good amount of reaction is likely to turn is their concept of the field of non-broadcast, non-entertainment television. It could be more important than their findings, in that it may lay the basis for some conceptual agreement among diverse supplier and

user elements of the industry. By "Private Television Communications" the Brushes mean the use of television to change or affect action or understanding. They cast communication in behavioral terms, and implicit in communication uses of television, as they conceive it, is the actual or potential return path or feedback. This concept excludes many other uses of the medium, e.g., security, surveillance, monitoring and recording applications. The Brushes lump these applications of video, which they also describe as archival and record-keeping, along with pure acts of wire distribution under the heading of "closed-circuit". By "private", the Brushes mean the use of television by profit, non-profit and in certain ways by governmental organizations—but not by educational organizations—for relatively narrow non-entertainment purposes with specifically defined audiences.

According to Douglas the study was aimed at the business, industrial and government sectors, but not education, for two reasons. Suppliers are most interested in the commercial, industrial, or business markets because this is currently the largest sector of their business, generally around 35% with a 40% annual growth rate. Secondly, "Business and industry make entirely different uses of television," said Douglas. "They use it for communication while educational institutions generally use it as an adjunct to the basic educational process, which you can argue is not communications." However, he did not see fit to include educational programs carried on in business and government because, "... instead of the objective being education per se as it is in schools, the objective is functional, such as increasing productivity, maximizing profits, and reducing costs."

## THE SURVEY

Judith said the initial decision was to survey all possible users. Wishing to include the top companies, the *Fortune* list of 1,000 was used as a base. (These are primarily industrial companies doing over \$67.5-million in volume annually.) However, since the out-numbered non-industrials on the list focus on people skills and resources where, according to the Brushes, the need for communication and training is greatest, the list was restricted to those companies with 1,000 or more employees. Finally, the Brushes studied every source of available, published information to identify specific organizations using television and the individuals responsible for those uses.

Questionnaires were mailed to 2,345 selected business and non-profit organizations. The mail survey was augmented by "dozens of interviews with users and suppliers... plus on-site visits." The conclusions of the Brush Report are based on a return of 16.3% or 382 questionnaires which qualified the respondents as originating and/or distributing their own television productions on a regular basis.

## ORIGINATING AND DISTRIBUTION

The 382 responding business and non-profit organizations produced a total of 8,000 originations in 1973. Government agencies added another 5,000, for a total of 13,000. On an hourly basis, the 382 organizations produced 2,100 hours and government added another 1,400 or more hours, for a total of 3,500 or more hours of programming. (On a gross average basis this is roughly sixteen minutes per origination—a statistic many trainers and educators have been wondering about—Editor.) These originations mainly come from in-house sources but included are custom productions by outside service firms which Douglas says is a rapidly growing factor.

The Brushes specifically asked about the regular operation of distribution networks by



commercial organizations. On the basis that regular distribution to six or more geographic locations constitutes network distribution, the Brushes counted 76 among their 382 respondents (or 19.9%) as operating networks.

#### EXPENDITURES

As a result of their study, the Brushes calculate the total of private television communication equipment, program and related expenditures made in calendar 1973 was \$207 million for business and government. This overall amount will reach \$508-million by 1976, they predict, and top \$1-billion by 1980. Of the 1973 total, the Brushes found that about half went for equipment and facilities with the other half divided among programming, distribution, service, and overhead.

One interesting finding was that almost \$29-million in 1973 was billed by outside proprietary and custom program producers. Douglas points to this segment of the market as the fastest growing category and claims that it, in a sense, acts as a barometer of the growth of private television communications. When management begins to turn to television, they are first most likely to acquire or commission outside pilot production before investing in hardware, he says.

#### THE 1973 A BASE YEAR

The Brushes observe that 1973 was the first complete year during which users developed operating experience with the video-cassette. Deliveries which started in early 1972 on a volume basis laid the necessary foundation. "Without the cassette," said Douglas, "we would still have to put up with the use of open-reel—a production system—for distribution. The fully operational availability of the cassette to the private user for the first time lets us regard production as one concept and distribution as another and establishes private television communications as a medium in its own right."

Douglas sees the present use of open-reel tape for distribution as contracting severely in the coming years. However, he predicts tape (in cassette or cartridge) will always play an important role in private television because of the opportunity it gives to network members to make their own originations for further outward distribution or as a return reply. He said that about 5% of present tape nets make in-the-field-recordings for further distribution to sub-offices or for return upstream and predicts an increase in such use.

While another medium might be cheaper in some respects, i.e., Super 8mm film, the Brushes found that management preferred to work with videotape in origination. "They feel more comfortable—they can tell right after a take if it is what they want—and re-takes incur really little additional cost or effort. Television encourages a relaxed, non-pressure condition under which to work." Douglas did feel that when the videodisc finally arrives and becomes operational that many private television users would shift their distribution to it because of easier handling and significant cost reductions.

#### A CLASSIC USER

Douglas described Investors Diversified Services of Minneapolis, Minnesota, as an example embodying many of the circumstances found to be characteristic of well established user-producers. IDS is a multi-faceted financial corporation has been using television since 1969. The firm is geographically scattered with 200 offices about the country. Field office salesmen must be thoroughly familiar with four basic financial product lines. Television at IDS is part of a larger AV training activity located in corporate under the marketing/sales arm of top management which gives full support to the use of television. (Douglas said it appeared characteristic of non-industrials to have television under marketing/sales while industrial companies earmarked television as part of a personnel

training function.) IDS has an annual sales force turnover of about 1,800 out of over 5,000 salesmen, so that the complete sales force is trained about every four years. IDS has found that the use of television has not only kept their turnover below the industry average, but by using television their field training force can operate with fifty fewer training directors.

The IDS television operation has a regularly assigned staff of four. When a production requires more help, they are obtained from neighboring departments. The company has a two-story studio with modest production equipment. Programs are mastered and distributed to over 200 locations in one-half inch tape. IDS regional offices also make tapes which are routed to field offices. In one aspect their operation is unusual—IDS leases its equipment. While the company is pleased with the performance of the open-reel equipment, it will probably go cartridge/cassette eventually. Productions are uninvolved and quite often consist of a straight-forward presentation by a lecturer using a flip-chart.

#### UPGRADING FOUND

The Brushes found that generally after two to three years of operation an upgrading process begins if the initial period was at all successful. Movement in mastering is generally from one-half to one-inch videotape formats and from black and white to color. Douglas said very few in private television are going beyond one-inch; that is, to two-inch quad, except such large companies as Standard Oil of Indiana, Arthur Anderson, etc. The press is for higher quality. Douglas quoted IBM's Lynn Yeazel as saying, "It is important for me professionally with my company to get the best possible picture ... for the dollars I have to spend."

Douglas traced two factors leading to a switch to color in private television. Cartridge/cassette systems have proven a boom to the use of video with persons who are only casual users of the equipment. The cartridge/cassette systems come at a time when many private users had completed limited pilot distribution tests with open-reel. But in adopting cartridge/cassette distribution they also get a color capability because all cartridge/cassette videoplayers are color capable, with perhaps only one present exception. This fact, plus the increasing availability of off-the-shelf color programming and the realization that color is now a de facto home viewing standard, builds pressure to go color in the organization facility. Judith pointed out that experienced video managers, such as Dick Van Deusen at the Prudential, have been preparing for full upgrading to color over the years as they have revised and added to their origination capability. Evidently quite a few are ready for the final step—acquiring and plugging-in color cameras.

#### MEASURABLE RESULTS

According to the Brushes, "The smart television manager is working very hard to find ways of demonstrating or measuring results in ways his boss will appreciate." A typical approach in television sales training programs is to identify an increase in sales or better sales performance. In a skill training program, managers look for proof that someone has learned to do something, or do it clearly better, as a result of television training. Terming these as an empirical measurement, Douglas gave as further examples measurements that prove that television performs a training job at a lower cost or does a more effective job at the same cost. For the latter, an example would be the communication of information by video among different points of the country which would have otherwise involved traveling by people from various locations.

Another, but more difficult, way of demonstrating the value of the use of television grows out of its use to affect attitudes which Judith said presents the problem of measur-

ing intangibles. Typical applications here might involve the use of television in employee news and management information programs. Generally, authorization to use television in such ways follows approval by management, followed by attitude surveys of the intended audience to determine the worth of these intangible uses of television. She reports on the "lunchroom network" of Bob Kerngard at American Motors in Kenosha, Wisconsin, who with portable half-inch equipment provides extensive coverage of local interest events not provided by the TV broadcast stations in Chicago and Milwaukee. With three-quarters of the town's workforce employed at the plant, Kerngard can immediately determine the effectiveness of his employee information programs by where they eat their lunch—in the cafeteria, where the monitors are, or at some other place. The Brushes report that greater numbers of private television managers than they expected engage in some sort of feedback measurement.

#### ROLE OF OUTSIDE PROPRIETARY AND CUSTOM PRODUCERS

The Brushes see the growth of private television networks as an opportunity for outside producers to create custom or proprietary product for network distribution. The great majority of those responding to the Brush survey are classed as user-producers. Of those responding, 95% produce some or all of their programming in-house. Of the 95%, 54% do in-house exclusively or—turned around—almost half use outside services of some sort. A wide variety of outside services are cited running from complete custom production to editing, duplication or just distribution.

The Brushes see a growing acceptance of the role of the outside producer. They found that a company tended to be in-house production-oriented when their uses of television were generally involved in internal communications. But where marketing and sales applications take on a greater emphasis, the developing tendency is to go outside for production services. Then, the in-house television operation tends to be limited to in-house applications of employee communications, training, etc. According to Douglas, "Where the use of television approaches a more direct, point-to-point relationship with the companies' bottom-line, there is some general distrust of the use of in-house resources, but the truly professional television manager will be as aware of his limitations and not be threatened by this."

The Brushes predict that at least 300 new private television users will come into the field in two years. However, this will generally be a new breed, described by Douglas as a user-distributor. The new user-distributor will take advantage of a videoplay cassette/cartridge technology specifically meant for him. Starting with an analysis of the geographic location, complexion and needs of the audience, the new user-distributor television manager will work backwards into the best way of generating the required programming and will take a more balanced look at the "make or buy" decision. In short, the emphasis of the "new" television manager will focus first on the distribution element and then on the best way to support it with programming.

#### OPPORTUNITY FOR PROPRIETARY PRODUCERS

The Brushes found that everything being done in the established private television systems (about three years and longer) is now going into distribution development. "The more the television manager gets that network built up, the more programming he is going to need for it, and the more economical it will be for him to acquire many types of programming outside," the Brushes concluded.

# THE \$207 MILLION PRIVATE TELEVISION INDUSTRY REVEALED BY NEW COMMUNICATIONS SURVEY

## NONBROADCAST TV PROGRAMMING EXPANDING RAPIDLY INTO NEW AREAS

In 1973, a greater amount of television programming was produced by business, government and non-profit organizations for private communications uses than was carried in prime time by all three major television networks combined.

This unsuspected level of private television production has generated a \$207 million industry which is expected to almost triple in size over the next three years, according to a special study, "Private Television Communications: A Report to Management," just completed by D/J Brush Associates, a communications consulting firm in Yonkers, N.Y., and released today by Knowledge Industry Publications Inc., White Plains, N.Y.

Last year, private organizations and the Federal government produced more than 13,000 television "shows" totalling over 3500 hours (broadcast network prime time comes to 3276 hours). While virtually none of these programs has ever appeared on a home television screen—nor are they likely to—they have generally received high "ratings" with their intended audiences.

Understandably, most of these programs were devoted to specialized subjects in which the viewer has more than a casual interest. These ranged from training on how to initiate a sales call to surprisingly sophisticated employee news programs that sometimes rivaled broadcast television in journalistic expertise.

The D/J Brush Associates study is based on a survey of some 2300 corporations, non-profit organizations and government agencies, plus in-depth interviews.

The results show that there are at least 300 companies and other private organizations who originate and distribute their own television programming on a regular basis. This number is expected to double over the next two years.

A large portion of the 8000 productions originated by these 300 "user-producers" were produced for distribution via company videotape or closed-circuit "networks", the study reports. There are now approximately 76 private videotape networks in existence which carry company-originated programming to six or more locations on a regular basis. The significance of this number of permanent networks is the market potential it represents for the sale of proprietary "off-the-shelf" video programming to supplement in-house produced material.

The study upsets the commonly held assumption that private television is merely an audio-visual device used primarily for job training. While training in one form or another is still a major application of the medium, the study's findings show that new applications in the communications, information and sales areas are rapidly outstripping instructional functions. In some cases, the audiences for these newer types of program even include local communities.

This trend in the expansion of the medium into non-broadcast, non-entertainment areas may mean that ultimately the individual will encounter specialized television programming directed to him virtually anywhere he goes, says Judith M. Brush, co-author of the study.

"Right now, for example, it is possible for a business executive in the course of one day to view in his office an overseas economic report taped the day before, an update of a company field operation, a management development program on the emerging role of women in business, and, in the company lunchroom, an employee news program. After lunch he may attend a live, nationwide televised sales meeting using large-screen projection and later assist his company pres-

ident in making a videotaped report for security analysts.

"When he goes to his bank he may see a community news show while waiting to transact his business and if he stops at a local department store, he may watch a televised report on men's fashions. Before settling down at night at home he may spend a few minutes practicing speed reading via a videotaped self-improvement course or get pointers on his golf swing from a video cassette made by a famous professional. After that he may watch TV just to relax," she said.

An indication of the "coming of age" of the industry is the general industry-wide adoption of the term "private television" to describe the medium and to differentiate it from "closed-circuit TV" or "CCTV", the study authors report. Closed-circuit television involves a direct wire connection between a camera and a monitor, which is rarely the case in either private or broadcast TV. The term is now used solely in relation to security and surveillance systems and other forms of monitoring and recording where no communications objectives or program elements are involved, or as merely one form of distribution within a private television system.

The study also contains the first published information on the Federal government's use of private television which last year totalled approximately \$22 million. It includes a critical analysis of an as yet unreleased Office of Management and Budget report on the government's overall use of the audio-visual media. In addition, it both praises and damns the controversial "Goldwater Report" released in 1972 by Rep. Barry Goldwater, (R-Cal.) which charged that civilian agencies and the Department of Defense engage in an unnecessarily high level of television and motion picture production.

Along with providing detailed data on the dollar volume of various aspects of the private television market, including projections through 1976, the Brush study reports on uses and applications of the medium, cost factors, production and distribution systems, and the many programming and production services that are available to video users.

"Private Television Communications: A Report to Management" is priced at \$395.00 and is available from Knowledge Industry Publications, Inc., Tiffany Towers, White Plains, New York 10602.

