"In time of difficulties," wrote the Chinese revolutionary leader, Chairman Mao Tse-tung, "we must not lose sight of our achievements."

Pursuing that thought, in times when the air is filled with charges and countercharges of gravest character affecting those in high stations, it's comforting to focus on contrasts.

Almost regularly, it seems, the Coca Cola executive, who at 86 may be seen breakfasting at 7:30 a.m. or earlier regularly in the New York City hotel where he lives alone, is honored by some group. And the citations seem likely to be in about the same key on all such occasions.

At the most recent, arranged by officers and executives of McCann-Erickson and of the Coca-Cola Co. which honored Farley on April 17 in New York City, a Thomas Jefferson letter to John Adams was quoted:

"The whole of government consists in the art of being honest."

The citation continued:

"If ever there was a time when this Jefferson principle needs to be shouted from the housetops it is today. If there is among us a man whose public and private life always reflected his unswerving commitment to rugged honesty, it is the honorable James A. Farley.

"We meet with him today in a spirit of warm friendship and great respect. We salute him for a lifetime of great accomplishment in the art of being honest, human and a vigorous advocate of all that is good and true in American life, politics and business."

TRIBUTE TO HON. JOHN ROONEY OF NEW YORK

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1974

Mr. EVINS of Tennessee. Mr. Speaker, earlier today the distinguished gentleman from Texas (Mr. MAHON) paid tribute to our colleague, the gentleman from New York (Mr. ROONEY) who earlier had announced his retirement from the Congress—and I wanted to join with Mr. MAHON in commending and congratulating JOHN ROONEY on the 30th anniversary of his election to the Congress.

JOHN ROONEY is a most valued member of the Committee on Appropriations—a senior member—and chairman of the Appropriations Subcommittee on Justice, Commerce and the Judiciary, three Cabinet-level departments that come before Chairman ROONEY for funding.

JOHN ROONEY has no peer as a legislative craftsman—he is a master of legislative skills, resourceful in debate, a most effective legislator with a warm personality.

JOHN ROONEY is a great American—a traditional American in the truest and classic sense—the son of Irish immigrant parents who settled in Brooklyn more than 100 years ago.

We know that he has been in ill health for some few weeks and we all wish for him the recovery of his health and much happiness in his richly deserved retirement.

SENATE—*Friday, June 7, 1974*

The Senate met at 10 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

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

Eternal Father, for this quiet moment, before the pressing duties of the day move in upon us, wilt Thou lift us above the stress, the contention, and the bafflement of these difficult days into the healing calm of Thy presence. Grant us the peace of those whose minds are stayed on Thee. May all who labor for the people here be patient in debate, charitable in judgment, and slow to anger. Give us wisdom and courage to uphold what is just and true. Grant us to know Thee, that we may truly love Thee, and so to love Thee, that we may freely serve Thee, for the rule of righteousness in the world, and the honor and glory of Thy great name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 7, 1974.

To the Senate:

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

JAMES O. EASTLAND,
President pro tempore.

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

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, June 6, 1974, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (H.R. 15155) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes, in which it requests the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 73) authorizing the printing of additional copies of a committee print of the Senate Select Committee on Nutrition and Human Needs.

The message further announced that the House had agreed to the following concurrent resolutions in which it requests the concurrence of the Senate:

H. Con. Res. 201. A concurrent resolution to reprint the brochure entitled "How Our Laws Are Made";

H. Con. Res. 445. A concurrent resolution authorizing additional copies of oversight hearings entitled "State Postsecondary Education Commissions";

H. Con. Res. 454. A concurrent resolution to authorize the printing as a House document "Our Flag," and to provide for additional copies;

H. Con. Res. 455. A concurrent resolution to provide for the printing as a House document "Our American Government. What Is It? How Does It Work?"; and

H. Con. Res. 474. A concurrent resolution authorizing the printing of additional copies of a report issued by the Committee on Foreign Affairs.

HOUSE BILL REFERRED

The bill (H.R. 15155) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following House concurrent resolutions were referred to the Committee on Rules and Administration:

H. Con. Res. 201. A concurrent resolution to reprint the brochure entitled "How Our Laws Are Made";

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

H. Con. Res. 445. A concurrent resolution authorizing additional copies of Oversight Hearings entitled "State Postsecondary Education Commissions";

H. Con. Res. 454. A concurrent resolution to authorize the printing as a House document "Our Flag," and to provide for additional copies;

H. Con. Res. 455. A concurrent resolution to provide for the printing as a House document "Our American Government. What Is It? How Does It Work?"; and

H. Con. Res. 474. A concurrent resolution authorizing the printing of additional copies of a report issued by the Committee on Foreign Affairs.

U.S. PARTICIPATION IN INTERNATIONAL ENFORCEMENT OF FISH CONSERVATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 866, H.R. 14291.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

H.R. 14291, to amend the Northwest Atlantic Fisheries Act of 1950 to permit United States participation in international enforcement of fish conservation in additional geographic areas pursuant to the International Convention for the Northwest Atlantic Fisheries, 1949, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce with an amendment on page 2, line 6, after the word "inserting", insert "shall"; and, after line 20, insert:

(g) Subsection (b) of section 4 of the Act of September 27, 1950 (64 Stat. 1068), is amended by adding the following sentence to the end thereof: "The Secretary of State shall submit an annual report to the Congress of the costs incurred in reimbursing travel and per diem expenses of members of the advisory committee pursuant to this subsection".

The amendment was agreed to.

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

The bill was read the third time, and passed.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished Republican leader (Mr. HUGH SCOTT).

Mr. HUGH SCOTT. Mr. President, I yield back my time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 5 minutes.

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

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

The second assistant legislative clerk proceeded to call the roll.

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

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

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 1865. A bill to amend the National Environmental Policy Act of 1969, in order to encourage the establishment of, and to assist, State and regional environmental centers (Rept. No. 93-905).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2940. A bill to authorize the construction, operation, and maintenance of certain works in the Colorado River Basin to control the salinity of water delivered to users in the United States and Mexico (Rept. No. 93-906).

SUBMISSION OF A SUPPLEMENTAL REPORT ENTITLED "JAPAN-UNITED STATES FRIENDSHIP ACT"—PART 2, (REPT. NO. 93-885)

Mr. MANSFIELD, from the Committee on Foreign Relations, submitted a supplemental report on the bill (S. 649) to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. JACKSON (by request):

S. 3599. A bill to establish the Nunamiut National Park in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MANSFIELD:

S. 3600. A bill to stabilize the economy and mitigate the effects of inflation by providing for minimum annual increases in wages. Referred to the Committees on Banking, Housing and Urban Affairs and Labor and Public Welfare, by unanimous consent.

By Mr. BENTSEN:

S. 3601. A bill to amend the Urban Mass Transportation Act of 1964. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CRANSTON:

S. 3602. A bill for the relief of Viola J. Stewart, Lois Souby, Jane Robertson, and Norma Jean Ridgeway. Referred to the Committee on the Judiciary.

By Mr. PERCY:

S. 3603. A bill to repeal the no-knock laws. Referred to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 3604. A bill to abolish certain Federal agencies, and for other purposes. Referred to the Committee on Government Operations.

By Mr. MONTOYA (for himself, Mr. ABOUREZK, Mr. CLARK, Mr. DOMENICI, Mr. HUGHES, Mr. MCGEE, Mr. MANSFIELD, and Mr. METCALF):

S. 3605. A bill to provide emergency assistance to persons engaged in the cattle raising business by authorizing the Secretary of Agriculture, for a temporary period of time, to guarantee loans made to such persons until they can sell their livestock. Referred to the Committee on Agriculture and Forestry.

By Mr. MCGOVERN (for himself, Mr. HUMPHREY, and Mr. ABOUREZK):

S. 3606. A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for producers of livestock. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JACKSON (by request):

S. 3599. A bill to establish the Nunamiut National Park in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, I am introducing by request today a bill which, like S. 2917 and S. 2918, provides for the addition of certain lands in Alaska to the national park system.