## HOUSE VOICE VOTE PASSES H.R. 13871

### HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. HOGAN. Mr. Speaker, I was pleased to see the House pass by a voice vote H.R. 13871, the Federal Employees' Compensation Act Amendments.

Since the 1966 amendments to the Federal Employees Compensation Act, a number of conditions have arisen that make it necessary to update and revise requirements regarding compensation benefits for injured Federal workers. I feel this new legislation meets those changing conditions and I would recommend its passage.

This bill would grant Federal employees who recover from disabling injuries within 1 year a guaranteed right to return to their former jobs or jobs of equal rank and pay. I have also intro-

duced legislation in this session to accomplish this same objective. My bill, H.R. 12164, would provide for reemployment of former employees receiving civil service disability retirement annuities found to be recovered from their disabilities or substantially restored to their former earning capacities.

Under the present civil service disability retirement procedures, a person retired on a disability annuity may periodically be recalled for examination to determine his continued disability status. In the event this examination shows improvement, or, the examination should show the annuitant capable of returning to work, he is given a certificate of recovery and advised that his annuity will cease in 1 year. During this period, it is up to the annuitant to locate a position at any grade or GS rating available. In times of Government cutbacks, it is next to impossible to find a comparable or near comparable position for which he is qualified, especially if a person's standard of living and his qualification pertain to higher grades. It would seem just, that a person declared disabled from a position due to job pressures, and so forth and later found to be recovered sufficiently to return to work, should be offered the same opportunities he had prior to becoming disabled.

Additionally, this bill would allow disabled Federal employees to retain their Government sponsored insurance, and permit their time on the disability rolls to be credited as active service time for civil service retirement benefits. It would further permit continuation of maximum benefits to those workers who recover sufficiently to enter an approved program of vocational rehabilitation.

Finally, as the committee report states, "Progressive new developments like these are necessary to maintain the act as a model workman's compensation program."

## MOTHERS DAY STORY

### Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mrs. BURKE of California. Mr. Speaker, although the date of May 12 has passed, I would like in some way to pay a special tribute to motherhood and have you join me in the proposal I am about to make.

The editor of Mainliner magazine, which is available on all United Air Lines planes during the month of May, sought what was his idea of an "upbeat story" and pointed it at Mothers Day, which falls on May 12.

It is entitled "No Man's Too Big To Love His Mother," and it is by the reigning heavyweight champion of the world, George Foreman. This young man has distinguished himself in every way after what was a disastrous course-heading when he was an adolescent and then, as a teenager. And in this touching story, he tells what his mother, Mrs. Nancy Ree Foreman, of Houston, endured trying to



get him somehow to make something of himself.

In George Foreman, there is something for everyone. He became a warning to our whole society showing what can happen if it does nothing about its social problems. He showed that at the highest level our Government can throw its spotlight on and give emphasis to kinds of sociological problem-solving. He proved that given an opportunity and motivation, any individual is capable of improving his lot. And he showed that American industry—in his case, Litton Industries—has both capabilities and compassion in the so-called "people business." Today, he is an inspiration to people all over the world.

His mother must be very proud to read sentiments such as he writes in this article, and as a mother I can think of nothing which would compensate her so greatly as this must.

The article follows:

**NO MAN IS TOO BIG TO LOVE HIS MOTHER**  
(By George Foreman)

That night I won the title from Joe Frazier in Jamaica—January 22, 1973—you know where my mother was? She was walkin' the streets there in our old neighborhood in Houston. She couldn't stand to watch it on TV, couldn't bear listenin' to a broadcast of it. She hates any kind of fightin', and she always did. When I was a kid and got in those street fights where she was pacin', she had to be thinkin' she stopped a lot of 'em just by showin' up. I would quit sometimes just on hearin' she was comin', or was out lookin' for me. She was desperate that night, because Houston, where she was, and Jamaica were far apart. Even if she had gone to Jamaica, she knew she couldn't stop this one. So she shut her eyes and her ears and went off by herself and she prayed—not for me to win, because she knew I usually did, but that I wouldn't get hurt.

My birthday is January 10th. It's now more than 25 years since I was born to her, one of the seven children she would have. All the other six, workin' full time, would never cause her as much worry as I have, or as many problems as I did, and I'm not proud of that. But bad as it might look at times, even hopeless, she never gave up on me.

She was the only strength, the only real clinch I could fall into and save myself for such a long time. When you're young—or old—and there's only one sure thing in your life, something you can rely on all the time day and night, it stands pretty tall there in your mind.

How she ever held us all together was a chore that would have made a giant pale, but she did it. She worked like a dog for people, and since she was a lady barber, she stood on her feet hours and hours which is hard enough all by itself. And with all of us, she had seven different, constant distractions. I don't know whether she ever nicked anybody while shavin' him, lettin' her thoughts wander as to what we might be up to, but it wouldn't surprise me.

One of the hardest chores she ever had to do, I think, was to find some ways to keep me busy at something, particularly after I couldn't make it with the books and quit school. She wanted to occupy me, and have me earn a little money. No matter what it was, she would try to make it somehow appear to be a right kind of a job. When I did work, and then spent my money foolishly on cigarettes and wine, she didn't want me to do that; but it hurt her to say yes to my workin' hard, and then have to say no to what seemed to me was what spending money was for.

I had some awful jobs. Dish washing was

one of them. To this day, if I'm in a good restaurant, it pains me to see all those plates the waiters put out on tables. I remember when George Foreman was a teenager, he was back in the kitchens of places like that. Dishes might go out to a lot of tables and customers, but they all came back to George. It wasn't a happy kind of a job, and I outgrew it—the miserable pay, too. I tried trucking companies, helping load and unload. About 15 I was then, hoistin' the big stuff, boxes and crates, and these were night jobs mostly, \$1.25 an hour. When they paid off, they remembered only the \$1 and forgot the quarter. Sometimes I'd go 17 hours straight for \$17.

When you've got big muscles, some think you're kind of a machine, never get tired, never run down. The one who knew the other side of all this, and it hurt her to see it all, was Mrs. Nancy Ree Foreman, my mother. She so wanted something, anything to turn my way.

We used to have some of our best talks in the kitchen there at home, just the two of us. Often it was after I had done something bad, really wrong, and the police had been to talk to her about me, maybe, I would be feeling so ashamed that I'd brought one more heartache to her door. She never rebuked me, though. That would jolt me even more, and I'd want so much to give her some hope to hang onto, and not be just a total loss. We would talk about what we could do if we just had some money, not big money, maybe \$50, or up to \$500. It was the sound of it, hearin' it out loud was better than admittin' that we had nothin', and probably would have the same nothin' the next day or next week. She always said, no matter what figure we were usin', that perhaps it would come if we found a way to make it. She could be worn out, in despair inside, but when she said that "perhaps," it always reassured me.

My sister had gone into something called the Job Corps. I'd heard football players like Johnny Unitas and Jim Brown talk it up, saying it would be a good thing for someone such as myself. But with my sister in it, I was up against its only-one-to-a-family rule. When she finished, my mother said it was time for me to try it. The big athletes, my idols, they were for it. She signed the papers, OKing my going in, and off I went.

For awhile I was in Oregon, then went on to the big Job Corps Center near Pleasanton, California. That was where life began to turn another way for me. In a way, it was a long shadow of my mother. She was always saying there would be a way, there had to be, that something would happen. At Pleasanton, people were always showing me how to do new things, nothing like I'd thought of or done before, findin' new ways to keep me interested, busy. One of these was boxing, after hours, in the recreation hall, and it got me on the 1968 Olympic team. My mother didn't like that part at all. She had been in position to referee most of my fights up to then, busting them up right there in the Houston streets. Now that I was far away, the last idea in her mind about Job Corps was that it might encourage me to do more fightin', rather than less of it.

When in those Olympics' bouts, I called her after every fight, and when I won the Gold Medal. I was beatin' everybody, but her first question was always whether I'd been hurt, her little boy, all 218 pounds of him.

When I turned professional and began to work towards the championship, I set up a personal corporation. It had to have officers to be legal and proper. There was never any doubt in mind as to who one of those officers would be, and her name is right there on the papers—Mrs. Nancy Ree Foreman, a retired lady barber. She has had more to do with my being here, what I am today than any other human being. Nobody is self-made. I know that. And no man is ever too big to love his mother, to be grateful that he has one.

Mothers are in your corner, when no one else is, and afterward, when everybody else says he is. I know this for a fact. Mine was way back when, and is now, and will always be.

**TRENTON EDITOR WINS PULITZER**

**HON. FRANK THOMPSON, JR.**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. THOMPSON of New Jersey. Mr. Speaker, it is with pleasure and pride that I call to the attention of my colleagues the Pulitzer Prize awarded for distinguished editorial writing to Mr. F. Gilman Spencer, editor of the Trentonian, a daily newspaper published in my home city of Trenton. The award to Mr. Spencer was in recognition of his series of editorials calling attention to official wrongdoing at the highest levels of New Jersey's government. The test of excellence which determines award of the Pulitzer Prize for editorial writing requires "clearness of style, sound reasoning and power to influence public opinion in what the writer conceives to be the right direction." Those who read the Trentonian on a regular basis know that the editorials written by Mr. Spencer clearly and supremely met that test. The award to Mr. Spencer brings great honor to the Trentonian and to the city we both cherish.

The articles follow:

[From the Trentonian, May 7, 1974]

**TRENTON EDITOR WINS PULITZER**

(By Jodine Mayberry)

Trentonian Editor F. Gilman Spencer has been awarded the Pulitzer Prize—the nation's highest journalism award—for "distinguished editorial writing."

The award announced yesterday in New York, was given to Spencer for 10 editorials he wrote in 1973 focusing public attention on scandals in New Jersey state government.

Spencer, 48, of Princeton Township, originally was nominated for the Pulitzer by former U.S. Atty. Herbert J. Stern who felt he had to withdraw as nominator when he was elevated to a federal district judgeship earlier this year. His successor, U.S. Atty. Jonathan L. Goldstein, officially made the nomination.

The award marked the first time since Columbia University began to award Pulitzer Prizes in 1917 that a Trenton newspaper has won it and only the third time that a New Jersey newspaperman received the coveted award.

Spencer, talking to Judge Stern over a telephone in the newsroom when the announcement came over the United Press International wire, threw the telephone in the air and leapt into the air himself as staffers shouted, "You've got it, you've got it!"

Mrs. Isabel Spencer, a Trentonian staff writer, watched her husband's first initial come over the wire, calmly observed, "There it is," and became speechless.

Spencer's nomination had been such a well-kept secret from most of the staff that only a handful of people "in the know" gathered around the wire machines when the Pulitzer story started to come over.

One reporter, who inquired what the fuss was about, was told that the group was waiting for the Pulitzer announcements.

"Oh," he sniffed and walked away uninterested and apparently convinced the article couldn't have anything to do with The Trentonian.

But when the shouts went up, newsroom staffers ran over to the wire machine in disbelief then gathered around Spencer in a tumult of congratulations.

Judge Stern, who gained a national reputation for prosecuting political corruption in New Jersey, issued a statement saying, "The work of the United States Attorney's Office and its efforts towards the investigation and prosecution of highly placed public officials could not have gone forward without the support of the press of New Jersey."

"Gil Spencer stood in the forefront of those efforts and when, from time to time, the (U.S. attorney's) office fell under attack from highly placed public officials who objected to our efforts to clean up the political environment of New Jersey, it was men like Gil Spencer who by their editorial support made it possible to carry on."

Spencer said, "This prize belongs to the staff of this newspaper every bit as much as it belongs to me if not more. This staff, particularly Dave Neese (staff writer who covers state politics), provided me with the information upon which those editorials were based."

"Also, without a brave publisher (Edward L. Hoffman) few of those editorials would have seen print. I'm delighted for myself, for the paper and its editors and staff. I was encouraged by both Emil Slaboda (managing editor) and Donald Murdaugh (city editor)," he said.

Hoffman said the award "is really a tremendous personal achievement for Gil Spencer, and it is really a proud day for The Trentonian."

"Integrity in government at all levels is so essential today that a newspaper's role can best be fulfilled by exposing corruption wherever it exists."

"A newspaper can best serve the public by attempting, in all phases of its editorial operation, to be alert in reporting areas where officials misuse the trust placed in them."

Following a brief champagne party at the paper, Spencer received congratulations from public officials and colleagues in journalism, including Gov. Brendan T. Byrne who issued a statement saying, "My congratulations to Gil Spencer for winning one of journalism's highest honors. This recognition of his colorful and thought-provoking editorials is well deserved."

David E. West, executive editor of the Trenton Evening Times, telephones his personal congratulations to Spencer. He then said, "The award certainly speaks for itself. This is an honor of which few newsmen in New Jersey can boast."

Donald E. Lippincott, managing editor, and George E. Amick Jr., associate of The Evening Times also telephoned their congratulations.

Trenton Mayor Arthur J. Holland at first didn't believe the news. "Are you kidding?" he asked, "Are you serious?"

"(Spencer getting the Pulitzer) is as likely as a streaker wearing a fur coat. That's something he might say, isn't it," Holland joked referring to Spencer's unusual writing style.

The mayor, who enjoys occasional verbal sparring matches with Spencer, has been known to greet Trentonian reporters with, "How's your editor today? Still bouncing off the planets?"

Yesterday, he said, "It just proves that anything can happen. I'm very pleased for the newspaper and the city."

Goldstein, in a Jan. 25 letter to the Pulitzer Prize Committee, noted that although Stern had started the process of nominating Spencer, he felt that his elevation to a federal district judgeship made it necessary to withdraw.

"Although Judge Stern believes that there would be nothing improper for a member of the court to nominate Mr. Spencer for this award, Judge Stern has decided that he should, in order to avoid even the appear-

ance of any impropriety, refrain from doing any act which might bring criticism to the federal court."

"In view of the outstanding editorials written by Mr. Spencer during the past year, I feel it incumbent upon me to continue my predecessor's effort and, therefore, I submit to you Mr. Spencer's name . . ."

Goldstein went on to say that, "All too often, we in government complain about the press. I believe that we in government also have an obligation to praise the press and give recognition to a member of the journalism profession who has not only distinguished himself by his courageous and well-written editorials, but who has also served the public interest well."

Among the 10 editorials submitted to the Pulitzer committee were ones commenting on the appointment of former Democratic Gov. Richard J. Hughes as chief justice of the N.J. Supreme Court, the investigation conducted by the State Investigations Commission of cover-up charges against former State Atty. Gen. George F. Kugler, Jr., the state's mismanagement of U.S. Government surplus property and the involvement of a former state senator in a Nixon campaign contribution scandal.

The Pulitzer Prize for editorial writing cites as its test of excellence "clearness of style, sound reasoning and power to influence public opinion in what the writer conceives to be the right direction."

The prize carries with it a \$1,000 monetary award.

The only two other New Jersey newsmen to receive the Pulitzer Prize as far as could be determined, were Lute Pease of the now defunct Newark Evening News for cartooning in 1949 and William A. Caldwell of the Record, Hackensack, for commentary in 1971.

Spencer began his journalistic career as a copy boy at the Philadelphia Inquirer in 1947. He went to Chester Times, now The Delaware Daily Times, as an apprentice photographer, then to the Mt. Holly Herald, now the Burlington County Herald, a weekly, as sports editor and photographer.

Spencer returned to the Chester paper as a political and general assignment reporter in 1952. In 1959 he became editor of the Main Line Times and left that post to become an assistant city editor of The Philadelphia Bulletin.

In 1964, Spencer became editorial director of WCAU-TV where he presented editorials on the air. He came to The Trentonian as editor in 1967.

Spencer is the father of five children.

#### EXCERPTS FROM PULITZER PRIZE EDITORIALS

Ten Trentonian editorials, written by Editor F. Gilman Spencer, were considered by the Pulitzer Prize committee in making its award. All of those submitted were concerned with governmental and political scandals in the State of New Jersey.

Included in the 10-editorial sample required by the committee were editorials on:

The State Investigations Commission's investigation of charges that the state attorney general had turned his back on information that later, in the hands of a federal prosecutor, led to the conviction of the state's secretary of state.

Former Gov. William T. Cahill's failure to get a "sabertoothed attorney general" to investigate corruption charges.

Former State Sen. Harry Sears' briefcase of cash for the Nixon re-election fund.

The state's mismanagement of U.S. government surplus property.

The appointment of former Gov. Richard J. Hughes as chief justice of the N.J. Supreme Court.

Excerpts from nine of 10 editorials submitted for consideration by the Pulitzer Prize committees:

#### THE SIC REPORT: ANOTHER LOOK

"The State Investigations Commission prostituted itself, vilely and nauseously, by

affixing its name to a one-sided, occasionally malicious, politically oriented, pseudo report that discounted the testimony of a former attorney general of New Jersey, who supplied the information that led to Mr. Sherwin's conviction. . .

"We can only hope that SIC will remain in the spotlight long enough for someone in authority to ask it some of the many questions its strange probe so conspicuously failed to answer."

"And then we can hope that it will be formally disbanded and relegated to a place of shame, a place far, far away from New Jersey."

#### THE ONLY SOLUTION

"This cover-up business involving Attorney General George Kugler, convicted Secretary of State Paul Sherwin, the State Investigations Commission et al has gotten completely out of hand. And if it is permitted to continue out of control, New Jersey will witness a monstrous political tragedy."

#### THE KUGLER CONTROVERSY

"Yesterday, we facetiously suggested that the thoroughly discredited State Investigations Commission be called in to probe the latest charges against Mr. Kugler. But there is no room for facetiousness today. The Attorney General of New Jersey, the top law enforcement official in state government, stands accused of conduct, which, if true, renders him totally incapable of doing the job he has sworn to do. There must be some agency somewhere capable of resolving what might be called the second Kugler controversy."

"Until it is resolved, no sane resident in this state can have an instant's worth of confidence in either Mr. Kugler or his mighty office."

#### THE SURPLUS SCANDAL

"Since no charges have been brought against anyone, it cannot be assumed that anyone is guilty of criminal conduct in this mess. What can be assumed, however, what can be taken as an absolute article of faith is that the U.S. surplus property program in New Jersey could have been more completely conducted by a wayward garter snake than it was by the State of New Jersey."

#### MR. BYRNE'S TURN

"The old political standards are far from dead in this state. But an astonishing number of federal indictments have bloodied them. Mr. Byrne knows all about those indictments. He ought to. They helped elect him. The question is did they teach him anything he and this state will profit from."

#### THE HUGHES NOMINATION

"For eight years, Governor Hughes presided over one of the most unspeakably corrupt states in the memory of man. The corruption was, by and large, a joint product of the mob and some extraordinarily innovative and cooperative politicians. God knows, what they were doing was nothing new to New Jersey or to Mr. Hughes' predecessors in office, nor was there any assurance that state prosecutors could catch them at all. But as the immensity of the cancer slowly became evident, so did Mr. Hughes' reluctance to apply the knife. Festering infections in Newark, Jersey City and elsewhere were lanced by federal, not state, authorities."

"In another time, Mr. Hughes' reluctance would have been attributed to adherence to the then-prevailing standard and written off. But it was that standard that damn near drowned this state, that lured the Cahill Administration into temptation and cover-up, and that plunged the country into the muck of Watergate."

#### MR. CAHILL'S COLLEAGUES

"This particular editorial isn't directed at Mr. Average or even at Mr. Slightly Above Average. This editorial is for one man and one man alone—a man who will intimately appreciate the significance of the names and the allegations. His name is Cahill. His cur-



rent objective is to get himself reelected. His problem is that a bunch of his good friends and close political associates keep popping up in the damndest places . . . like on the front pages of newspapers and smack in the middle of criminal investigations."

#### UNANSWERED QUESTIONS

"Earlier this week, Mr. Hughes said it would be grossly improper for him to comment on the extortion convictions of his former Secretary of State Robert Burkhardt and his former State Treasurer Robert Kervick. He said it was improper because both cases are still pending in the courts. He termed a Trentonian reporter's request for such a comment 'outrageous' and he accused the newspaper of conducting a 'vendetta' against him.

"We believe that no request for a former governor's comment on the criminal behavior of convicted cabinet officers can be fairly termed outrageous.

"We also believe that Mr. Hughes' views on official corruption, both as it specifically affected this state during his two terms and as it has generally affected this state and the nation, are indisputably germane to any comprehensive examination of his qualifications for Chief Justice."

#### THE SEARS TESTIMONY

"Because the Vesco-Sears-Nixon-Campaign-Contribution case is so disgustingly fascinating, so revoltingly obscene, so basically indicative of the fraud, hypocrisy and corruption around us that even the most pious, biased, know-nothing Republican vegetable this side of Saturn should find it worthy of his attention . . . sooner or later.

"The mere thought of someone of Mr. Sear's reputation involved in such a situation is alone enough to make men pray."

### WHY ARE WORKING WOMEN MISSING FROM KIDS' BOOKS?

**HON. DONALD M. FRASER**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. FRASER. Mr. Speaker, there has been increasing awareness of late that children's books—especially textbooks—do not portray the world as it really is. Take the picture of women, for example. Not only are fewer women shown than men, but they are shown in limited roles: girls are shown admiring what the boys do; women are shown cooking or cleaning up. This vision of society persists at a time when half or all women 18 to 64 are employed outside the home.

Among those concerned about this lopsided portrayal of women are working women themselves, as the following article from the Amalgamated Clothing Worker's January Advance shows so well:

[From the Advance, January 1974]

WHY ARE WORKING WOMEN MISSING FROM KIDS' BOOKS?

(By Anne S. Rivera)

There are almost 13 million mothers among the 33 million women in the nation's labor force.

And the books available to their children, whether toddlers or high school students, are usually books that undermine mother's importance as a wage earner, echoing the old saying, "Woman's place is in the home." The

absence of strong, self-reliant women in children's books parallels the absence of sound labor history in school texts, a problem examined in a previous Advance article.

The fact that half of all women 18 to 64 years of age are employed is never reflected in children's books. Caroline Bird in her study, "Born Female," notes of books for pre-schoolers: "The books do not show girl scientists. They don't show sisters leading brothers. They don't show girls making discoveries, creating inventions, making important decisions that others of both sexes follow."

A brief look at the drawings in a typical primary reader illustrates the ongoing problem as children enter school. Four small pictures enliven the cover: two represent animals; one portrays a simpering woman arranging flowers on her hat; the fourth shows a young boy piloting a rocket.

Inside the reader, women fare no better than on the cover. The first section, entitled "After Dark," includes five stories where the main character is male. The one active female character is an unimaginative mother who won't allow her son to sleep outdoors with his friend Stan.

Twenty illustrations in the section depict male characters; female characters appear in only five. Besides the scolding mother, there is one other female, a girl playmate of Stan's who seconds his pronouncements about the stars as the two children study the darkening twilight sky.

Junior high and high school students also read inaccurate descriptions of reality. No school history texts inform the union member's children that some of the earliest pioneers of the labor movement were women and that women continue today to press for careers equal in salary, interest and responsibility to the careers of men.

Besides neglecting to mention female participation in historical events, texts use language that tends to be prejudicial towards women. For example: "Brave men won the West," "The average American is proud of his heritage." Women won the West too. Women are also average Americans.

Language that uses the masculine noun or pronoun for both male and female is beyond the understanding of most students to fully grasp. The definite suggestion that man is brave, proud, strong, while woman has no share in bravery, pride or strength, is incapable.

"In the real world, there are 100 women for every 95 men. Yet in the books read by schoolchildren, there are over seven times as many men as women and over twice as many boys as girls." So states Alma Graham, who examined 1,000 school texts on all subjects, in her capacity as editor of the "American Heritage Dictionary" for children.

From the content of the books our society designs for its children, we might conclude that America does not expect—or perhaps even want—woman to be creative, enterprising individuals. And children, experts agree, tend to live up to society's expectations of them.

That children do indeed fulfill society's expectations was recently documented by a conference at Harvard University. The participants noted: "Boys everywhere are more interested in science and do better on tests (than girls)." The gap in performance widens as students grow older. Test differences, the scholars concluded, are attributable to a very simple cause: sexist bias.

No one can gauge to what extent sexist bias may deprive the world of important scientific discoveries by females. Emotional conflict in a woman forced by economic necessity to become a wage earner, but nurtured on the bias that she is "supposed" to stay home and care for her family, cannot be measured. The confusion of a child whose

mother works, but whose biased books show other mothers taking children to the zoo and baking them chocolate cookies, can only be guessed.

Fortunately, sexist bias no longer rules the school curriculum unchallenged. It is now illegal in school texts and has been since June 1972, when Title IX of the Educational Amendments Act spelled it out:

"No person in the United States shall, on the basis of sex, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance . . ."

Failure of a public or private school to comply with Title IX may result in the withdrawal of federal funds.

Many school administrators, as well as teachers and parents, are not aware of Title IX's existence, certainly not of its implications for textbook content. However, at least one suit has already been filed under Title IX, against a particular school system, the Kalamazoo Public Schools in Michigan.

Individual parents now possess enormous power to combat sexist bias in school texts. Once they are aware that sex discrimination is a threat to children's understanding of their own economic situation, to the children's self-image and to their scholastic achievement, parents can inform particular school administrations of their dissatisfaction with the curriculum. If no change in teaching materials is forthcoming, parents may file complaints with the Office for Civil Rights, H.E.W., Washington, D.C. 20201.

Further information on sexist bias in school texts and suggested parental action to combat it is available from each of the following sources:

Lucy Simpson, Chairwoman, Textbook Committee, National Organization for Women, 744 Carroll St., Brooklyn, N.Y.

Women on Words and Images, P.O. Box 2163, Princeton, N.J. 08540.

The Feminist Press, SUNY/College at Old Westbury, N.Y. 11568.

### POLICE OFFICERS CALLED "THE CITY'S FINEST"

**HON. LESTER L. WOLFF**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. WOLFF. Mr. Speaker, on patriotic occasions, when we feel good about our country, our city, ourselves, our police officers are called "The City's Finest." But most of the time, those men and women who protect our families, our homes, our society, are sorely maligned. Some take them for granted. Some call them insulting names. Some debase their job. Until we need them and then it is a different story. When we are feeling patriotic and proud of those men and women who hold our trust, they have little time to enjoy flag waving. They are too busy keeping this country together. Keeping us alive. Keeping us safe. The New York Daily News ran an ad that describes the New York City police force. But you can insert the name of any city, any town. I commend JGE Appliance-Furniture-Carpet Stores for this eloquent commentary on our police officers. I would like my colleagues to read this tribute. It is something which we forget far too often.

## I AM A SHIELD

A New York police officer's shield. Just an ordinary piece of metal. But I work with an extraordinary person.

People call him many things—cop, dick, flatfoot, bull, even pig. But mostly, they call him whenever there's trouble. A robbery. A heart attack. An accident. A traffic jam. A fire. A lost child. A mad dog. A would-be suicide on a roof or ledge. And he always answers the call. No matter what they call him.

He's underpaid. Works long, ever shifting hours. Days. Nights. Sundays. Holidays. Fair weather. And foul. Yet he wouldn't trade his job for anything.

He loves New York. No one knows better than he that our town has problems. Pushers. Chiselers. Crooks. Law-breakers. All kinds of crime. And lots of citizens who don't want to get involved. Who keep their eyes and ears closed. Who don't and won't help.

But he also knows that most New Yorkers are honest, decent, law-abiding people who love their city, too. Who, when the chips are down, will help their neighbors. Who will support the police officer who may be called to risk his life on their behalf.

He's no superhero. He's only all too mortal. If someone shoots him he bleeds—sometimes dies in the service of his fellow citizens.

Support him. Call him when there's trouble. But don't call him names. Thank him for the thankless job he does for all of us. He's what we've got between us and the jungle.

I'm a shield. And proud to be stuck on some pretty wonderful guys and gals.

## APPREHENSION—AND ASSURANCE

## HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. ROSENTHAL. Mr. Speaker, for some time I have been deeply concerned about the apparent shift in American policy in the Middle East. The Nixon administration seems to be trying to outbid the Soviet Union for Arab friendship and oil, and one of the chips on the table is Israel's security.

A cease-fire and disengagement of Syrian and Israeli forces can stop the shooting and killing for the time being, but such an agreement, even one negotiated by the American Secretary of State, cannot be a substitute for a lasting peace agreement. This can only come about as the result of direct negotiations between the parties themselves.

The Secretary of State should not overlook Israel's need for secure and recognized boundaries as an effective barrier against further Arab aggression. It would be a mistake for the United States to press Israel too hard for concessions that will leave her overly dependent on international agreements for her security.

The United States must not forget that while others may follow the lure of Arab oil, this country is the only friend Israel has in the world community of nations. To a very large extent, her security and her survival depend on that friendship.

The lead editorial in the current issue of Near East Report presents an articulate and probing look at the emerging U.S. policy in the Middle East. I am inserting it in the RECORD at this point:

## APPREHENSION—AND ASSURANCE

Ever since October, there has been a sharp debate over American policy in the Middle East. Pessimists have feared that Israel, despite her military victory, would face Munich-like pressures to offer sacrifices to the Arabs, either in our Government's pursuit of detente with the Soviet Union or in the prosecution of the Cold War.