This bill which would establish the Nunamiut National Park in the Central Brooks Range of Alaska is, however, unusual because it was prepared by the Arctic Eskimo people as a direct product of their land selection and planning process established by the Congress within the Alaska Native Land Claims Settlement Act of 1971.

The innovative approaches taken in this bill and the planning steps pursued in its development should help to demonstrate the land management abilities of the Alaska Native people.

This proposal for a Nunamiut National Park in the Central Brooks Range of Alaska illustrates their abilities.

The lands which national conservationists have hoped for decades would be dedicated to a national park in the Brooks Range were split by withdrawals for Native selection pursuant to the Alaska Native Claims Settlement Act of 1971 in and about the inland Eskimo village of Anaktuvuk Pass. Rather than emotionally opposing the creation of a national park, which might deprive their people of the subsistence harvest of fish and wildlife resources, the Arctic Eskimos have sought an approach which would accommodate their cultural ways and their economic future and also enhance the opportunities of all citizens to enjoy the spectacular beauty of this vast northern land.

The lands involved are the "homelands" of the Nunamiut Eskimos, which literally means "people of the land." They have occupied the Central Brooks Range of the Arctic for centuries and seek understanding of their cultural values and history as part of the dedication of a national park in these mountains and tundra-covered foothills.

Mr. President, due to the significant nature of this measure, I ask unanimous consent that the full text of the bill together with a brief description of its pro-

visions be printed in the RECORD immediately following my remarks.

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

S. 3599

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Congress finds and declares that there exists in the Central Brooks Range of Alaska an area of outstanding Arctic Wilderness with raw unique beauty shown in magnificent mountain peaks, incised valleys and tundra-covered foothills, unequalled historic sites of man's early Arctic occupancy and significant current Eskimo cultural importance.

(b) The Congress further finds and declares that it is in the national interest to set aside park lands within the Central Brooks Range to preserve, protect and perpetuate these values, that an immediate need exists for the establishment of this park to prevent the inroads of disturbing influences and development, and that lands selected by the Inupiat (Eskimo) people of the Arctic Slope Regional Corporation and the Nunamiut Village Corporation of Anaktuvuk Pass, Alaska, pursuant to the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688; 43 U.S.C. 1601), are important to the establishment of this park and the values inherent thereto, and in order that:

(1) healthy and protected vegetative communities and wildlife populations may be maintained, including migration routes of North America's last and largest herds of herbivores—the Arctic caribou;

(2) the culture and way of life of indigenous Native peoples, the Nunamiut or inland Eskimo, may be maintained and interpreted; and that

(3) Arctic wilderness recreational opportunities may be afforded all peoples of the Nation.

SEC. 2. DESCRIPTION OF EXTERIOR BOUNDARY.

The boudaries of the Nunamiut National Park are described as follows:

Commencing at the point of intersection of the boundary of Naval Petroleum Reserve No. 4 (NPR–4) with boundary of the Kateel River (KRM) and Umiat (UM) Meridians, thence north approximately 43 miles along the NPR–4 boundary to the Colville River, thence east and north approximately 150 miles along the Colville River boundary of NPR–4 to the point of intersection with the line dividing T.'s TN. and 3N. (UM), thence east approximately 23 miles to the N.E. corner of T.2N., R.6E. UM, thence south approximately 12 miles to the S.E. corner of T.1N., R.6E. UM, thence east approximately 2 miles to the N.E. corner of Section 4 T.1S., R.7E. UM, thence south approximately 12 miles to the S.E. corner of Section 33, T2S., R.7E. UM, thence east approximately 6 miles to the N.E. corner of Section 4, T.3S., R.8E. UM, thence south approximately 12 miles to the S.E. corner of Section 33, T.4S., R.8E. UM, thence east approximately 3 miles to the N.E. corner of T.5S., R.8E. UM, thence south approximately 6 miles to the S.E. corner of T.5S., R.8E. UM, thence east approximately 3 miles to the N.E. corner of Section 4, T.6S., R.9E. UM, thence south approximately 6 miles to the S.E. corner of Section 33, T.6S., R.9E. UM, thence east approximately 3 miles to the N.E. corner of T.7S., R.9E. UM, thence south approximately 6 miles to the S.E. corner of T.7S., R.9E. UM, thence east approximately 3 miles to the N.E. corner of Section 4, T.8S., R.10E. UM, thence south approximately 6 miles to the S.E. corner of Section 33, T.6S., R.9E. UM, thence east east approximately 3 miles to the N.E. corner of T.9S., R.10E. UM, thence south approximately 18 miles to the S.E. corner of T.11S., R.10E. UM, thence east approximately 3 miles to the N.E. corner of Section 4, T.12S., R.11E. UM, thence south approximately 6 miles to the S.E. corner of Section 33, T.12S., R.11E. UM, thence west approximately 1 mile to the N.E. corner of Section 4, T.13S., R.11E. UM, thence south approximately 18 miles to the S.E. corner of Section 33, T.15S., R.11E. UM, thence west approximately 6 miles to the N.W. corner of Section 3, T.15S., R.10E. UM, thence south approximately 8 miles to the boundary line between T.'s 36N. and 37N. Fairbanks Meridian (FM), thence west approximately 3 miles to the N.E. corner of T.36N., R.11W. FM, thence south approximately 24 miles to the S.E. corner of T.33N., R.11W. FM, thence west approximately 5 miles to the N.E. corner of T.32N., R.12N. FM, thence south approximately 6 miles to the S.E. corner of T.32N., R.12W. FM, thence west approximately 6 miles to the N.E. corner of T.31N., R.13W. FM, thence south approximately 18 miles to the S.E. corner of T.29N., R.13W. FM, thence west approximately 6 miles to the N.E. corner of T.28N., R.14W. FM, thence south approximately 6 miles to the S.E. corner of T.28N., R.14W. FM, thence west approximately 15 miles to the S.W. corner of Section 34, T.28N., R.16W. FM, thence north approximately 6 miles to the N.E. corner of Section 4, T.28N., R.16W. FM, thence west approximately 1 mile to the S.W. corner of Section 34, T.29N., R.16W. FM, thence north approximately 12 miles to the N.E. corner of Section 4, T.30N., R.16W. FM, thence west approximately 18 miles to the N.W. corner of Section 3, T.30N., R19W. FM, thence south approximately 3 miles to the S.E. corner of Section 16, T.30N., R.19W. FM, thence west approximately 15 miles to the N.W. corner of Section 19, T.30N., R.21W. FM, thence south approximately 9 miles to the S.E. corner of T.29N., R.22W. FM, thence west approximately 1 mile to the N.W. corner of Section 3, T.28N., R.22W. FM, thence south to the S.E. corner of Section 33, T.28N., R.22W. FM, thence west approximately 3 miles to the S.W. corner of T.28N., R.22W. FM, thence south approximately 12 miles to the S.E. corner of T.26N., R.23W. FM, thence west approximately 15 miles to the point of intersection with the line dividing R.s 26E. and 27E. KRM, thence south approximately 8 miles to the S.E. corner of T.18N., R.26E. KRM, thence west approximately 30 miles to the S.W. corner of T.18N., R.22E. KRM, thence south approximately six miles to the S.E. corner of T.17N., R.21E. KRM, thence west approximately 1 mile to the N.E. corner of T.16N., R.21E. KRM, thence south approximately 12 miles to the S.E. corner of T.15N., R.21E. KRM, thence west approximately 48 miles to the S.W. corner of T.15N., R.14E. KRM, thence north approximately 12 miles to the N.W. corner of T.16N., R.14E. KRM, thence east approximately 1 mile to the S.W. corner of T.17N., R.14E. KRM, thence north approximately 24 miles to the N.W. corner of T.20N., R.14E. KRM, thence west approximately 5 miles to the S.W. corner of T.21N., R.13E. KRM, thence north approximately 12 miles to the N.W. corner of T.22N., R.13E. KRM, thence west approximately 30 miles to the S.W. corner of T.22N., R.8E. KRM, thence north approximately 12 miles to the N.E. corner of T.24N., R.7E. KRM, thence east approximately ½ mile to the S.W. corner of T.25N., R.8E. KRM, thence north approximately 6 miles to the N.E. corner of T.25N., R.7E. KRM, thence west approximately 6 miles to the S.W. corner of T.26N., R.7E. KRM, thence north approximately 6 miles to the N.E. corner of T.26N., R.6E. KRM, thence west approximately 30 miles to the S.W. corner of T.27N., R.2E. KRM, thence north approximately 36 miles to the N.E. corner of T.32N., R.1E. KRM, thence west approximately 12 miles to the S.W. corner of T.33N., R.1W. KRM, thence north approximately 12 miles to the N.W. corner of T.34N., R.1W. KRM, thence east approximately 87 miles to the point of origin.