Such fears have been held by many Israelis and by a considerable segment of the American Jewish community. But Secretary Kissinger has allayed much of this concern by his remarkable success in winning the confidence and respect of both Arabs and Israelis. Moreover, American public opinion continues to support Israel. Fears that the diplomatic devaluation of Israel might be facilitated and rationalized by an erosion of public support have proved unwarranted.

Last fortnight—although several unfortunate developments revived and deepened fears—there was a surge of reassurance from congressional leaders and Administration spokesmen who participated in the AIPAC policy conference.

These were the items of concern:

Defying the UN cease-fire resolution, the Syrians escalated their War of Attrition. The UN Security Council did nothing to curb Syria; it reserved its indignation for a censure resolution against Israel's anti-terrorist sortie into Lebanon. The United States voted for that resolution, even though the Council rejected a U.S. amendment to include condemnation of the Kiryat Shemona massacre. This was a retreat to pre-1972 expediency.

While we are confident that Kissinger has not drawn a map of the boundaries still to be negotiated, Arab expectations, judging by Sadat's recent statements, have been raised to extravagant heights. (The Rogers plan of 1969 is still extant.) The Israel public anticipates heavy diplomatic pressure.

The Administration's aid programs for Arab states are substantial and may prove to be premature. While U.S. dollars may be necessary to cement disengagements, the experience of the Eisenhower and Kennedy administrations has shown that regimes which are bought—or hired—have excessive appetites, short memory gratitude and short life expectancy.

The Administration's 1975 aid program for Israel is disappointing when compared with our Government's substantial and generous response during the war last fall. The costs and casualties of war are heavy, and to these we must add the costs of reconstruction and rehabilitation. Yet, even while the shooting continues, the Arab states are being reinforced by Soviet and American weapons. This too, seems as a step backward.

## BUT, ADMINISTRATION NOT ABANDONING ISRAEL

The Arab states know that it is very much in America's interest to maintain Israel's strength, for a vulnerable Israel would weaken U.S. influence and power.

But we would like to think that American policy is motivated not only by economic and military objectives in the national interest, but also by moral criteria. We are prone to forget past wrongs and to sue for the favor of those who are guilty of aggression. We abandon principle. Thus, we permit the hopes for economic, diplomatic and strategic gain to supersede and silence moral judgment.

It was Sadat who opened the war against Israel in October, but he is now to be rewarded, handsomely, by American favor. It was King Faisal who more than anyone else wielded the oil weapon against the American

people, and he is now to be reinstated as a major ally and beneficiary of American technology and defense. Syria has been consistently anti-American; it rejected a U.S. Point Four mission as far back as 1951.

We do not oppose some economic aid to these countries, but we find it difficult to accept the idea of strengthening their military capability at this juncture. We can understand that the Administration may be seeking to coalesce Arab states to work for military disengagement from Israel, as well as for diplomatic disengagement from a pro-Soviet orientation. But we are a long way from peace and a genuine detente. Cease-fires are easily violated and disengagement agreements are not synonymous with non-belligerence.

We could be more sympathetic to the Administration's proposals if the road signs to peace were visible and easily read, if there were no Soviet detours or PLO ambushes around the bend, and if Arabs and Israelis were traveling together in the same direction.

## ANTIBUSING AMENDMENTS TRY TO TURN BACK THE CLOCK

## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. RANGEL. Mr. Speaker, tomorrow the Senate will vote on a series of amendments to the Elementary and Secondary Education Act of 1974. The timing of these important votes has brought them to particular national attention, for they are being held during the week in which we are commemorating the 20th anniversary of the historic decision by the U.S. Supreme Court in Brown against the Board of Education.

As we face this crucial Senate debate tomorrow on amendments which I believe are unconstitutional and are at the minimum a negation of the Brown decision and the progress we have made in race relations in the last 20 years, I hope our colleagues in the Senate have the courage to vote for what is right and to turn away from responding to those who would end this progress and try to turn the clock back to 1954.

I place in the CONGRESSIONAL RECORD an editorial from the May 11, 1974, edition of the New York Amsterdam News entitled "1954 Decision in Jeopardy." I hope that my colleagues will carefully read and heed this message.

I also enclose a letter which I sent last week to Clarence Mitchell, director of the Washington Bureau of the NAACP, setting forth my position on the presently pending Senate antibusing amendments:

## THE 1954 DECISION IN JEOPARDY

It is ironic that as we mark the 20th anniversary of the 1954 Supreme Court school desegregation decision, there is a determined move in Congress to set the clock back to the segregated status of 1953.

On March 26 of this year the House passed the Esch Amendment by a vote of 293 to 117. It proposes that Congress find as a fact that transportation of students creates serious risks to their health and safety.

2. It holds that assignment of children to public schools on a neighborhood basis is NOT a denial of equal educational opportunity.



3. It would forbid the implementation of any desegregation plans that would require the transportation of any student to a school other than the closest to his residence.

4. It proposes the modification of Title VI of the Civil Rights Act of 1964 which authorizes civil action in Federal Courts for denial of equal educational opportunity.

Another amendment offered by Rep. John M. Ashbrook (R. Ohio) would forbid the expenditure of Federal funds for busing to achieve desegregation.

Comparable amendments are being offered in the Senate. One of them, submitted by Sen. Edward J. Gurney (R. Fla.), would prohibit busing, reopen all court-ordered desegregation plans submitted by the Department of Health, Education and Welfare, and forbid new desegregation orders. The Gurney provision would be substituted for Title VIII of S. 1539—the Education Amendment Act of 1974.

#### DEMAGOGUERY AT WORST

This being an election year, when the Watergate cloud hanging over the landscape sends politicians scurrying for issues to divert the voters' attention from their own credibility problems, busing and school desegregation are sure-fire issues to seize upon and delude the electorate.

It is demagoguery at its worst. Not only is it immoral, it is further damaging to Black and brown children already handicapped by years of being disadvantaged.

It is an intolerable situation that calls for collective action. The member papers of the National Newspaper Publishers Association hereby go on record to say to the Congress of the United States, "Stop playing politics with our children's lives and their welfare."

Those who support such reactionary legislation as the Esch Amendment must be regarded as the enemies of Black and brown children and, indeed, of all children and America itself.

Their actions must be remembered at the polls in November, 1974. Respect for law is just as incumbent upon lawmakers as it is upon ordinary citizens.

MAY 7, 1974.

Mr. CLARENCE MITCHELL,  
Director, Washington Bureau, National Association for the Advancement of Colored People, Washington, D.C.

DEAR MR. MITCHELL: Once again you are involved in leading a fight to preserve the right to quality, integrated education which many of us believed was won for minority children twenty years ago with the historic decision of the United States Supreme Court in *Brown v. Board of Education* which declared segregated education unconstitutional and called for desegregation "with all deliberate speed."

In the twenty years since the *Brown* decision we as black people have come to realize that our constitutional rights, although permanently secured by the landmark civil rights decisions of the Supreme Court and the equally historic civil rights legislation passed by the Congress and signed by Presidents Eisenhower, Kennedy and Johnson, must be continually protected from the attacks of those who seek to undermine the Constitutional guarantees of equality of opportunity for all citizens.

Among the most persistent of these attacks in recent years has been the effort to stop the progress toward integrated education through attempts to prohibit the busing of school children for the purpose of integration. "Busing" has become one of the most emotion-filled issues in our nation as a result of the relentless manipulation of the fears of parents and the cynical misrepresentation of the amount, nature, and purpose of the busing that has been ordered by local jurisdictions and, in very few instances, the Federal courts, to achieve the racial integration of

de jure segregated schools in accordance with the Constitutional mandate.

The latest regressive legislative assault on busing—and on integration—is presently centered in the United States Senate where the proposed Gurney, Ervin, and Scott-Mansfield Amendments, to the Elementary and Secondary Act of 1974 threaten to eliminate or severely limit the use of busing as a tool for the achievement of integrated education. I and the other members of the Congressional Black Caucus oppose each and every one of these amendments and any other amendment that would prohibit the use of Federal funds for the transportation of students in connection with court ordered desegregation just as we have unanimously opposed such amendments, including the current Ashbrook amendment, in the House of Representatives.

I am disturbed that some of our friends in the House and Senate no longer find it possible to support our continued commitment to integrated education; I am distressed that this politically expedient position is being justified, in some instances, on the grounds that the Black community, and more specifically the Congressional Black Caucus, oppose busing as a means for the achievement of integrated education. I therefore, on the eve of the 20th anniversary of the *Brown* decision, take this opportunity to reaffirm our commitment to the providing of full and equal educational opportunity for all children and our unqualified opposition to legislative measures that would deny this equality of opportunity by preventing the desegregation required by *Brown*.

Sincerely,

CHARLES B. RANGEL,  
Member of Congress.

#### PROPOSED AMENDMENTS TO FEDERAL RULES OF CRIMINAL PROCEDURE

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. HUNGATE. Mr. Speaker, on May 2, 1974, I inserted in the CONGRESSIONAL RECORD the proposed amendments to the Rules of Criminal Procedure, which had been sent to the Congress by the Chief Justice of the United States on April 22, 1974. At that time I noted that the amendments would become effective on August 1, 1974, unless prior to that date the Congress acted to provide otherwise.

My purpose in publishing the proposed amendments was to advise the Members of the House of Representatives and the U.S. Senate of their existence and to encourage the Members of Congress to call them to the attention of those of their constituents who might be in a position to advise the Congress as to their desirability.

The House Committee on the Judiciary has circulated the proposed amendments to the State bar association of each of the 50 States and the District of Columbia, the Chief Judges of the U.S. District Courts and Courts of Appeals, the U.S. Department of Justice, the American Bar Association, the Federal Bar Association, and numerous other individuals and organizations in a position to be helpful to the Congress in performing its task of evaluating them.

Any other interested individuals or organizations wishing to examine the pro-

posed amendments and possibly comment on them to the committee is requested to communicate that desire addressed as follows: Congressman WILLIAM L. HUNGATE, chairman, Subcommittee on Criminal Justice, Committee of the Judiciary, room 2137 Rayburn House Office Building, Washington, D.C. 20515.

Since the proposed amendments become effective automatically on August 1 unless a statute is enacted providing otherwise with respect to all or any of them, it is essential that all comments be received as promptly as possible.

#### PANAMA CANAL: VITAL TO U.S. INTERESTS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. ASHBROOK. Mr. Speaker, opposition to giving the Panama Canal to Panama continues to mount. Nonetheless, the administration seems determined to continue its ill-advised attempts to abandon American sovereignty over the Canal Zone.

Secretary of State Kissinger has initialed a "Joint Statement of Principles" with Panamanian officials. Dr. James P. Lucier has analyzed these principles and discussed the importance of the canal for the United States. His article appears in the spring 1974 issue of *Strategic Review* and deserves the attention of all concerned about American national security and interests.

At this point, I include in the RECORD excerpts of Dr. Lucier's article:

PANAMA CANAL: FOCUS OF POWER POLITICS  
(By Dr. James P. Lucier)

On February 7, 1974, U.S. Secretary of State Henry A. Kissinger arrived in Panama City with a company of newsmen, State Department officials, and Members of Congress. He was there to "initial" a Joint Statement of Principles for negotiations on a new Panama Canal Treaty.

The Secretary offered more than the usual gesture of diplomatic optimism. . . . He spoke of the new canal arrangements in the context of worldwide international developments, and of the exercise of power by the United States—on United States territory—as though it were something less than proper.

#### THE PAST AS PROLOG

The program which Secretary Kissinger promised in Panama is not new. It is similar to the program drafted for President Lyndon Johnson when world power relationships were dramatically different and some spoke of the Panama Canal as though it were expendable. The passage of a tumultuous decade has proved the wisdom of those who insisted that the Panama Canal is essential to our nationhood . . .

The basic concepts of the Joint Statement of Principles were laid down almost a decade ago by President Johnson, following the Communist-inspired Panama riots of January 1964. What was then offered as a panicky response to a manipulated crisis is now presented as a permanent solution . . .

In the summer of 1973, Ambassador-at-Large Ellsworth Bunker was appointed as head of the U.S. negotiating team, supplanting Ambassador Robert B. Anderson. The Principles were negotiated by Ambassador Bunker during trips to Panama in December

1973, and January 1974. These dates are significant because Ambassador Bunker was simultaneously negotiating in Jerusalem the Middle East peace agreement and the re-opening of the Suez Canal. He accomplished both missions by commuting back and forth between Panama City and Jerusalem.

Ambassador Bunker was not unfamiliar with the Panama problem. As the U.S. representative to the Organization of American States in 1964, he played a major role in formulating and articulating U.S. policy *vis-a-vis* the Republic of Panama. It was in this forum that Panama brought charges of U.S. aggression during the 1964 riots. The charges were never substantiated, and Ambassador Bunker denied them forthrightly. But he also announced at the OAS meeting that the United States stood ready for reconsideration of all issues—may I repeat, all issues between the two countries—including those arising from the Canal and from the treaties relating to it. . . .<sup>1</sup> This was an open reference to the chief demand of Panama, the abrogation of United States sovereignty in the Zone.

By September 1964, President Johnson announced that formal negotiations were indeed to be opened, and that they were to be premised upon abrogation of the 1903 treaty. These negotiations, conducted by Ambassador Anderson, continued until September 24, 1965, when President Johnson issued a progress report which defined broad areas of agreement that had been reached.

In 1967, the Johnson Administration completed the drafts of three treaties, one transferring the administration of the Canal to an "international entity" bilaterally operated by the United States and the Republic of Panama; a second concerning defense; and a third laying down principles for construction of a new canal of so-called sea level design at an undetermined date. The drafts of these treaties were never signed. Two of them were published by the *Chicago Tribune*, and the third was read into the *Congressional Record* by U.S. Senator Strom Thurmond. The reaction in Congress, led by Thurmond and by Congressman Dan Flood of Pennsylvania, made it inexpedient to submit the drafts of the treaties to the Senate.

Meanwhile, the treaties also became involved in the Panamanian election campaigns of President Marco Robles and Arnulfo Arias. Arias won, but eleven days after his election, he was swept out of office by a military *junta* led by the present chief of state, General Omar Torrijos. This *coup* gave Panama its fifty-ninth government in seventy years.

These failures of the sixties brought no new approach for the seventies. . . . State Department policy adheres to the premise that a surrender of U.S. sovereignty in the Canal Zone is necessary to the improvement of relations with the Republic of Panama and with Latin America.

#### THE JOINT STATEMENT OF PRINCIPLES

The philosophy of the Joint Statement of Principles is suggested by these words of Secretary Kissinger at Panama City:

"Seventy years ago, when the Panama Canal was begun, strength and influence remained the foundation of world order.

"Today we live in a profoundly transformed environment. . . . Power has grown so monstrous that it defies calculation; the quest for justice has become universal. A stable world order cannot be imposed by power; it must derive from consensus. Mankind can achieve community only on the basis of shared aspirations.

"That is why the meeting today between representatives of the most powerful nation of the Western Hemisphere and one of the

smallest holds great significance. In the past, our negotiation would have been determined by relative strength. Today we have come together in an act of conciliation."

The unreality of this statement speaks for itself. The notion that power is unrelated to responsibility is contrary to the simple realities of life. The implication that an unequal relationship is incompatible with justice is difficult to understand. We have been more than fair to Panama, granting concessions not required by considerations of equity.

The ceremony in Panama City involved an official visit with the "initialing" of a "Joint Statement of Principles" for negotiations on a new Panama Canal Treaty. Such initiating ceremonies are usually reserved for the actual treaty draft. Here the Secretary gave the ritual trappings of a treaty to something which was not constitutionally a treaty, and which would not have to be sent to the Senate for advice and consent.

The formality with which the Principles were handled tends to pre-empt further negotiations on essential points. Once such points are conceded, the details of surrendering U.S. jurisdiction, to be worked out in the treaty, are unimportant. The design of this act is to commit the country to new relationships without congressional approval, then to offer a treaty for routine approval. The treaty, when and if it is achieved, will be a mere appendage to the Joint Statement of Principles.

The eight Principles of the Joint Statement are worth examining one by one:

1. The treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty.

Although the Statement of Principles does not mention sovereignty, it is indeed U.S. sovereignty over the Canal Zone which the proposed negotiations are designed to terminate. The Hay-Bunau-Varilla Treaty of 1903 is the instrument by which the Republic of Panama "grants to the United States all the rights, power and authority within the zone . . . which the United States would possess and exercise as if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority." The language of this treaty is *sui generis*. It establishes the United States as the lawful sovereign in every respect, to the entire exclusion of any exercise of sovereignty by Panama. Without this clause the Panama Canal would never have been built; and without it, the United States could not successfully maintain control of the Canal. The 1903 treaty has been amended twice by the treaties of 1936 and 1955, yet the sovereignty and perpetuity clauses have never been touched.

Panama's only interest in the Canal Zone is that of "titular sovereignty", a phrase which leaves Panama with the right of a residuary legatee, i.e., if the United States chose to withdraw from the Canal Zone, the territory would revert to Panama and not to some other country.

2. The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date.

The concept of perpetuity is a necessary concomitant of sovereignty and of the nature of the project for which sovereignty was acquired. The Spooner Act of 1902, which authorized negotiations with Colombia for the Canal route, mandated the President to obtain "perpetual control" of the necessary territory. The Hay-Herran Treaty of 1903, never ratified by Colombia, specified a concession of one hundred years, renewable at the sole discretion of the United States. When the internal operations of Colombian politics threatened to deprive the residents of Panama of the prospective canal—the Spooner Act also mandated the President to negotiate

with Nicaragua if the Colombian negotiations failed—the Panamanians revolted. The Hay-Bunau-Varilla treaty, with its perpetuity clause, was the inducement offered by the new Republic to prevent construction of the interoceanic canal in Nicaragua.

3. Termination of United States jurisdiction over Panamanian territory shall take place promptly in accordance with terms specified in the treaty.

At the present time, the United States has no jurisdiction over Panamanian territory and the Republic of Panama has no jurisdiction over U.S. territory. Responsibility is clearly delineated. The metes and bounds of the Canal Zone described by the Price-LeFevre Boundary Convention of 1914 define what is indisputably territory of the United States. Mistakenly referred to sometimes as a "lease", the territorial transfer was accomplished by "grant", a word which signifies the transfer of title in fee simple, a fact confirmed by the United States Supreme Court.<sup>2</sup> There is no more reason to give this territory to Panama than to give the Louisiana Purchase back to France, or Alaska back to the Soviet Union. The United States paid Panama \$10 million as "the price or compensation", plus \$250,000 annually, the latter representing the annual fee formerly paid to Colombia by the Panama Railroad (a privately owned venture, bought out by the United States).

In addition, private claims were extinguished by a U.S.-Panama Joint Commission which purchased the titles from the private owners at fair market value under eminent domain. In all, the United States has invested \$163.7 million in acquiring the Canal Zone, excluding construction and protection, making it the most expensive territorial purchase in United States history.<sup>3</sup> Including defense, the Panama Canal represents an investment of about \$6 billion.

<sup>2</sup> *Wilson v. Shaw*, 204 U.S. 24,907, at 132,33: "This new republic [Panama] has by treaty granted to the United States rights, territorial and otherwise . . . A treaty with it [Panama] ceding the Canal Zone, was duly ratified. . . . Congress has passed several acts based upon the title of the United States, among them one to provide a temporary government. . . . It is hypercritical to contend that the title of the United States is imperfect, and that the territory described does not belong to this nation, because of the omission of some of the technical terms used in ordinary conveyances of real estate."

<sup>3</sup> The major territorial acquisitions of the United States are as follows:

1803 Louisiana Purchase-----	\$15,000,000
1821 Florida Purchase-----	6,674,000
1848 Mexican Cession, including California-----	15,000,000
1853 Gadsden Purchase-----	10,000,000
1867 Alaska Purchase-----	7,200,000
1904 Canal Zone-----	163,718,571

The Canal Zone purchase breaks down as follows:

Republic of Panama:	
Original Payment, 1904 (1903 Treaty)-----	10,000,000
Annuity, 1913-73 (1903, 1936, 1955 Treaties)-----	49,300,000
Property transfers:	
Property in Panama City and Colon (1943)-----	11,759,956
Water system in Panama City and Colon-----	669,226
1955 Treaty transfers-----	22,260,500
Subtotal Panama-----	93,989,682
Colombia (1922)-----	25,000,000
Compagnie Nouvelle du Canal de Panama (1904)-----	40,000,000
Private titles, stocks and claims-----	4,728,889
Total-----	163,718,571

<sup>1</sup> Department of State Bulletin, February 24, 1964, p. 302.



4. The Panamanian territory in which the canal is situated shall be returned to the jurisdiction of the Republic of Panama. The Republic of Panama, in its capacity, as territorial sovereign, shall grant to the United States of America, for the duration of the new interoceanic canal treaty and in accordance with what that treaty states, the right to use the lands, waters, and airspace which may be necessary for the operation, maintenance, protection and defense of the canal and the transit of ships.

The Canal is not situated in Panamanian territory. It is situated in United States territory. If sovereignty were transferred to the Republic of Panama, the United States would become only a leaseholder, even though it had an agreement to operate, maintain, and defend the Canal. At best, the United States would be in a position analogous to that of a status-of-forces agreement, such as we have for military bases abroad. . . Such agreements are not very durable, no matter how strong our friendship with an ally seems to be.

As the recognized sovereign in the Canal Zone, the United States now has the unquestioned right to take any action it deems necessary to operate and defend the Canal. If the United States were merely the guest of a host country, the power of the sovereign to evict it from the Canal would invite international pressures to that end. . .

5. The Republic of Panama shall have a just and equitable share of the benefits derived from the operation of the canal and its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the Republic of Panama.

The Republic of Panama already enjoys a just and equitable share of the benefits derived from the operation of the Canal, even though it is operated in United States territory. The \$250,000 annual payment was raised to \$430,000 when the dollar went off the gold standard in the thirties. This sum is paid from tolls. In 1955, an additional \$1.5 million was added, paid from U.S. State Department contingency funds.

The United States, by contrast, does not take a penny from tolls. . .

But the benefits to Panama from tolls do not represent its chief benefits. Panama benefits also from the \$65.5 million payroll paid to Panamanian citizens, from the skills and business organization taught the employees of the Canal Company, and from the research projects on tropical diseases and sanitation that still continue. Panama is the highest *per capita* recipient of U.S. AID programs, and is preeminent among Latin American economies. In recent years it has become the international banking center of Latin America, with a total of fifty-eight banks in Panama City today. This economic development would suffer without the stability and security of the U.S. presence in the Zone.

6. The Republic of Panama shall participate in the administration of the canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibility for the operation of the canal upon the termination of the treaty. The Republic of Panama shall grant to the United States of America the rights necessary to regulate the transit of ships through the canal, to operate, maintain, protect and defend the canal, and to undertake any other specific activity related to those ends, as may be agreed upon in the treaty.

Divided administration is not conducive to harmony nor efficiency. It can be argued that the Canal has been run efficiently because the United States has had sole responsibility for administration. Although an increasing number of Panamanians are serving in administrative and executive positions throughout the Canal organization, they do so as individuals, and not as representatives of the Panamanian government. To subject

administrative decisions to the judgments of two powers could cause confusion or paralysis in Canal operations.

7. The Republic of Panama shall participate with the United States of America in the protection and defense of the canal in accordance with what is agreed upon in the new treaty.

The extent to which Panama can participate in the protection and defense of the Canal is unclear. If this participation is to be meaningful, the defense of the Canal would be subject to differences arising between the two countries. Previous proposals to share defense range from a cumbersome and inoperable mixed commission for emergency decisionmaking—proposed in the draft 1967 treaties—to Panama's more recent demands that no United States troops remain on the Isthmus for any purpose. Since the future course of Panamanian leadership or the influence of external powers cannot be foreseen, the United States could conceivably be put in the position of having to defend the Canal against a sovereign Panama or to withdraw.

8. The United States of America and the Republic of Panama, recognizing the important services rendered by the interoceanic Panama Canal to international maritime traffic, and bearing in mind the possibility that the present canal could become inadequate for said traffic, shall agree bilaterally on provisions for new projects which will enlarge canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in Principle 2.

The only viable proposal for expansion of canal capacity is the Terminal Lake-Third Locks Plan developed within the canal organization during World War II, estimated to cost \$1 billion. The plan itself has been endorsed by experienced canal experts, shipping interests, engineers, navigators, and ecological groups, and now lies before Congress.

The only alternative to receive serious consideration is the proposal for a sea level canal conventionally excavated in an area a few miles west of the present channel. This sea level canal, proposed in 1970 by the Atlantic-Pacific Interoceanic Canal Study Commission, carried a \$3 billion price tag and has never been seriously advanced because of the cost, the ecological hazards, and the uncertainty of the treaty negotiations. Moreover, it is doubtful that Congress would authorize construction and appropriate the necessary funds for a canal project with a fixed termination date.

#### STRATEGIC IMPLICATIONS

In the 1950s, debates raged over whether or not the Canal retained strategic importance. Naval strategy was then closely allied to giant carriers which were too large to pass through the locks. Defense planning was premised on a "two-ocean navy" which was not dependent on the canal as a vital link, but only as one of convenience. The lock canal was criticized by sea level canal advocates as vulnerable to nuclear attack; while advocates of lock canal modernization pointed out that a sea level canal was no less vulnerable because of its deeper cut through the mountains.

In 1964, the United States was unchallenged, at the height of its power. To some it may have seemed that the United States could thus make cheaply a magnanimous gesture. But for the more farsighted, the Canal retained a fundamental role in the destiny of the United States.

It is perhaps ironic that as U.S. diplomacy strives to open the Suez Canal to Soviet warships, in Panama it seeks to create the conditions which led to the closing at Suez. In consequence, the Soviet navy will be greatly increased in efficiency while the U.S. navy may well be faced with the barrier of an inoperative canal at Panama.

If the Panama Canal were to be closed, it

would profoundly affect the economies of the Western nations, including Japan. The effects would be more severe than those of the Suez closing because of the diversity of Panama cargoes. Suez traffic was chiefly in oil. Petroleum and petroleum products constitute the largest single category of cargoes through the Panama Canal, but they only account for 18.2 per cent of total cargo movement. Grains and soybeans account for 15.8 per cent; Coal and coke for 11.1 per cent; iron and steel manufactures, 7.7 per cent; nitrates, phosphates, and potash, 6.3 per cent; lumber, 5.7 per cent, and so on. The trade of the world goes through the Panama Canal.

While the percentage of Japan's trade through the Panama Canal is only 10.7 per cent, its loss could nevertheless be extremely disruptive. Japan's coal and coke shipped from Hampton Roads through the Canal is used to make steel, which in turn is used to build automobiles and ships which are then sent back through the Canal to East Coast and European ports.

Similarly, only 16.8 per cent of United States trade goes through the Canal. But a different picture emerges when statistics reveal that a constant average, down through the years, of about seventy per cent of all cargo through the Canal is bound either from or to a U.S. port. About 40 per cent originates in the U.S. and 28 per cent is destined to the U.S. When these cargoes are viewed in terms of specific markets—the coal industry in West Virginia, the grain belt in the Midwest, crude and residual oil for the Northeast—it becomes clear that dislocations in the U.S. economy could take place if the Canal were closed by accident or design.

As far as the Latin American countries are concerned, their trade dependency upon shipments through the Panama Canal is of great significance. For Chile, 34.3 per cent of her trade goes through the Canal; for Colombia, 32.5 per cent; for Costa Rica, 27.2 per cent; for Ecuador, 51.4 per cent; for El Salvador, 66.4 per cent; for Guatemala, 30.9 per cent; for Nicaragua, 76.8 per cent; for Peru, 41.3 per cent; for Venezuela, 7.4 per cent. Panama itself has 29.4 per cent of its trade go through the Canal. In some of these cases the tonnage involved is small when compared to overall tonnage through the Canal. But for the countries involved, any interference with that trade would seriously interfere with the standard of living of the people. All have a vital interest in the continued efficient and economical operation of the Canal.

Suddenly, an era of scarcity has dramatically altered patterns of international trade. When the Soviets unexpectedly purchased vast amounts of U.S. grain, the railroads could not find enough cars to move the grain to ports. When the Organization of Petroleum Exporting Countries (OPEC) applied the oil embargo to supporters of Israeli policy, and boosted prices worldwide, the economics of oil production and shipment changed. All at once it becomes desirable, even urgent, to have a modern, larger Isthmian canal that can take 80,000 ton LNG ships and medium-sized tankers to supply the East Coast from Valdez and Irkutsk. The Alaskan North Slope will have a far greater production than can be absorbed by refineries on the West Coast for several years; and if it cannot be shipped to refineries on the East Coast and Puerto Rico, that surplus will go to Japan and other foreign customers.

Thus, a new "strategic" significance develops when the new realities of the 1970s are considered. International trade becomes critical to the survival of a nation. A huge capacity for food production—and the capacity to ship it anywhere at will—becomes a major instrument of foreign policy and a powerful lever for asserting national interests.

"Strategic" in the narrower military

sense involves the rapid deployment of the fleets; and with pared-down military budgets, the effectiveness of warships is diminished when they are stretched out around Cape Horn. The modern Navy emphasizes smaller ships, greater speed, nuclear power, and independent missile capability. During the Vietnam war, use of the Canal by U.S. warships increased sharply. In 1965, 284 U.S. government vessels made the transit, a normal amount. But in 1966, it was 591; in 1967, 879; in 1968, 1,504; in 1969, 1,376; in 1970, 1,068; in 1971, back to 503. Setting aside the possibility of all-out nuclear war, in which the Canal may not be a decisive factor, the Panama Canal will continue to play a major role both tactically and strategically, as our Navy keeps the sea lanes open.