SEC. 3. INCLUDED PARK LANDS AND THEIR ADMINISTRATION.

(a) The Secretary shall administer all federally owned lands within the exterior boundaries of the Nunamiut National Park in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1–4), as amended and supplemented, except as provided otherwise in this Act;

(b) The Secretary shall administer all lands selected by and patented to, Alaska Native regional or village corporations pursuant to the Alaska Native Claims Settlement Act of 1971 located within the exterior boundaries of the Nunamiut National Park as part of this park and in accordance with the Act of August 25, 1916, as amended and supplemented, except as provided otherwise in this Act; and

(c) The Secretary shall administer as part of the Nunamiut National Park all lands and interests in lands or waters selected by the State of Alaska pursuant to the Alaska Statehood Act (72 Stat. 341; 77 Stat. 223) or obtained by the State of Alaska or private parties under the public land laws of the United States, including but not limited to lands beneath navigable waters under the Submerged Lands Act of 1953 (67 Stat. 29; 43 U.S.C. 1301), located within the boundary of the Nunamiut National Park: *Provided,* That such lands or interests have not been previously patented to the State of Alaska or private parties. He shall also administer such lands in accordance with the Act of August 25, 1916, as amended and supplemented, except as provided otherwise in this Act: *Provided further,* That the Secretary shall convey to the State or private parties other lands that will equal in acreage those lands that will remain in federal ownership by the operation of this subsection in locations that the State or private parties shall select from the unreserved and unappropriated lands of the United States located outside the exterior boundaries of the Nunamiut National Park in the State of Alaska: *Provided further,* That the Secretary shall acquire on behalf of the United States all interests in lands or developments upon lands owned by the State of Alaska or private parties located within the exterior boundaries of the Nunamiut National Park and shall compensate the State or such third parties by purchase, land exchange or other device: *Provided further,* That the Secretary shall acquire on behalf of the United States all lands or interests in lands which have proceeded to full patent in the State of Alaska or private parties within the exterior boundaries of the Nunamiut National Park and shall compensate the State or such third parties by purchase, land exchange or other device and the Secretary shall administer such lands as part of this park in accordance with the Act of August 25, 1916, as amended and supplemented, except as provided otherwise in this Act.

SEC. 4. CLASSIFICATION OF PARK LANDS AND WATERS.

(a) Lands and waters of the Nunamiut National Park are hereby classified in two categories:

(1) wilderness areas, pursuant to the Wilderness Act of 1964 (78 Stat. 890; 16 U.S.C. 1131), wherein only the uses of lands and waters authorized by that Act are permitted, except as otherwise provided in this Act, and

(2) Native subsistence use areas, wherein only the uses of lands and waters authorized by this Act on such classified lands are permitted.

(b) There shall be *two* designated wilderness areas within the Nunamiut National Park, to be named the Gates of the Arctic Wilderness Area and the Arrigetch Peaks Wilderness Area; and

(c) Lands selected and patented to Alaska Native corporations and lands designated for

Native subsistence uses within the Nunamiut National Park shall be named the Nunamiut Wildlands.

SEC. 5. DESCRIPTION OF CLASSIFIED AREAS.

(a) The Gates of the Arctic Wilderness Area within the Nunamiut National Park shall encompass the following described lands:

Commencing at the N.W. corner of T.12S., R.8E. Umiat Meridian, (NM), thence East approximately 21 miles to the N.E. corner of Section 4, T.12S., R.11E. UM, thence south approximately 6 miles to the S.E. corner of Section 33, T.12S., R.11E. UM, thence west approximately 1 mile to the N.E. corner of Section 4, T. 13S., R.11E. UM, thence south approximately 18 miles to the S.E. corner of Section 33, T.15S., R.11E. UM, thence west approximately 6 miles to the N.W. corner of Section 3, T.15S., R.10E. UM, thence south approximately 8 miles to the boundary line between T.'s 36N. and 37N. Fairbanks meridian (FM), thence west approximately 3 miles to the N.E. corner of T.36N., R.11W. FM, thence south approximately 24 miles to the S.E. corner of T.33N., R.11W. FM, thence west approximately 5 miles to the N.E. corner of T.32N., R.12N. FM, thence south approximately 6 miles to the S.E. corner of T.32N., T.12W. FM, thence west approximately 6 miles to the N.E. T.31N., R.13W. UM, thence south approximately 18 miles to the S.E. corner of T.29N., R.13W. FM, thence west approximately 6 miles to the N.E. corner of T.28N., R.14W. FM, thence south approximately 6 miles to the S.E. corner of T.28N., R.14W. FM, thence west approximately 15 miles to the S.W. corner of Section 34, T.28N., R.16W. FM, thence north approximately 6 miles to the N.E. corner of Section 4, T.28N., R.16W. FM, thence west approximately 1 mile to the S.W. corner of Section 34, T.29N., R.16W. FM, thence north approximately 12 miles to the N.E. corner of Section 4, T.30N., R.16W. FM, thence west approximately 18 miles to the N.W. corner of Section 3, T.30N., R.19W. FM, thence south approximately 3 miles to the S.E. corner of Section 16, T.30N., R.19W. FM, thence west approximately 7 miles to the John River, thence north approximately 23 miles along the main channel of the John River to the line dividing T.'s 33 N. and 34 N. FM, thence east approximately 5 miles to the S.E. corner of T.34N., R.21W. FM, thence north approximately 6 miles to the N.W. corner of T.34N., R.20W. FM, thence east approximately 12 miles to the S.E. corner of T.35N., R.19W. FM, thence north approximately 12 miles to the N.W. corner of T.36N., R.19W. FM, thence west approximately 2 miles to the S.E. corner of T.37N., R.19W. FM, thence north approximately 1½ miles to the N.E. corner of T.37N., R.19W. FM on the boundary between the Fairbanks and Umiat Meridian, thence east approximately 6½ miles to the S.E. corner of T.17S., R.2E. UM north thence approximately 3 miles to the S.W. corner of Section 18, T.16S., R.3E. UM, thence east approximately 18 miles to the S.E. corner of Section 13, T.16S., R 5E. UM, thence north approximately 15 miles to the N.W. corner of T.14S., R.6E. UM, thence east approximately 12 miles to the S.E. corner of T.13S., R.7E. UM, thence north approximately 6 miles to the N.W. corner of T.13S., R.8E. UM, thence east approximately 1 mile to the S.W. corner of T.12S., R.8E. UM, thence north approximately 6 miles to the point of beginning.

The area described encompasses approximately 2,093,000 acres.