But all of this assumes that the United States has the Panama Canal under its control. Despite "guarantees" that are to be written into the proposed treaty, the United States is in Joint Statement agreed in principle to an arrangement whereby our control rests not on our sovereignty, but on treaty—a treaty that could be abrogated at any time by Panama in assertion of her sovereignty. While, logically, it would appear at the present time to be counter to Panama's interests to expel the United States, the pattern of revolutionary turmoil in Panama gives scant prospect that a Panamanian government, now or in the future, would be resistant to pressures to terminate the U.S. lease on the Canal.

#### CLAIMED BENEFITS

We are asked to believe that the transfer of U.S. sovereignty in the Canal Zone to the Republic of Panama would remove a cause of friction and open the door to improved relations with our sister republics.

These hopes seem ill-conceived. A surrender of U.S. sovereignty would spell a great victory for the Marxist-Leninist revolutionary cadres which have in the past incited mobs to violence. Far from being appeased, they would be encouraged to intensify revolutionary efforts to achieve their ultimate goal of forcing total U.S. withdrawal from the Canal operation. With the Government of Panama holding sovereign power to denounce the treaties and expel the United States, these elements would for the first time have the attainment of their goal within reach. It is not to be expected that their zeal would diminish in the face of such a prospect.

The United States has dallied too long over futile hopes of accommodating ideological hostility. We can have the respect of our neighbors only when we show a proper regard for our own rights and interests and a steadfastness in providing the service to world commerce which we have undertaken in Panama.

As our Latin neighbors are governed by reasonable men, it does not impose too heavy a burden on United States diplomacy to ask that it sustain the reasonable premise that U.S. sovereignty in the Canal Zone is essential to the continuing operation of the Canal. The interests of all our neighbors, including Panama, and of more distant countries are thereby best served.

Secretary of State Charles Evans Hughes had this in mind when on December 15, 1923 the Panamanian Ambassador raised the issue of sovereignty. The Secretary informed the Ambassador that, "Our country would never recede from the position which it had taken in the note of Secretary Hay in 1904. This Government could not, and would not, enter into any discussion affecting its full right to deal with the Canal Zone and to the exclusion of any sovereign rights or authority on the part of Panama. . . . It was an absolute futility for the Panamanian Government to expect any American administration, no matter what it was, any President or any Secretary of State, ever to surrender any part of these rights which the United

States had acquired under the Treaty of 1903."<sup>4</sup>

Secretary of State Hughes recognized that the acquired U.S. sovereignty was essential to operation of the Canal and must endure as long as the Canal endures. His policy is the right policy today, as it was then.

The United States came to this strategic part of the world not for gold or conquest, as the conquistadores had come before them. The United States came only to do a job where others had failed. The French had tried to build another Suez with little understanding that the problem was entirely different. They left behind a record of bankruptcy and failure. The United States, with the vigor of a rising young nation that had just finished spanning its twin coasts with railroad track, had the vision and the genius to put together the diplomatic, engineering, financial, and organizational resources necessary to overcome all obstacles.

In short, the United States has made the Panama Canal, with its protective frame of the Canal Zone, a symbol of its achievement. It is part of the great heritage of our nation. It is representative of the "can-do" psychology that sustains our national consciousness and underpins the national morale. It is a lifeline of trade and of national security.

If we hand over this territory in response to unreasonable demands at Panama and the clamor of our Marxist enemies, we will pass a watershed in our history. One more turning point will mark the decline of a great nation.

H.R. 11013

### HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1974

Mr. BURTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

#### HOUSE RESOLUTION NO. 101

Relative to changing the boundaries of the Point Reyes National Seashore to include certain lands on Inverness Ridge within the national seashore.

Whereas, Inverness Ridge in the County of Marin, California, adjacent to the Point Reyes National Seashore, forms a natural backdrop to the national seashore; and

Whereas, Certain lands on Inverness Ridge were inadvertently left in private hands when the national seashore was established, and such lands are now threatened by plans for private development; and

Whereas, Development of these lands would spoil the tranquil setting of the national seashore and gravely impair its scenic qualities; and

Whereas, It is vital that the obvious oversight in congressional intent in the inadvertent exclusion of such lands be corrected as soon as possible in order to protect the visual integrity of Inverness Ridge, and this can be accomplished by effecting a change in the boundaries of the national seashore so as to include these lands; and

Whereas, A majority of the property owners affected have indicated a willingness to sell to the federal government; and

Whereas, The proposed boundary change is supported by conservation groups, the Marin County Planning Commission, and the Marin County Board of Supervisors; and

Whereas, The proposed boundary change would be compatible with, and complement the efforts of, the State of California to ac-

<sup>4</sup> Foreign Relations, 1923, Vol. III, p. 684.

quire nearby land on Inverness Ridge for the protection of the same visual integrity; now, therefore, be it

*Resolved by the Assembly of the State of California*, That the Members memorialize the President to support, and the Congress of the United States to enact, such legislation as is needed to change the boundaries of the Point Reyes National Seashore to include within it the last remaining undeveloped parcel on Inverness Ridge overlooking the national seashore; and be it further

*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

#### SENATOR HUMPHREY: CUTTING TAXES

### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. FRASER. Mr. Speaker, Senator HUMPHREY presented a strong case for a selective tax cut in an article published in the Washington Post of May 14. He emphasizes that low- and middle-income taxpayers ought to be the primary beneficiaries of any tax cut and that the tax cut ought to be coupled with tax reform.

I recommend this article to my colleagues, not only for the excellent arguments in favor of a tax cut, but also for Senator HUMPHREY's insight into our current economic woes.

The article follows:

#### CUTTING TAXES

(By HUBERT H. HUMPHREY)

In recent days there has been considerable criticism, including an editorial in The Washington Post, of the proposal that we cut income taxes for low and moderate income consumers. I have proposed this course of action, as have others, as a means of buttressing consumer purchasing power and in that way fighting the recession that is already upon us. I believe the arguments against a tax cut are based on a serious misreading of a current economic situation.

In the first place, the federal budget presently provides no real stimulus to the economy. As Mr. Nixon correctly said in his budget message, "the recommended budget totals continue (the) policy of fiscal restraint as part of a continuing anti-inflation program." To be more precise, the unified budget is becoming more restrictive, rising from a full employment surplus of \$4 billion in fiscal 1974 to an \$8 billion surplus in fiscal 1975. This means the \$6 billion dollar tax cut now being discussed would lower the full employment budget surplus for fiscal 1975 to about the level of restraint in last year's budget. Even without any revenue gaining measures, a \$6 billion tax cut would not push the budget into an expansionary position.

In addition to misreading the current fiscal position of the federal budget, several critics of a tax cut have not looked at the fine print of the proposals. The proposal I prefer, and intend to fight for, is a tax cut coupled with revenue-gaining tax reform along the lines recommended by the Joint Economic Committee earlier this year. This would mean a tax cut for low and moderate income consumers, largely offset by a package of tax reform focusing on percentage depletion, intangible drilling expenses, foreign tax preferences, and a strengthening of the



minimum income tax. With major oil companies reporting first quarter profits increases as high as 123 per cent, while the real spendable earnings of consumers declined 3 per cent during the same quarter, tax reform is essential to restoring consumer confidence in the fundamental fairness of our economic system.

Second, those who oppose a tax cut usually misunderstand the nature of the present inflation. Rather than being the result of excessive federal stimulus, the pressure on prices has come from other sources. The inflation of 1973 was primarily the result of food and fuel supply problems that had their origin in specific policy errors and market disruption. A secondary source of inflation was the world-wide boom in commodity prices. These previous price increases are this year working their way through the production cycle as well as stimulating a sharp rise in labor costs. And inflation this year will get a further jolt as business and labor seek to get "ahead" of inflation after all formal controls have ended on April 30.

In other words, inflation in 1974 has a life of its own outside of the conventional macroeconomic framework. It is now nourished by a variety of cost factors that unfortunately were injected into the system last year, and which now lie beyond the impact and grasp of ordinary fiscal policy.

I would take this point even further, arguing that those who believe that the current inflation is the result of excessive fiscal stimulus, or that it can be dealt with by conventional policies of aggregate restraint, do real harm to the formulation of an effective anti-inflationary policy.

While I don't pretend to have a neat package of solutions to the problem of inflation, it is obvious to me that we need to develop new techniques in this battle to complement our present economic tools. It is my judgment that the federal government must establish a permanent institution to focus on the problem of inflation. In addition to developing an information system that identifies price problems before they become crises, such an institution should have the power to hold hearings, postpone public and private decisions that could seriously undermine price stability, make recommendations to the Executive and Congress to improve price stability, and have limited power to impose legal sanctions.

Just as they have misread the nature of the current inflation, many of those who oppose a tax cut also fail to read the unmistakable signs of the serious recession that is upon us. The huge drop in real GNP in the first quarter is, after all, the worst decline in economic output since 1958, and much worse than the administration's February forecast that the economy would probably only decline a little in the first quarter. More important, the recent statistics do not reveal any sectors of the economy with sufficient strength to bring about recovery.

Consumption spending has been weak for the last six months and cannot be expected to deal any recovery. In the first quarter, real per capita disposable income fell at a 7 per cent annual rate, only the sixth decline that has occurred in the last 20 years, and the sharpest fall since 1949.

Residential construction expenditures in the first quarter dropped 8 per cent and have fallen 16 per cent in the last six months. Housing starts in the first quarter were 34 per cent below year earlier levels. In view of the recent sharp rise in interest rates, and the incredible announcement by Federal Reserve Board Chairman, Arthur Burns, that money will stay tight no matter what it does to housing, there is presently no hope that homebuilding will experience the turn-around forecast by the administration earlier this year.

Business spending on plant and equip-

ment, which has always been offered as the backbone of a recovery in the second half of 1974, only increased at a 7 per cent annual rate in the first quarter. This is considerably below the 11 per cent annual rate of increase in the previous quarter and below the expectations for capital expansion this year.

Finally, net exports declined \$3.3 billion in the first quarter of this year, compared to an increase of \$5.2 billion in the fourth quarter.

Because the current inflation is not significantly due to excessive budget stimulus, and because the recession is upon us with no signs of recovery, it seems to me that the case for a tax cut is made. This conclusion is not reached, as some commentators have inferred, because I regard unemployment as more serious than inflation. On the contrary, I regard both inflation and unemployment as harmful to the economic and social fabric. But it is my belief that a modest tax cut, coupled with tax reform, will not increase inflation but will express itself in higher output, jobs, and income.

### PATRIOTISM—AN HONORED SOLDIER'S VIEW

**HON. J. KENNETH ROBINSON**  
OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 14, 1974*

Mr. ROBINSON of Virginia. Mr. Speaker, I am privileged to have as a constituent, residing in Fluvanna, Va., Gen. Bruce C. Clarke, U.S. Army (retired), but I have to acknowledge that I share him with my distinguished Virginia colleague (Mr. BROYHILL), in that General Clarke also has maintained a residence in Arlington, Va., for a number of years.

Last year, in the New Age magazine—issue of March 1973—General Clarke's concise and effective statement on patriotism was published and, under leave to extend my remarks in the Appendix, I include it now as follows:

#### PATRIOTISM

(By Gen. Bruce C. Clarke)

Patriotism is devotion to one's country. These few simple words are easy to memorize but many do not fully understand all they entail. Let's consider the essentials:

A patriot is one who acquires an understanding knowledge of his country's history. He understands his country's Constitution and the philosophy behind it.

He approaches the solution to his country's problems on a long-term basis.

He supports the official policies and laws of his country. When he considers that there should be changes, he helps bring them about through established methods and procedures.

He supports education, social justice, charities and benevolences, religion, youth and community activities.

He considers the payment of just and necessary taxes to be an investment in his country and its future.

He takes an interest in good and efficient government on all levels.

He scrutinizes candidates for all public offices and the issues involved, and votes what he believes will be the best for his country.

He projects an industrious, ethical and moral image in the handling of all situations.

He radiates an enthusiastic and positive approach toward his country.

If one follows these few requirements well, he will be an outstanding patriot. Many will honor him as a true statesman.

This statement won recognition, this year, from the Freedoms Foundation at Valley Forge, Pa., with the award to General Clarke of the George Washington Honor Medal, and I also include, herewith an excerpt from the Jefferson County Journal of Adams, N.Y.—issue of April 3, 1974—reporting this recognition of a native of Adams which, of course, requires me to share General Clarke, also, with my distinguished New York colleague (Mr. McEWEEN):

#### GENERAL CLARKE TO BE CITED BY FREEDOMS FOUNDATION

General Bruce C. Clarke, a native of Adams, who has commanded more soldiers of different nations as their field commander than any other U.S. Army officer, will receive the George Washington Honor Medal awarded by Freedoms Foundation, Valley Forge, Pa., for an article entitled "Patriotism" published in 1973.

The foundation said of the article, "An outstanding accomplishment in helping to achieve a better understanding of America and Americans."

In the article Gen. Clarke wrote—"a patriot is one who acquires an understanding knowledge of his country's history."

"He understands his country's Constitution and the philosophy behind it. He approaches the solution to his country's problems on a long-term basis. He supports the official policies and laws of his country. When he considers that there should be changes, he helps bring them about through established methods and procedures."

"He supports education, social justice, charities and benevolences, religion, youth and community activities. He considers payment of just and necessary taxes to be an investment in his country and its future."

"He takes an interest in good and efficient government on all levels. He scrutinizes candidates for all public officials and the issues involved, and votes what he believes will be best for the country."

"He projects an industrious, ethical and moral image in the handling of all situations."

"He radiates an enthusiastic and positive approach toward his country."

"If one follows these few requirements well, he will be an outstanding patriot. Many will honor him as a true statesman."

### MAKE IRS AN INDEPENDENT COMMISSION

**HON. ROBERT O. TIERNAN**

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, May 14, 1974*

Mr. TIERNAN. Mr. Speaker, today I am introducing a bill along with Mr. REUSS to make the IRS an independent Commission. This bill contains several changes from my previous proposal, designed to help improve administration of our tax laws.

Political interference in the administering of our tax laws has been common. In a survey of the people of Nixon's "enemy list," 28 percent of those responding reported tax audits. This is a far higher percentage than the national average for similar time periods and income brackets.

Another attempt by the party in power to use the tax laws to further political

aims was before the courts yesterday. In 1972, at the request of White House officials for chief Nixon fund raiser, Maurice H. Stans, the IRS issued a very controversial ruling. It permitted big political donors to avoid paying gift taxes on campaign contributions by channeling the money through multiple fund-raising committees. Donors got around the \$3,000 general exemption for gifts and made it easier to raise funds for political campaigns. Yesterday, Judge June Green of the U.S. District Court in the District of Columbia overruled this controversial ruling. But the judge's decision is not retroactive. Thus, the political interference with the administering of our tax laws was again successful.

We must not let this occur any longer. We must act immediately to assure integrity in the administering of our tax laws by establishing an independent IRS commission.

#### DEMOCRATS MUST INVENT BETTER WAYS TO GOVERN

#### HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. BOLLING. Mr. Speaker, the article which follows appeared in the Washington Star-News of Sunday, May 12, 1974. John Stewart's analysis of the current political situation and its challenge to the Democratic Party are provocative and important. Those Democrats who believe that their party's success in 1974 and 1976 is already assured better take another look at reality:

#### DEMOCRATS MUST INVENT BETTER WAYS TO GOVERN

(By John G. Stewart)

("What the Democrats must devise is a governing ideology that puts into actual practice much of the Republican rhetoric about strengthening state and local governments, without abandoning the commitment of using federal resources to the fullest.")

After years of languishing in the political backwoods, Democratic governors and mayors once again have emerged as significant factors in the party's quest to recapture the White House in 1976. This development, moreover, offers a solid clue as to what generally will constitute winning Democratic politics for the balance of the 1970s.

This does not necessarily mean that a governor will win the next Democratic presidential nomination (although the odds on this have improved). But it does suggest that governors and mayors are the most reliable sources of the political insight and governing experience that the next Democratic candidate will need to win the nomination and general election.

For the past generation, it has been almost a truism that only politicians operating near the country's major centers of mass communication—New York, Washington, and California—had a realistic chance of acquiring the stature and influence that are prerequisites to national party leadership. This bit of conventional wisdom arose from the habit of equating national party leadership with a politician's standing in the presidential sweepstakes. If an elected public official was deemed not to be a presidential contender (a category reserved for politicians who could appear regularly on network news shows), his potential for influencing the

national party was assumed to be nil. And this was generally the case.

It also was agreed that the political power that mattered most was to be found in Washington, home of the money, expertise, and muscle associated with the federal government. States, cities, and counties were governing units to be alternatively bludgeoned and patronized by the heavy rollers from the nation's capital.

These patterns have now changed in several important respects. Even though this shift has been overshadowed by the preoccupation of the national news media with the impeachment inquiry and the labors of the special prosecutor, the most sensible and far-sighted thinking about the future of the Democratic party is coming largely from the hinterlands instead of Capitol Hill. This development—an interesting although irrelevant fact unless linked in some manner to new sources of political leverage—must also be viewed from the perspective of the role that governors and mayors are likely to play in nominating the Democratic presidential candidate in 1976.

Voters today are looking for political leadership with the guts and common sense to restore some purpose and direction to our national life. This process is heavily dependent upon fashioning workable solutions to problems encountered in day-to-day living. Several curious paradoxes in the public attitude illustrate why this is so:

Despite considerable popular cynicism toward government and politics, there remains a solid base of support for the country's constitutional and political system, a popular faith in the ability of government to function effectively and a belief that first-rate people can still be brought into government. For example: a recent survey of public attitudes conducted by Louis Harris and Associates for the Senate Subcommittee on Intergovernmental Relations discovered that fully 90 percent of Americans believe that government can work "effectively and well."

Although most Americans remain staunchly conservative on such general ideological questions as "government spending" and the individual work ethic, they strongly support increased government spending when it is tied to specific operational problems of real consequence to everyday living, such as health care, aid to the elderly, education, and housing.

Most Americans also subscribe to the conservative ideology condemning "big government" in favor of "returning power to the people," but they simultaneously recognize that the federal government must take the lead in solving such problems as poverty, health care, pollution, and consumer protection.

Even those Americans who were most opposed to the government's civil rights efforts of the 1960s largely support the proposition that the only way to solve the problems of blacks and other minorities is for the federal government to make an all-out effort by spending much more money on domestic problems affecting all Americans, such as health, education, housing, and improving things in our cities.

These are not the feelings of an electorate that has turned its back on the role that government, even the federal government, must play in dealing with the country's more critical social and economic problems. But these attitudes do reveal clearly the absolute importance of the federal government producing visible, understandable and effective results on the community level. This, in turn, requires far more flexible and imaginative use of federal power in equipping sub-national units of government to do the job. And it is here where the knowledge and experience of governors, mayors and other local officials are desperately needed if answers are to be found.

These circumstances bear directly on the

Democratic party's future. The electorate's anger toward Republican candidates—as revealed in the recent special elections for the House of Representatives—arises from two sources: outrage over what is seen as Nixon's perversion of the presidential office, and the Nixon administration's failure to meet the people's legitimate expectations as to what constitutes competent and responsive government. There is little evidence that the voters are making an affirmative choice on behalf of the Democratic candidates, or the party itself.

The longer-run pitfalls for the Democratic party are obvious (at least to most governors and mayors); the electorate's antagonism toward the GOP can rebound as soon as Nixon vacates the presidency (by whatever route) or is exonerated by Congress unless Democrats are seen as coming to grips with sources of popular discontent unrelated to Watergate.

This popular reaction, moreover, is likely to be intensified by three other factors: (1) the hefty Democratic majorities in Congress that are forecast for the November elections, (2) guilt feelings millions of Republicans and conservative Independents may experience for voting or thinking Democratic in protest against Nixon's presidential conduct, and (3) the good feelings likely to abound for Gerald Ford if he assumes the presidency prior to 1976 or if he becomes the GOP's nominee. At this writing the Democrats have no one who can match Ford's appeal in terms of perceived integrity and low-key respectability.

In any event, the Democrats will be running a grave risk if they assume that the White House can be captured by outdrawing Ford on the basis of personal popularity. Their chance for victory in 1976 depends on making the most of an unexpected, perhaps even undeserved, opportunity to seize the political and governing initiative in ways that can survive the ultimate disposition of Richard Nixon's presidency. Since governors and mayors live with the political and governing pressures that preceded and that will survive the drama of Watergate, they have been articulating this position at every opportunity, such as the recent conference of Democratic governors in Chicago.

Figuring out better ways of applying the federal government's leverage in achieving everything from better health care to safer streets is at the core of the Democratic opportunity. Despite more real progress than critics are willing to recognize, the Great Society became muscle-bound and overextended by the late 1960s. The Nixon administration's ballyhooed shift to general and special revenue sharing, including the consolidation of certain categorical programs into bloc grants, turned out to be little more than a fiscal shell game, with the states and cities unable to find the pea, no matter how diligent their search.

That the Democrats must devise a governing ideology that puts into actual practice much of the Republican rhetoric about strengthening state and local governments, without abandoning the commitment of using federal resources to the fullest. It must be an ideology grounded in neither the outworn precepts of the New Deal nor the counterculture of the New Politics. It will require designing a new generation of political institutions that can insure the responsive application of governmental power at all levels of American society. It will call for using the federal government's power in flexible and often indirect ways.

Some examples: The federal tax code can be used more effectively to foster social and economic objectives. Mixing monetary rewards and sanctions to encourage greater attention by state and local governments to the needs of individual citizens is another approach. Ways must be explored of preserving the uniqueness of neighborhoods, of



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strengthening family ties, and of bringing the worlds of work and home more closely together. Revenue sharing must be given a fair trial by a national administration not seeking to use it as a cover for eliminating the federal role in a host of domestic areas, such as housing and community development.

This evolution in the role and posture of the federal government cannot go forward without the direct involvement of governors and mayors in setting the priorities of Congress and in helping write the necessary legislation. Through the good offices of Democratic National Chairman Robert Strauss, Democratic governors and mayors have been invited to meet with Speaker Albert and Senate Majority Leader Mansfield. But sporadic consultation will not effectively tap the wealth of governing experience that is to be found outside of Washington.

One additional factor is likely to force greater appreciation by congressional Democrats, at least those with presidential ambitions, of the new importance acquired by their non-Washington brethren. The emerging organization of Democratic governors and mayors into tightly-knit caucuses—equipped with competent staffs at the Democratic National Committee headquarters—and the critical role governors and mayors are likely to assume in the scramble for presidential delegates on the basis of proportional representation, will open doors on Capitol Hill that have been closed for decades.

Those Democrats in Congress who go out of their way to listen and help Democratic governors and mayors with their governing problems can expect a more cordial reception in the search for delegates than those Democrats in Congress who don't. It is worth noting in this regard that fully 25 percent of each state's delegation can be appointed in 1976—a provision that was specifically added to increase the representation of elected officials at the next Democratic National Convention.

For lack of a better term, this broad-scale opportunity now open to the Democrats can be labeled the "Governing Issue." The party's post-1974 prospects will be determined largely by the degree to which this issue is recognized, developed, and brought forcefully to the people prior to the 1976 presidential campaign. And governors and mayors hold the key to unlocking this treasure chest of political riches.

(John G. Stewart was legislative aide to Senator and Vice President Hubert Humphrey, and later communications director for the Democratic National Committee. He also has been a university lecturer in political science.)

(This article is derived by the author from his book, *One Last Chance: The Democratic Party, 1974-76*, published this month by Praeger.)

## RAPS IMPEACHMENT VOTE PUSH

**HON. ROBERT P. HANRAHAN**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1974

Mr. HANRAHAN. Mr. Speaker, with all the pro and con opinions on impeachment, I found this article which appeared in the *Homewood-Flossmoor Star* rather interesting. I would like to insert this for the interest of my colleagues:

RAPS IMPEACHMENT VOTE PUSH  
(By Frank van der Linden)

WASHINGTON.—Attorney General William B. Saxbe still considers President Nixon in-

nocent in the Watergate case, and objects to congressmen soliciting votes for Nixon's impeachment.

"It's not a very judicial pose, is it?" Saxbe commented upon reading a letter, signed by Minnesota Congressman Donald M. Fraser, as national chairman of Americans for Democratic Action, and appealing for money to continue "a massive education campaign" for impeachment.

"The impeachment of Richard Nixon is not yet certain," the Minneapolis Democrat wrote. "The impeachment vote in the House will be extraordinarily difficult for most House members. Write! Tell your congressman how you feel and why."

"Send ADA money. As much as you can, and as quickly as you can." The money will be spent, Fraser said, to pay for mailing anti-Nixon leaflets—half a million of which have already been sent out by ADA—and running "a grass-roots phone bank" to stir up pro-impeachment feeling among the people.

Fraser and other House members should vote for or against impeachment on the evidence produced by the Judiciary committee, rather than lobbying for either side, Saxbe said in an exclusive interview.

"It's kind of discouraging to me to see nationally chartered organizations that are lobbying for impeachment. I think it would be inappropriate also for organizations to be lobbying against impeachment."

Last November, when the President named him attorney general, the maverick Ohio Republican senator said: "Hell! I couldn't take this position unless I was clear in my mind that Nixon was innocent in the Watergate case."

Saxbe concluded Nixon was "clean" after the President disavowed any connection with the Watergate break-in and the cover-up in two and a half hours of candid conversation.

Today, despite the criminal indictments of several former presidential aides, and White House delays in releasing several tape recordings to the Judiciary committee and to Special Prosecutor Leon Jaworski, the attorney general sees no reason to change his own mind about the President's innocence. If he had any such reason, he'd quit the cabinet.

Should the House vote for articles of impeachment, Saxbe won't be the President's lawyer for the ensuing Senate trial.

"I would have to resign, and I have no intention of doing that," he said.

The President's health is good, despite the pressure for his ouster, the attorney general said. "I'm sure it's a terrific strain on him, but he seems to be able to take it. He's a tough guy."

Nixon won't defy the subpoenas for the tapes and documents, Saxbe predicted, adding: "Every confrontation seems to fade away, and I hope it continues that way."

Saxbe disclosed that he has received about half a dozen assassination threats this year, mostly from "irrational" persons writing letters and post cards. The FBI, which has checked out all the threats, is guarding the attorney general and his wife.

Saxbe expressed alarm over the rise of gangs "planning the overthrow of the government today . . . everything from the Symbionese Army to various terrorist groups. The frightening part of it is that more and more people think that violence is the way to solve their problems," he said.

The attorney general also complained that some "social organizations" advocating easier treatment of criminals "refuse to acknowledge that there are a lot of mean bastards who are anti-social and you have to lock them up to protect society."

A hardened criminal can't be turned into an automobile mechanic, he said. "He likes the idea that when he's got a gun he's king of the hill, he can make people do what he wants them to do. He likes that power and he likes to prey on society."

SIDNEY KORETZ VISITED  
JERUSALEM

**HON. JOEL T. BROYHILL**

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, at the request of Mr. Sidney Koretz, and under leave to extend my remarks, I would like to insert the following articles read by Mr. Koretz while in Jerusalem, into the CONGRESSIONAL RECORD, as well as his personal comments:

[From the *Detroit Jewish News*, Mar. 29, 1974]

## SYRIAN CLAIM TO PALESTINE DEFINED

Editor, the *Detroit Jewish News*:

Secretary of State Henry Kissinger announces as if he only just discovered it that Syrians consider Jerusalem and even Tel Aviv as Arab land.

But more than that, when Syrian President Hafez Assad reminds Israel Premier Golda Meir "that Palestine is not only part of the Arab homeland, but also a basic part of South Syria," he is reminding King Hussein and the Palestinians of this also. The Syrian claim is superior to all other Arab claims.

After the last Jewish king Herod died, his son Archelaus, was considered incompetent, after a 10-year probationary period, to take his place by the Roman Emperor Augustus.

Judaea and Samaria were declared to be part of the Roman province of Syria, and a second-class Roman official called a procurator was appointed to be the ruler, of the land of David and Solomon. The Jews would not take this lying down and history records the ensuing events.

The Jewish Temple was destroyed in 70 AD and the names of Judaea and Jerusalem wiped off the world map in 135 AD by the emperor Hadrian. The Jewish connection was erased in favor of the Philistines and to effect this the country was called Syria Palestina (Latin for Philistine Syria).

As a separate political entity, the Syrian president wishes to remind the other Arabs "Palestine" was created by the League of Nations to provide a national home for the Jews. If the legitimacy of this action is not conceded, who but Syria can be considered the rightful sovereign? The testimony of the Roman Emperors Augustus and Hadrian is on the side of Syria in contrast to the claims of the other Arab states.

SIDNEY KORETZ.

JERUSALEM.