(b) The Arrigetch Peaks Wilderness Area within the Nunamiut National Park shall encompass the following described lands:

Commencing at the point of intersection of the boundary of Naval Petroleum Reserve Number 4 (NPR-4) with the north boundary line of T.34N., R.14E. Katell River Meridian, (KRM), thence west approximately 87 miles to the N.W. corner of T.34N., R.1W. KRM, thence south approximately 11 miles to the S.W. corner of T.33N., R.1, KRM, thence east approximately 12 miles to the S.E. corner of T.33N., R.1E. KRM, thence south approximately 36 miles to the S.W. corner of T.27N., R.2E. KRM, thence east approximately 30 miles to the S.E. corner of T.27N., R.6E. KRM, thence south approximately 6 miles to the S.W. corner of T.26N., R.7E. KRM, thence east approximately 6 miles to the S.E. corner of T.26N., R.7E. KRM, thence south approximately 6 miles to the S.W. corner of T.25N., R.8E. KRM, thence west approximately 1 mile to the N.W. corner of T.24N., R.8E. KRM, thence south approximately 12 miles to the S.W. corner of T.23N., R.8E. KRM, thence east approximately 30 miles to the S.E. corner of T.23N., R.12E. KRM, thence south approximately 12 miles to the S.W. corner of T.21N., R.13E. KRM, thence east approximately 5 miles to the N.W. corner of T.20N., R.14E. KRM, thence south approximately 24 miles to the S.W. corner of T.17N., R.14E. KRM, thence west approximately 1 mile to the N.W. corner of T.16N., R.14E. KRM, thence south approximately 12 miles to the S.W. corner of T.15N., R.14E. KRM, thence east approximately 48 miles to the S.E. corner of T.15N., R.21E. KRM, thence north approximately 12 miles to the N.E. corner of T.16N., R.21E. KRM, thence east approximately 2 miles to the S.E. corner of T.17N., R.21E. KRM, thence north approximately 6 miles to the N.E. corner of T.17N., R.21E. KRM, thence east approximately 30 miles to the S.E. corner of T.18N., R.26E. KRM, thence north approximately 8 miles to the point of intersection with a line extending west from the line dividing T.'s 35N. and 26N. Fairbanks Meridian (FM), thence east approximately 15 miles to the S.E. corner of T.26N., R.23W. FM, thence north approximately 12 miles to the N.E. corner of T.27N., R.23W. FM, thence east approximately 3 miles to the S.E. corner of Section 33, T.28N., R.22W. FM, thence north approximately 6 miles to the N.W. corner of Section 3, T.28N., R.22W. FM, thence east approximately 1 mile to the S.W. corner of T.29N., R.21W. FM, thence north approximately 9 miles to the N.W. corner of Section 19, T.30N., R.21W. FM, thence east approximately 8 miles to the John River, thence North approximately 23 miles along the main channel of the John River to the line dividing T.'s 33N. and 34N. FM, thence west approximately 17 miles to boundary of the Fairbanks and Kateel River Meridians, thence north approximately 10 miles to the N.E. corner T.28N., R.26E. KRM, thence west approximately 18 miles to the S.W. corner of T.29N., R.23E. KRM, thence north approximately 6 miles to the N.E. corner of T.29N., R.22E. KRM, thence west approximately 6 miles to the S.W. corner of T.30N., R.22E. KRM, thence north approximately 6 miles to the N.E. corner of T.30N., R.21E. KRM, thence west approximately 6 miles to the S.W. corner of T.31N., R.21E. KRM, thence north approximately 3 miles to the N.E. corner of Section 24, T.31N., R.20E. KRM, thence west approximately 3 miles to the S.W. corner of Section 15, T.31N., R.20E. KRM, thence north approximately 9 miles to the N.W. corner of Section 3, T.32N., R.20E. KRM, thence east approximately 1 mile to the S.E. corner of Section 32, T.33N., R.20E. KRM, thence north approximately 6 miles to the N.E. corner of Section 4, T.33N., R.20E. KRM, thence west approximately 9 miles to the N.W. corner of T.33N., R.19E. KRM, thence south approximately 6 miles to the S.E. corner of T.33N., R.18E. KRM, thence west approximately 27 miles to the boundary of NPR-4, thence north along the NPR-4 boundary approximately 12 miles to the point of beginning.

The area described encompasses approximately 7,598,000 acres.

(c) The Nunamiut Wildlands within the Nunamiut National Park shall encompass the following described lands:

Commencing at the point of intersection of the boundary of Naval Petroleum Reserve No. 4 (NPR-4) with the line dividing T.'s 32N. and 33N. Kateel River Meridian (KRM), thence north approximately 55 miles along the NPR-4 boundary to the Colville River, thence east and north approximately 150 miles along the Colville River boundary of NPR-4 to the point of intersection with the line dividing T.'s 2N. and 3N. Umiat Meridian (UM), thence east approximately 23 miles to the N.E. corner of T.2N., R.6E, thence south approximately 12 miles to the S.E. corner of T.1N., R.6E. UM, thence east approximately 2 miles to the N.E. corner of Section 4 T.1S., R.7E. UM, thence south approximately 12 miles to the S.E. corner of Section 33, T.2S, R.7E. UM, thence east approximately 6 miles to the N.E. corner of Section 4, T.3S., R.8E. UM, thence south approximately 12 miles to the S.E. corner of Section 33, T.4S., R.8E. UM, thence east approximately 3 miles to the N.E. corner of T.5S., R.8E. UM, thence south approximately 6 miles to the S.E. corner of T5S, R.8E. UM, thence east approximately 3 miles to the N.E. corner of Section 4, T.6S., R.9E. UM, thence south approximately 6 miles to the S.E. corner of Section 33, T.6S., R.9E. UM, thence east approximately 3 miles to the N.E. corner of T.7S., R.9E. UM, thence south approximately 6 miles to the S.E. corner of T.7S, R.9E UM, thence east approximately 3 miles to the N.E. corner of Section 4, T.8S., R.10E. UM, thence south approximately 6 miles to the S.E. corner of Section 33, T.8S., R.10E. UM, thence east approximately 3 miles to teh N.E. corner of T.9S., R.10E. UM, thence south approximately 18 miles to the SE. corner of T.11S., R.10E. UM, thence west approximately 18 miles to the S.E. corner of T.11S., R.7E. UM, thence south approximately 6 miles to the S.7. corner of T.12S., R.7E. UM, thence, west approximately 1 mile to N.E. corner of T.13S., R.7E. UM, thence south approximately 6 miles to the S.E. corner of T13S, R.7E. UM, thence west approximately 12 miles to the S.E. corner of T.13S., R.5E. UM, thence south approximately 15 miles to the S.E. corner of Section 13, T.16S., R.5E. UM, thence west approximately 18 miles to the S.E. corner of Section 13, T.16S., R.2E. UM, thence south approximately 3½ miles to the S.E. corner of T.17S., R.2E. UM, on the boundary of the Fairbanks and Umiat Meridians, thence west approximately 6½ miles to the N.E. corner of T.37N., R.19W. FM, thence south approximately 1½ miles to the S.E. corner of T.37 N., R.19W. FM, thence east approximately 2 miles to the N.9. corner of T.36N., R.19W. FM, thence south approximately 12 miles to the S.E. corner of T.35N., R.19W. FM, thence west approximately 12 miles to the S.E. corner of T.35N., R.21W. FM, thence south approximately 6 miles to the S.E. corner T.34N., R21W. FM, thence west approximately 24 miles to the SW. corner of T.34N., R.24W. FM on the boundary of the Fairbanks and Kateel River (KRM) Meridians, thence north approximately 10 miles to the N.E. corner of T.28N., R.26E. KRM, thence west approximately 18 miles to the S.W. corner of T.29N., R.23E. KRM, thence north approximately 6 miles to the N.E. corner of T.29N., R.22E. KRM, thence west approximately 6 miles to the S.W. corner of T.30N., R.22E. KRM, thence north approximately 6 miles to the N.E. corner of T.30N., R.21E. KRM, thence west approximately 6 miles to the S.W. corner of T31N., R.21E. KRM, thence north approximately 3 miles to the N.E. corner of section 24, T.31N., R.20E. KRM, thence west approximately 3 miles to the S.W. corner of Section 15, T.31N., R.20E. KRM, thence north approximately 9 miles to the N.E. corner of Section 4, T.32N., R.20E. KRM, thence east approximately 1 mile to the S.E. corner of Section 33, T.33N., R.20E. KRM, thence north approximately 6 miles to the N.E. corner of

Section 4, T.33N., R.20E. KRM, thence west approximately 9 miles to the N.W. corner of T.33N., R.19 KRM, thence south approximately 6 miles to the S.E. corner of T.33N., R.18E. KRM, thence west approximately 27 miles to the point of beginning.

The area described encompasses approximately 7,061,000 acres.

SEC. 6. EXCLUSION OF INTERIOR PARK LANDS FROM FEDERAL TITLE.

(a) Lands selected, patented to, and retained by the Nunamiut Village Corporation (Anaktuvuk Pass) pursuant to section 12(a) of the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688; 43 U.S.C. 1601) and lands selected, patented to, and retained by the Arctic Slope Regional Corporation pursuant to section 12(c) of the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688; 43 U.S.C. 1601), are hereby excluded from park title as set forth in section 4 of this Act: *Provided*, That such lands shall be considered part of this national park solely for the purposes of the attainment of national objectives and administrative control as set forth in sections 2, 4, and 9 of this Act.

(b) Lands patented to Alaska Natives pursuant to the Native Allotment Act of 1906 (34 Stat. 197), are hereby excluded from park title as set forth in section 4 of this Act: *Provided*, That such lands shall be considered part of this national park solely for the purposes of the attainment of National objectives and administrative control set forth in sections 2, 4, and 9 of this Act. *And provided further*, That Native allotment lands located within the park within either the Gates of the Arctic or Arrigetch Peaks Wilderness Areas shall be acquired by the Secretary from the owner of such allotment by purchase, land exchange, or other device, but the owner of such allotment may retain use and occupancy of such allotment for the period of his lifetime; and

(c) All lands selected by, and patented to the Arctic Slope Regional Corporation pursuant to section 12(c) of the Alaska Native Land Claims Settlement Act of 1971 (85 Stat. 688; 43 U.S.C. 1601) for the purposes of oil or gas exploration or development within the exterior boundary of the Nunamiut Wildlands of the Nunamiut National Park, and all lands identified for selection by the Arctic Slope Regional Corporation pursuant to section 17(d)(2)(E) of the Alaska Native Claims Settlement Act (85 Stat. 688; 43 U.S.C. 1601) for the purposes of oil or gas exploration or development prior to December 18, 1975 and to which the Congress accedes or agrees by this Act or other legislation within the exterior boundaries of the Nunamiut Wildlands of the Nunamiut National Park, shall be excluded from the lands administered for park purposes for the life of such development. Following the completion or life of such development, the site shall be returned as nearly as practicable to natural conditions and the Secretary shall acquire such lands from the Arctic Slope Regional Corporation by land exchange (including lands within existing Federal reserves or withdrawals within the Arctic Slope Region as established pursuant to section 7(a) of the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688; 43 U.S.C. 1601) and shall be administered as part of the park.

SEC. 7. MANAGEMENT OF WILDERNESS AREAS.

The wilderness areas of the Nunamiut National Park established by this Act shall be managed in accordance with the provisions of the Wilderness Act of 1964 (78 Stat. 890; 16 U.S.C. 1131) and as provided as follows:

(a) The construction of roads, pipelines, transmission lines, communication towers, railroads, airfields, heliports, buildings of any kind, and the conduct of mining, mineral, gravel removal, oil or gas development are prohibited;

(b) The operation of all terrain vehicles, except snow machines in areas that the Secretary shall designate is prohibited;

(c) The landing of aircraft, except in areas that the Secretary shall designate or in the event of emergency, is prohibited;

(d) Hunting, trapping and the disturbance or removal of vegetation is prohibited;

(e) Sport fishing in accordance with the laws and regulations of the State of Alaska is permitted: *Provided*, That such fishing may be further restricted by regulations of the Secretary so as to insure against over use; and

(f) Recreational activities including hiking, skiing, mountain climbing, horseback riding, snow machine travel and other wilderness compatible activities that the Secretary shall determine are permitted in areas he shall designate for such purposes.

SEC. 8. MANAGEMENT OF THE NUNAMIUT WILDLANDS.

The Nunamiut Wildlands of the Nunamiut National Park including lands in title to the federal government, the village of Anaktuvuk Pass, the Nunamiut Corporation and the Arctic Slope Regional Corporation shall be managed by the terms of a management agreement acceptable to all parties concerned and in accordance with the following criteria:

(a) Hunting, fishing, trapping and the harvest of timber and vegetative products for sustenance, shelter, fuel and general livelihood shall be authorized for those people residing in the village of Anaktuvuk Pass and those people who may reside within a potential new village which the Inupiat people may establish in the vicinity of the Colville and Killik Rivers on lands selected by the Arctic Slope Regional Corporation pursuant to Section 12(c) of the Alaska Native Claims Settlement Act of 1971 (85 Stat. 688; 43 U.S.C. 1601): *Provided*, That hunting, fishing and trapping shall be in accordance with the laws and regulations of the State of Alaska;

(b) That the use of snowmobiles and dog teams throughout the Nunamiut Wildlands shall be permitted for the subsistence and travel purposes of the local residents, and by other persons pursuant to regulations of the Secretary;

(c) The location of aircraft landing areas shall be minimal and in accordance with the actual needs of village livelihood and recreational interests;

(d) The use of gravel taken from the lands of the village of Anaktuvuk Pass, the Nunamiut Corporation or the Arctic Slope Regional Corporation for community purposes shall not be restricted or abridged;

(e) Sport fishing by persons other than residents within the Nunamiut Wildlands shall also be permitted in accordance with the applicable laws and regulations of the State of Alaska: *Provided*, That such fishing may be further restricted by regulations of the Secretary so as to insure against overuse;

(f) Headquarters buildings and facilities for the Nunamiut National Park shall be located within the Nunamiut Wildlands in proximity to the village of Anaktuvuk Pass on lands that the Nunamiut Corporation or village of Anaktuvuk Pass shall lease to the Department of the Interior;

(g) Mutually acceptable plans shall be made for the improvement of health, water and sanitation facilities at the village of Anaktuvuk Pass;

(h) Plans for the location, design and construction of ranger stations, trail shelters, visitor and interpretative lodges and centers and other facilities within the Nunamiut Wildlands shall be made which will be compatible with park purposes, not detrimental to the subsistence hunting patterns and village livelihood concerns of the Nunamiut people and which will to the maximum extent possible and practicable utilize the capital investment potentials of the Arctic Slope Regional Corporation and the Nunamiut Corporation and such labor force as may be available among indigenous peoples; and

(i) No right of way, or road, railroad, pipeline, transmission line or other surface transportation system shall be permitted to be developed through Anaktuvuk Pass of the Brooks Range: *Provided*, That any potential oil or gas pipeline from oil or gas development north of the village of Anaktuvuk Pass on lands within the exterior boundary of the Nunamiut Wildlands shall be permitted to be constructed to provide service to the village of Anaktuvuk Pass, park facilities at Anaktuvuk Pass or to an Inupiat community along the Colville or Killik Rivers; and

(j) Feeder pipelines from oil or gas developments within the Nunamiut Wildlands joining a pipeline within the Prudhoe Bay-Valdez Pipeline Corridor or to any other transportation carrier of oil or gas located to the westward of the Nunamiut National Park or through Naval Petroleum Reserve No. 4, other lands of the United States or State of Alaska northward to the sea shall be permitted to be constructed: *Provided*, That such construction does not interfere with the migration of caribou, there are no roads or surface transportation facilities connected with such developments within the Nunamiut National Park: *Provided further*, That following the completed life time of such facilities they are completely removed and the surface lands restored as nearly as practicable to natural conditions;

(k) No mining for locatable minerals within the Nunamiut Wildlands shall be permitted except recreational gold panning; and

(l) Such other matters as may be mutually acceptable to all parties identified in this section.

SEC. 9. FEDERAL AND STATE CONCURRENT JURISDICTION.

Concurrent jurisdiction in all matters civil and criminal shall be exercised by the United States and the State of Alaska within the Nunamiut National Park: *Provided*, That the Secretary is authorized for practical reasons of law enforcement and justice to enter into an agreement with the State of Alaska as to the duties and responsibilities of Federal and State officials to carry out such matters.

SEC. 10. TAXATION OF NATIVE INTERESTS.

Interests in lands or facilities held or operated by the Arctic Slope Regional Corporation or the Nunamiut Corporation or revenues derived therefrom, which are determined by the Secretary to be beneficial and contributory to the operation, management and administration of the Nunamiut National Park shall not be subject to any form of Federal, State or local taxation.

SEC. 11. ESTABLISHMENT OF NUNAMIUT BOARD OF COMMISSIONERS.