[From the *Washington Jewish Week*,  
Apr. 4-10, 1974]

## A REMINDER TO KING HUSSEIN

(By Sidney Koretz)

Syrian President Hafez Assad said: "When the Israeli Premier decides that the Golan is a part of Israel, we consider it useful to remind her that Palestine is not only part of the Arab homeland, but is also a basic part of Southern Syria." This is also a reminder to King Hussein and the Palestinians.

Based on Roman Law, Syria's claim can indeed be considered superior, for the following reason: When Herod, the last Jewish King, died, the Roman emperor Augustus prevented Herod's son from succeeding to the throne by declaring Judaea and Samaria part of the Roman province of Syria. Later, after the Bar Kokhba revolt, the country was named 'Syria Palestine', i.e., Philistine Syria, not in order to upgrade the rights of the Palestinians, but to downgrade the Jewish connection. In 1922, the League of Nations created a separate Palestine for

the purpose of restoring the Jewish connection. But if this is not conceded, then Palestine is indeed a part of Syria.

MAY 5, 1974.

HON. JOEL T. BROYHILL,  
U.S. Congress,  
Washington, D.C.

DEAR REPRESENTATIVE BROYHILL: While in Israel, I saw a couple of articles in the Jerusalem Post ("Assad: State of War till Aims Achieved," 10 March and "Kissinger Explains Why Syria Cannot Draw the Line," 13 March) with information about Syria's intransigence which our newspapers have failed to report. I send you copies, and my comment written in Jerusalem, to throw light on the Syrian attitude of which few Americans are aware. Not many are aware of the full extent of the obstacles facing our Secretary of State's efforts to bring some disengagement on the Israel-Syria battlefield.

Last Sunday, on the "Issues and Answers" TV program, Egyptian President Anwar el-Sadat said that "the last word" was with Syrian President Hafez el-Assad but that he had great confidence in Secretary Kissinger's magical powers. My Jerusalem comment, shown here, may go too far in suggesting that our Secretary of State "only just discovered it that Syrians consider Jerusalem, and even Tel Aviv, as Arab land" and "a basic part of South Syria." But I cannot understand why he should want to keep it a secret from the American people. According to one of the articles, with a Washington date line, the Syrians can draw no line anywhere since they consider that in itself a recognition of Israel whose mere existence is anathema to them. The impression was given that the State Department wanted to retract this.

I suggest that you bring these articles and my comment, mostly historical, to the attention of your Congressional colleagues. They will then better understand Secretary Kissinger's tremendous achievement if he is able to pull off a disengagement in the fighting between Israel and Syria. If he fails to achieve very much, they will have a greater appreciation of the obstacles he faced.

Yours sincerely,

SIDNEY KORETZ.

[From the Jerusalem Post, Mar. 10, 1974]

ASSAD: STATE OF WAR TILL AIMS ACHIEVED  
(By Anan Safadi)

Syrian President Hafez Assad has pledged to continue the state of war until Israel withdraws to the pre-1967 frontiers and the "full rights" of the Palestinians are restored.

Speaking in Damascus on Friday on the 11th anniversary of the Ba'th party takeover of the government in Syria, Assad said that the conflict had become a political struggle since the end of the October war, but that did not mean relating the country's military alertness.

"The war with Israel has not ended, and will not as far as Syria is concerned, unless all Arab territory is liberated and unless the Palestinian people regain their full rights."

At one stage the Syrian President put aside his prepared speech to refer to a reported statement by Premier Golda Meir that she considered the Golan Heights as part of Israel, Assad said: "When the Israel Premier decides that the Golan is part of Israel, we consider it useful to remind her that Palestine is not only part of the Arab homeland but also a basic part of south Syria."

"We consider it our right and our duty to insist that Palestine should remain a free part of our Arab homeland and of our Arab Syrian country."

Assad made no direct mention of his recent contacts with the U.S. and the Soviet Union over the issue of Syrian military disengagement with Israel. However, he told the cheering crowd at the sports stadium at the Damascus University that the Syrian Gov-

ernment would not have its decisions dictated to by anyone. This included the decision "to be absent where we should be present," Assad said, obviously referring to Syria's participation in the forthcoming phase of the Geneva Middle East talks.

"We cannot safeguard our rights by the force of conviction alone," Assad said, and "we must be powerful in a world which respects strength."

Assad's toughly-worded speech came a day after the departure from Damascus of Soviet Foreign Minister Andrei Gromyko.

The Beirut weekly "al-Diyar" reported yesterday that the Soviet Union has pledged continued arms supplies to Syria and promised to finance the Syrian economy, damaged during the October war.

The Lebanese weekly said that the Russian pledge was contained in a message which Gromyko carried from Soviet Communist Party leader Leonid Brezhnev to the Syrian President.

According to the weekly, Brezhnev said that the East bloc Comecon countries had agreed unanimously to share with the Soviet Union the cost of reconstructing Syria's economic installations. But at the same time, the weekly added, Brezhnev urged Assad to continue "the experiment of seeking a military disengagement with Israel and to attend the Geneva talks."

[From the Jerusalem Post, Mar. 13, 1974]

KISSINGER EXPLAINS WHY SYRIA CANNOT  
DRAW THE LINE  
(By Ira Silverman)

WASHINGTON.—The Syrians, in their call for total Israel withdrawal from occupied Arab territory, still consider Jerusalem and even Tel Aviv, as Arab land. Secretary of State Henry Kissinger said on Monday.

Explaining the current Middle East situation to a group of Congressional wives, Dr. Kissinger said the Syrian problem is more complex than the Suez disengagement because, "for the Syrians, the occupied territories mean not only the Golan Heights, but Jerusalem, and even Tel Aviv."

Kissinger added that, "for the Syrians, it represents a tremendous problem to draw any line, because if they draw a line it means in some way the recognition of Israel."

The Secretary made his comments thinking they were private and off the record, but because of the presence of newsmen a record of his statements was then circulated and subsequently retracted by the State Department. Quotations from his comments, especially a stinging denunciation of America's European allies, were evidently embarrassing to the Secretary and provoked a clarification of his views on the Atlantic alliance, offered yesterday by spokesman George Vest (reported on page 5). There was no change or elaboration on his Middle East statements.

Further on the Middle East, he told the gathering of Congressional wives that, while the two sides in the dispute are conscious about their problem they are less conscious about the global implications of the conflict. He recalled that, during and after the October War, "all of Europe, Japan and the Soviet bloc were behind the Arabs and the U.S. alone was backing Israel. Since then our strategy has been to disentangle the problems and take one at a time."

Despite the difficulties outlined by Kissinger, the Secretary is hopeful that, at least modest progress can be made toward a Syrian-Israel disengagement through the indirect talks in Washington scheduled for later this month. Kissinger met with a group of 16 presidents of Jewish organizations late Monday, and gave the impression that, although the talks will be extremely difficult, he remains confident that they can proceed and prove productive.

The Jewish leaders saw Kissinger, Under-Secretary Joseph Sisco and White House

counsel Leonard Garment for slightly over an hour, according to Rabbi Israel Miller, chairman of the Conference of Presidents of Major American Jewish Organizations. Those present at the meeting revealed that the status of negotiations on Syrian-Israel disengagement, as given in a long explanation by Kissinger, dominated the discussion.

Only a few minutes were spent on differences between the administration and the Jewish delegation over the Jackson amendment on Soviet Jewry.

Neither the Jewish delegation nor the Israel Embassy received any word from Kissinger about the possibility, widely reported, that President Nixon will visit the Middle East in May. Ambassador Simcha Diniz has repeatedly stated his view that, if the President travels to the Middle East region, he will surely include Israel on his itinerary. White House spokesman Ronald Ziegler would not deny the reports of a May visit, saying only that the President has no current plans for such a trip.

It is expected here that the possibility of a presidential visit will be discussed by Foreign Minister Abba Eban and Kissinger when they meet Thursday. Eban was due in New York from London late last night.

#### JAIL TO THE CHIEF?

HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1974

Mr. DENNIS. Mr. Speaker, William Safire, in the New York Times of May 13, 1974, has written a sobering essay on the subject of Presidential impeachment, which I believe is worthy of the careful attention of my colleagues in the House. Mr. Safire's essay is as follows:

#### JAIL TO THE CHIEF?

(By William Safire)

WASHINGTON.—Most readers of Washington tea leaves say that the House of Representatives will vote to impeach the President about mid-July, around Bastille Day; the Senate will begin its trial a month later. Toward the end of September, in this scenario, conservative Republicans and Southern Democrats would make up that "one third plus one" necessary to acquit.

That prospect pleases many. The President would be most severely rebuked but not driven from office; Congressmen running in the fall could point to their votes to throw him out (or, to Nixon supporters, "to give him a fair trial") and the majority of the public, dissatisfied with the President but not wanting his head on a plate, would have enjoyed a rip-snorting show with a happily inconclusive ending.

The trouble with the conventional wisdom is that it is as chancy as drawing for a "gut card" to fill an inside straight. Contrary to the wishful thinking of most of the President's moderate adversaries, and antithetical to the Nixon strategy of sacrificing votes in the House to hold on to votes in the Senate, there is a good chance that impeachment will gather a momentum of its own—one that the President's foes and friends together will not be able to stop.

If Richard Nixon is impeached by the House, there is an increasing possibility that he will be convicted by the Senate, indicted by a grand jury, convicted by a petit jury and sentenced to a term in jail.

Whoa. Only one American in six, according to Time magazine's latest poll, wants to see the President impeached at all; the vast majority of Americans, including many who



urgently wish he would resign, do not want to see the President in jail.

But consider the logical consequences. If the House were to impeach, there would be a blitz to switch four or five Senate votes now in the Nixon column that, with impeachment's momentum behind it, might well succeed.

Since impeachment could only succeed centered on an "indictable crime," such as obstruction of justice, it would then be impossible to sing hallelujah to a new chief and go home; if Congress found President Nixon guilty of a specific crime, then the special prosecutor would be duty-bound to seek indictment of private citizen Nixon for that crime.

No citizen is above the law, the prosecutor would argue with great logic; ex-President or no, a crime requires that justice be done. Since Mr. Nixon is not the type to plead bargain or assert anything but his innocence, it can be expected that a District of Columbia grand jury would indict and a D.C. petit jury would convict. And the ensuing public clamor for clemency would not necessarily restrain a judge from entering the history

books by imposing a short jail sentence.

Far-fetched? Somewhere along the line, would there not be a deal, a resignation, a bill of abatement, a hung jury or an accident to stem the flow of consequences? Perhaps.

But perhaps not. I have taken the reader down this highly hypothetical road to show that it can happen here and to urge some consideration of the consequences of impeachment.

The impeachment lobby does not want the public to think about the consequences to the nation of an imprisoned ex-President, for good reason: fear of arriving at the ultimate destination might cause us to turn off at the first exit. One step at a time, say the impeachers; let justice take its course; it is not helpful for them to admit the possibility that the paths of impeachment lead but to the clink.

Then, of course, would come revision: What have we done? That question would quickly change to "What have they done?" In this "Ox-Bow Incident" reaction, the majority who only wanted a President rebuked or censured would blame the politicians for the incarceration of a political opponent.

The Representative who voted for im-

peachment would then be hard put to explain that all that flowed from his vote had nothing to do with him.

Before the grand inquest becomes the grand inquisition, let us stop to think. Are we ready to go all the way?

The nation is not in such present danger of tyranny for us to set a precedent for the legal overthrow of elected leaders, and to open the possibility for their absolute degradation. Does anyone seriously suggest that the Nixon experience of the last year is not enough to deter some future President from taking a similar course, that only legal punishment will make the point?

Liberals who have fought Mr. Nixon over the years have a special responsibility now to take the long view. To consider all the consequences—including those that seem as remote as impeachment itself did not so long ago—before running the risk of being gripped by the momentum of retribution.

The road we are on is a rumor-greased expressway with fewer exits, than we think, and—as Jefferson wrote to Madison—"Impeachment has been an engine more of passion than justice."

## HOUSE OF REPRESENTATIVES—Wednesday, May 15, 1974

The House met at 12 o'clock noon.

The Reverend R. Joseph Dooley, president, International Conference of Police Chaplains, offered the following prayer:

O Lord, our God, this day, Peace Officers Memorial Day, set apart by Presidential proclamation, we pray for the blessing of peace on all our dedicated law enforcement officers, who have given their lives in the performance of their duties.

We pause this spring day to remember the record-setting toll of 134 local, county, State, and Federal law enforcement officers killed in 1973—as well as the 39 officers who have died already this year. They placed the preservation of law and order above personal safety.

Truly, this is a tragic count. Even more tragic, Lord, than the loss of these valiant officers' lives, is the fact that their deaths left nearly three times their number in immediate family survivors.

Bless, guide, and inspire, Lord, the many men and women who work in governing our country. Grant them the humility they need to represent the people they serve, the generosity to give their very best, and the determination to serve America with love and dedication—as these peace officers have done. 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 bill of the House of the following title:

H.R. 3418. An act to amend section 505 of title 10, United States Code, to establish

uniform original enlistment qualifications for male and female persons.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 14368. An act to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14368) entitled "An act to provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. MUSKIE, Mr. MONTGOMERY, Mr. BAKER, Mr. BUCKLEY, Mr. JACKSON, Mr. BIBLE, and Mr. FANNIN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 85. Concurrent resolution to proclaim October 14, 1974, a Day of National Observance for the 200th Anniversary of the First Continental Congress, and for other purposes.

### POSTAL SERVICE FAILS MOTHER'S DAY TEST

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

Mr. FUQUA. Mr. Speaker, the U.S. Postal Corporation is up to its usual inefficient manner. On Thursday morning of last week I mailed a very nice Mother's Day card to my mother, a very dear, sweet, and loving mother. To my amaze-

ment, I found that the card was delivered Tuesday, 2 days after Mother's Day.

Mr. Speaker, I hope the Postal Service can improve its service just a little bit better than that displayed on this occasion.

### ADMISSION OF WOMEN TO THE SERVICE ACADEMIES

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

Mr. FISHER. Mr. Speaker, due to considerable interest expressed by Members of the House and the commitment made by the chairman of the House Armed Services Committee on this floor on March 18, 1974, I wish to announce that the Subcommittee on Military Personnel, of which I am chairman, will commence hearings on several measures calling for the admission of women to the service academies on May 29, 1974.

The ranking minority member of the subcommittee, Mr. DICKINSON of Alabama joins me in stating that we intend to pursue our legislative inquiry into these proposals in considerable detail and to offer complete, open, and objective hearings on all facets of the issues involved.

We will commence our hearings on May 29 with testimony from Members of the House.

### WHO WRITES THE LAWS?

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

Mr. RONCALIO of Wyoming. Mr. Speaker, upon returning from Wyoming last week, I called the Office of Federal Energy Administrator to find what date the price rollback of propane would take effect, pursuant to our note in the House on the Alexander amendment, and the conference report agreed to by the Sen-