(a) The Secretary shall establish in consultation and mutual accord with the Arctic Slope Regional Corporation and the Nunamiut Corporation and the village of Anaktuvuk Pass, a three person Board of Commissioners, mutually acceptable to all parties, whose duties and responsibilities shall be:

(1) To exercise review of the administration, management and development of the Nunamiut National Park, including the maintenance of wilderness integrity, the propriety of developments within the Nunamiut Wildlands, compliance with this Act, the promulgation of, and compliance with regulations adopted pursuant to this Act, the mediation of any disputes or misunderstandings between the Nunamiut people and government personnel, and such other matters as the concerned parties shall decide upon;

(2) To make recommendations to the Secretary and to the Congress on any or all matters concerned with park administration or management; and

(b) Members of the Board of Commissioners agreed to by all parties shall be appointed by the Secretary and shall be com-

pensated as provided by the President at a rate not in excess of that provided for level V of the Executive Schedule in Title 5 United States Code, for such periods of time as their actual duties demand: *Provided,* That Commissioners shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of the Board of Commissioners: *Provided further,* That members of the Commission shall serve without time limitation but at the convenience of the Secretary, in cooperation with other parties concerned.

SEC. 12. REVIEW BY CONGRESS.

The Secretary shall submit to the Congress annual reports on the administration and management of the Nunamiut National Park.

SEC. 13. APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEC. 14. PUBLICATION, VIOLATIONS OF PROVISIONS.

The Secretary is authorized to issue and publish in the Federal Register, pursuant to the Administrative Procedures Act, such regulations as may be necessary to carry out the purposes of this Act. Any person, association, partnership, or corporation who shall violate or fail to comply with any of the provisions of this Act or regulations adopted pursuant thereto shall be fined not more than $500.00, or be imprisoned for six months, or both, and shall pay indemnifications and damages for any land, water, wildlife or property damages.

SEC. 15. SAVING CLAUSE.

To the extent that there is a conflict between any provision of this Act and any other Federal laws applicable to Alaska, the provisions of this Act shall govern.

SEC. 16. SEPARABILITY.

If any provision of this Act or the applicability thereof is held invalid, the remainder of this Act shall not be affected thereby.

ELEMENTS OF NUNAMIUT NATIONAL PARK BILL

Section 1. Declares that both national and Native interests coincide within the park area and that the objectives of the bill may serve both the nation and the Native people.

Section 2. Description of exterior boundaries of park.

Section 3. Categorizes ownership of land (federal, Native, state and private parties) that would be included within the park and to set forth a framework of their overall jurisdiction. It further provides for purchase, land exchange and acquisition by other device.

Section 4. Classifies land into wilderness areas (Gates of the Arctic and Arrigetch Peaks) that would have restricted uses and into the Nunamuit Wildlands which would have permissive uses for the residents of the area but restricts the uses of others.

Section 5. Describes lands in the wilderness areas and the Nunamiut Wildlands.

Section 6. Excludes Native lands from federal title, but provides that such lands may be administered to attain the objectives of the park. Lands excluded include subsistence lands, allotments and oil and gas areas. The section further provides that oil and gas lands within the Nunamiut Wildlands may be developed, but after the development is concluded they would be returned to federal ownership in the natural condition by land exchange.

Section 7. Describes permitted and non-permitted uses in wilderness areas.

Section 8. Describes permitted and non-permitted uses in Nunamiut Wildlands. It also provides for a second Inupiat village, construction of park facilities on lands leased to the Department of the Interior by the Nunamiut Village Corporation, plans for health, water and sanitation at Anaktuvuk, and the use of local labor force for construction, maintenance and management of park facilities. The section excepts from the restricted uses of the Nunamiut Wildlands a pipeline that would serve the communities at Anaktuvuk and Killik. It further excepts pipelines that would traverse the wildlands in an easterly direction to the Prudhoe—Valdez corridor or in a northwesterly direction.

Section 9. Provides for concurrent federal and state jurisdiction. Allows for law enforcement agreement between them.

Section 10. Excludes from federal, state and local tax any lands, facilities or revenues determined by the Secretary to be necessary for operation of the park.

Section 11. Establishes a Nunamiut Board of Commissioners to be jointly determined by all parties and appointed by the Secretary. The Board would exercise administrative oversight of the Park's operations.

Section 12–16. Technical provisions.

By Mr. MANSFIELD:

S. 3600. A bill to stabilize the economy and mitigate the effects of inflation by providing for minimum annual increases in wages. Referred to the Committees on Banking, Housing and Urban Affairs and Labor and Public Welfare, by unanimous consent.

THE WAGE ADJUSTMENT ACT OF 1974

Mr. MANSFIELD. Mr. President, I introduce a bill entitled "The Wage Adjustment Act of 1974" and ask unanimous consent that it be referred simultaneously to the Committee on Banking, Housing and Urban Affairs and the Committee on Labor and Public Welfare.

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

Mr. MANSFIELD. Last week, Mr. President, on the Senate floor, I reminded the Senate of what every Senator knows only too well—that the No. 1 economic problem confronting this Nation and the world today is inflation. In Europe and Asia national inflation rates run from 15 to 30 percent. In the United States the most recent monthly inflation rate is 12.4 percent. For the first quarter of this year the inflation rate was 14.2 percent. For the most recent 12-month period the rate is 10.2 percent. Production in this country is declining at an annual rate of 6 percent. Wages are lagging behind prices for the 13th consecutive month. Workers' families have approximately 6 percent less to spend that a year ago. The stock market is in a steady decline. The interest rates are at record highs. As I said last week, if the present trend continues Americans will have to make twice what they are making today in 1980 just to keep even. But there are no solutions forthcoming.

I think it is time to put a primary focus on this most severe problem. I do hope, however, that it will provide a vehicle upon which a national dialog can commence so that this most pervasive national problem can be given the attention at the highest levels that it so rightly deserves.

The bill I have introduced today would require every employer whose employees are presently covered by the social security laws to give that employee a cost-of-living increase each year comparable to the Government-determined inflation rate for the previous 12 months. Presently there are approximately 5.4 million organized workers who have contract provisions for a cost-of-living increase. However, there are 85 million other workers in the United States and they, too, are affected by inflation. It was through the social security definition that I felt we could reach the work force we hope to cover.

At present these is a cost-of-living increase for social security beneficiaries and Government pensioners. Provisions of this bill would also include a cost-of-living increase and adjustment in the minimum wage.

I had contemplated including a similar indexing and cost-of-living increase in U.S. Government savings bonds and Government securities. I think that this would be a mechanism whereby there would be an inflation-free return of principal on these Government securities. It was my thought that this feature would provide a source of investment for private pension funds or other people who would rely upon the fixed income to have a similar compensation for an inflationary rate. However, I think such a provision would under the existing climate offer such an attractive investment that it would dry up the already almost nonexistent available funds in the marketplace and add to our economic woes rather than solve them. I believe it is almost impossible now to get mortgage money and as a result homebuilding is grinding to a halt and aggravating the economic ills of this country.

For this reason, I deferred inclusion of such a provision in this bill.

There have been other bills introduced. Senator BUCKLEY has introduced a bill which would adjust the tax rate to compensate for a rise in inflation thereby providing a comparable spending income to those who pay taxes. I think that that approach should be considered along with this particular approach so that our energies can be devoted to this most serious and potentially disastrous nation and worldwide problem. I am hopeful that the appropriate committees—Banking, Housing and Urban Affairs, the Labor Committee, and perhaps the Joint Economic Committee—can give this proposal immediate consideration and hopefully it can provide the vehicle for a most needed national dialog.

In conclusion, Mr. President, may I say that the bill I am introducing today is not offered as a panacea, but only as a base from which other thinking can develop and, perhaps, some cures for inflation found.

I ask unanimous consent that the text of the bill and the statement I made in the Senate on May 30 be inserted at the conclusion of my remarks.

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

S. 3600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as the "Wages Adjustment Act".

ANNUAL WAGE INCREASE

SEC. 2. Each employer shall increase the wages of each individual employed by him not less frequently than annually by a percentage at least equal to the percentage by which the price index for the most recently

ended calendar year exceeds the price index for the base period. Each employer shall increase the minimum rate of pay for each position in which a vacancy occurs at the same time and in the same amount as that rate of pay would have been increased if no vacancy had occurred in that position.

(b) Notwithstanding any other provision of law, as soon after the close of each calendar year as the necessary data becomes available from the Bureau of Labor Statistics of the Department of Labor, the President shall increase the rates of pay set forth in subchapter II and subchapter III of chapter 53 of title 5, United States Code, and in any other law of the United States other than section 102 of title 3, United States Code, by the percentage by which the price index for the most recently ended calendar year exceeds the price index for the base period. Each amount increased under this subsection shall be the amount in effect under such subchapter or other law until the rate is changed under this section or otherwise increased.

(c) For purposes of this section the term—

(1) "base period" means the calendar year 1973;

(2) "price index" means the average over the base period or over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics of the Department of Labor;

(3) "employer" means any person engaged in activity in or affecting interstate commerce and liable for the payment of the tax imposed under section 3111 of the Internal Revenue Code of 1954 (relating to rate of tax on employers) or who would be liable for such tax if no provision of paragraphs (1) through (19) of section 3121 (b) of such Code (relating to definition of employment) applied to him; and

(4) "wages" means all remuneration for employment, including the cash value of all remuneration paid in any medium other than cash.

OTHER ADJUSTMENTS

SEC. 3. The President shall issue such rules and regulations as may be necessary—

(1) to provide for the passthrough of cost increases incurred by any person who is subject to any maximum limitation on prices or other similar transfers in complying with the provisions of section 2; and

(2) to provide for the effective administration and enforcement of this Act.

ADJUSTMENT IN THE MINIMUM WAGE

SEC. 4. In addition to any other increase in the minimum wage under section 6 of the Fair Labor Standards Act of 1938 provided for by law, the President shall annually issue an order effective January 1 of each year increasing the minimum wage by the same percentage by which wages are increased under section 2, rounded to the next highest multiple of 5 cents.

WAGE AND SALARY CONTROLS

SEC. 5. If the President or any other officer of the Federal Government, acting pursuant to authority under an Act of Congress, issues an order or regulation stabilizing wages in the private sector, he shall include in such order or regulation a provision whereby the stabilized wage levels shall be subject to periodic adjustments to reflect changes in the cost of living as required by section 2.

INJUNCTIONS

SEC. 6. Whenever it appears to the President that any person has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any order or regulation under this Act, he may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any such order or regulation.

SUITS FOR DAMAGES OR OTHER RELIEF

SEC. 7. (a) Any person suffering legal wrong because of any act or practice arising out of violation of this Act, or any order or regulation issued pursuant thereto, may bring an action in any district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment, writ of injunction, or damages.

(b) In any action brought under subsection (a) against any employer who is found to have failed to increase the plaintiff's wage under section 2, the court may, in its discretion, award the plaintiff reasonable attorney's fees and costs, plus whichever of the following sums is greater:

(1) an amount not more than three times the amount of the increase upon which the action is based, or

(2) not less than $100 or more than $1,000;

except that in any case where the defendant establishes that his action was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably adapted to the avoidance of such error the liability of the defendant shall be limited to the amount of the increase.

INFLATION

Mr. MANSFIELD. Mr. President, inflation is the No. 1 economic problem confronting this Nation and the world today.

Inflation was not caused by Watergate; it is worldwide.

Offhand, the inflation figures for the United Kingdom, as I recall them, is around 15 percent; France, 18 percent; Denmark, 25 to 30 percent; Japan, around 25 percent, and so forth.

In the United States:

Inflation is around 12 percent;

Production is declining around 6 percent;

Wages are lagging behind prices for the 13th consecutive months;

Workers' families have approximately 6 percent less to spend than a year ago;

The stock market is down;

Prime interest rates are up to 1¾ percent.

If present trends continue, we will have to make twice as much in 1980 as we are making today, just to keep even.

What are we doing about the situation? The answer is nothing.

That applies to Congress and the executive branch of the Government.

What is the answer? I do not know definitively but I believe consideration should be given to a proposal known as indexing. It would provide for annual adjustments to reflect increases in the cost of living. The basis for adjustments would be the cost of living index.

It has been estimated that taking all social security payments into consideration, about 50 million Americans have incomes directly tied to the Consumer Price Index, and the increases are automatic as the cost of living goes up.

Add wage escalator agreements in union contracts now in being and they cover, as I understand it, around 5 million workers. Furthermore, almost every new wage agreement covers this particular escalator clause at the present time. Add Government pensioners, both civilian and military, and that must include several million more who are "indexed."

Will it stop inflation? I do not know, but it will at least allow millions to keep even. If we cannot stop or reduce inflation—and the Government, the administration and the Congress, are unwilling to do so—then let us try this proposal and at least endeavor to keep even.

It is my intention, Mr. President, some time next week, to introduce legislation seeking to establish an index on wages and salaries so that something at least can be attempted to bring about a halt or at least an alleviation to the high cost of living which is rampant throughout the Nation and throughout the world today.

Mr. ALLEN. Mr. President, will the Senator yield to me after the distinguished minority leader has spoken?

Mr. MANSFIELD. I will be glad to yield now, on my time.

Mr. ALLEN. I thank the Senator very much.

I should like to ask the distinguished majority leader if it would not also be helpful in the battle against inflation to balance the Federal budget?

Mr. MANSFIELD. It certainly would.

Mr. ALLEN. Are any efforts being made in that regard by the Congress?

Mr. MANSFIELD. By neither the Congress nor the administration. We are both to blame, I think, in large part, for the fix in which we find ourselves today.

The only stabilizing element is, in my opinion, the Federal Reserve Bank where Arthur Burns is trying to do a job and has been a Cassandra for months trying to warn us that something must be done before the economic condition of the country breaks down and becomes more horrible than it is now.

Mr. ALLEN. Does the Senator think there is any possibility of balancing the Federal budget for the next fiscal year, starting in July?

Mr. MANSFIELD. I would not say. That would be up to Congress and the administration.

I would point out, so far as Congress is concerned, in the first 4 years of the present administration, if my memory serves me correctly, that we reduced the requests of the President by about $22 billion to $23 billion. During that period, the deficit was increasing, conservatively speaking, by $100 billion. The House just the other day, by a one-vote margin, passed a substantial increase in the debt limit, which is now approaching the $500 billion mark.

By Mr. BENTSEN:

S. 3601. A bill to amend the Urban Mass Transportation Act of 1964. Referred to the Committee on Banking, Housing and Urban Affairs.

THE URBAN PUBLIC TRANSPORTATION ASSISTANCE ACT OF 1974

Mr. BENTSEN. Mr. President, I am today introducing the Urban Public Transportation Assistance Act of 1974.

During the last 3 months, the Subcommittee on Transportation, which I have the privilege to chair, has conducted a series of nationwide hearings on "Transportation Planning and Priorities for the Seventies."

In the hearings, we have received testimony from mayors, State transportation departments, transportation planners, contractors, environmental groups, and private citizens concerning the future of our transportation system.

The legislation I introduce today is an outgrowth of those hearings. It is directed to our needs in bus and rail mass transit over the next several years. In the next weeks, I will be discussing separate highway legislation, in the Transportation Subcommittee and members will consider a broad range of measures, including the administration's Unified Transportation Assistance Act.

The legislation I introduce today may well be broadened and refined, but it represents a direction in which I believe we should be moving, based on the testi-

mony we received from over 50 witnesses during many weeks of hearings.

We asked our witnesses to address the most serious issues confronting us in highway and transit legislation. Specifically, we asked them to comment on the following issues:

First. Should highway and transit funds be combined in a single transportation fund?

Second. What formula should we use to distribute funds to the States and to the urbanized areas?

Third. Should cities with existing transit systems to be treated differently from other cities which have only begun to plan their systems?

Fourth. What should be the level of Federal support? and,

Fifth. Who should administer transportation funds, the States or the localities?

The bill I offer today represents a distillation of the views we received. It is an attempt to reconcile different points of view and to provide the transit assistance we sorely need.

One of the principal questions we confronted was whether to establish a single, unified transportation fund. The prevailing view, among witnesses representing both transit and highways, is that a single fund does not represent the most efficient and effective means of providing support to all forms of transportation. Alan Kiepper, the general manager of the Metropolitan Atlanta Regional Transit Authority, expressed it this way:

> The Administration's proposal requires competition between highway and transit projects for certain funds. This can result in useless, time-consuming and costly disputes over funds that are inadequate to meet the needs, no matter which side wins.

Similar views were expressed by the Colorado contractors and other groups generally associated with highway construction. With a limited amount of available funds, the belief was expressed that the proper emphasis on transit can best be accomplished by separate and, most significantly, adequate funding for transit projects.

Another question receiving considerable attention involved operating subsidies for transit systems.

Many of our cities find themselves in a vicious circle, with transit deficits leading to increased fares, which in turn lead to a reduction in ridership, which diminishes transit revenues. The net result has been that urban mass transit has been in a state of decline since the 1940's. Even the recent spurt in ridership because of the energy shortages seems to be slacking off, as the growing availability of gasoline sends more people back to their private cars.

It is obvious to me that the Federal Government has a role in supporting local transit systems with some form of operating assistance; the question was how do we support local transit while insuring that Federal funds are not poured into constantly deteriorating systems?

Although most of the witnesses recognized the urgency of some form of subsidy for transit systems, there was general agreement that some protection should be written into Federal law to encourage localities to make their transit systems more efficient and to maintain the level of local support. John Dyer, the director of the Miami-Dade County Rapid Transit System told the subcommittee:

> Two alternatives are advanced as possible standards which could be applied to the issue of operating subsidies. First, a maintenance of effort provision should be contained in legislation so that those metropolitan areas and states are now providing subsidies would be required to do so at their present level of effort . . . . At the same time, however, legislation could be developed which would set a ceiling on the amount of subsidy in terms of the ratio of subsidy to the total operating costs of the transit system.

The bill I offer today provides that a ceiling of 50 percent of the total funds allocated to all urbanized areas may be available for operating subsidies. It further instructs the Secretary of Transportation to issue regulations regarding maintenance of effort and requirements for improving the efficiency of transit systems. To avoid excessive reliance on Federal subsidy, the Federal matching share for subsidies is set at 50 percent, as opposed to the 80 percent for capital grants.

Then, there is a serious question concerning how to distribute the funds fairly among the States and the major urbanized areas. The major transit needs are in the most populous metropolitan areas; however, substantial needs for transit assistance can also be found in medium sized cities and even in some smaller urban areas that are experimenting with bus service, dial-a-ride, and other transit innovations.

The purpose of the distribution formula in the bill is to give considerable recognition to the larger cities which have the greatest needs, and which, in many cases, have moved aggressively with local money to solve their transportation problems. At the same time, the formula does not shut out cities who may be in the early stages of planning from receiving their fair share of available funds.

There are some 248 urbanized areas over 50,000 inhabitants, and 32 of these areas exceed 750,000 in population. These 32 areas have a combined population of 76 million people. The formula provides them with 70 percent of the funds, in recognition of their needs and the efforts they have made in transit thus far.

In addition, the 32 areas include all of the cities now having rail systems or those which are committed to having such systems in operation. I considered and rejected plans which would have set aside the cities with rail in a category of their own. In the first place, such a distribution could effectively isolate these cities in a special group without the possibility of other cities being able to qualify for inclusion. Moreover, if the special category were left open to new cities, it might well create a situation in which cities could be encouraged to go to rail systems when other systems might be substantially more efficient and cost effective.

Under the first category in the bill, the funds would be distributed to the localities directly, as in the present UMTA legislation; under the second category, the Governors would administer the funds, except that urbanized areas of over 200,000 in population would receive their proportional share of the funds by formula, an earmarking process similar to that used in the 1973 Federal Aid Highway Act.

In the bill, there is also a discretionary fund including 10 percent of the total available funds in the hands of the Secretary. The discretionary fund can be used for either operating expenses or capital expenditures and would go, in part, to those areas having special transit needs. Priority in the distribution of these funds would go to those areas which have made progress in increasing the percentage of people using transit facilities. The objective is for the cities to make efforts to move people out of their automobiles and into attractive and efficient alternatives. I believe that providing incentives to the cities to make transit more acceptable to citizens formerly using private cars, is the proper way to encourage broader use of transit throughout the country.

As I indicated, the advantage of this tripartite distribution is that it recognizes that some cities have made special efforts in transit and have special needs, while it also allows other cities developing new transit systems to have a fair share of the funds

The bill provides some $17.5 billion or approximately $3.5 billion per year over the next 5 years for both capital expenditures and operating expenses, $14.4 billion of which is new money. The subcommittee received a variety of estimates on the need for transit funds, but the most commonly accepted figure, and the one I believe represents a feasible level of expenditure, was $2.5 billion a year in capital expenditures and $1 billion a year in operating expenses, a figure advanced by the American Transit Association and the Institute of Rapid Transit. The bill I introduce today does not break down the available funds in precisely that manner, but it includes approximately the same level of total expenditures.

Mr. President, let me make just a few general comments.

For many years now, Americans have taken their transportation system largely for granted. We seemed to have an endless supply of gasoline, manageable environmental problems, and a transportation system superior to any other nation in the world.

That is no longer the case.

We have realized that our supply of gasoline is finite and often unpredictable. Our bus and rail mass transit systems are failing; over 250 of them have gone into bankruptcy. The price of fuel jumped over 19 percent in a single month last year, and record numbers of Americans either stopped buying automobiles or looked at their larger cars with a new sense of doubt.

All of these incidents brought home to us the recognition of how vulnerable our transportation is, and, for the first time, we began to ask basic questions about transportation that should have been asked years ago.

I believe that transportation will become one of the major issues of the seventies, as more and more Americans ask serious questions about how often they travel, what type of transportation they will use, and how they will get to work.

This bill is one effort to help achieve that elusive goal of a balanced transportation system. I believe we must allocate the resources necessary to put urban transportation back on its feet, to encourage the growth of attractive, efficient alternatives to the automobile.

This bill calls for a serious commitment of our resources to that task.

At this point, I ask unanimous consent to include in the RECORD a fact sheet detailing the principal points in the bill and the text of the Urban Public Transportation Assistance Act of 1974.

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

FACT SHEET—THE URBAN PUBLIC TRANSPORTATION ASSISTANCE ACT OF 1974

TOTAL FUNDING

$17.5 billion over five years, $14.4 billion of which is new money.

DISTRIBUTION AND USE OF FUNDS

A three way division of funds is included in the bill as follows:

1. Urbanized areas of over 750,000 in population—

A. 70% of the total available funds are allocated to these areas.

B. Not to exceed 50% of the funds for these areas may be used for operating expenses.

C. The Federal share of operating expenses shall not exceed 50%; for capital expenditures 80%.

D. The distribution is directly from the Secretary to the urbanized areas, not to the States.

E. Approval is on a project-by-project basis as in the present UMTA program, not on a formula distribution.

2. Other urbanized areas with a population exceeding 50,000—

A. 20% of the total available funds are allocated to these areas.

B. Not to exceed 50% of the funds for these areas may be used for operating expenses.

C. The Federal share for operating expenses shall not exceed 50%; for capital expenditures, 80%.

D. The distribution is from the Secretary to the Governors of the States, except that urbanized areas over 200,000 in population receive earmarked funds based on the ratio of their population to the total population of all the urbanized areas in the State.

E. Each State is entitled to receive an amount equal to the ratio that the urbanized areas of over 50,000 in the State bears to the total population of all such urbanized areas in all the States, except that no State shall receive less than ⅓ of 1% of the funds allocated under this section.

3. Discretionary funds to be distributed by the Secretary—

A. 10% of the total available funds are to be held by the Secretary in a discretionary fund.

B. The discretionary fund may be used for either capital expenditures or operating expenses.

C. The distribution is from the Secretary to the urbanized areas, except that priority in the distribution of these funds shall go to urbanized areas which increase the share of total trips in the area taken by transit passengers.

D. The Secretary shall conduct a yearly review to determine the information required under (C) above.

S. 3601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Urban Public Transportation Assistance Act of 1974".

FINDINGS

SEC. 2. The Congress finds that—

(1) more than 70 per centum of the Nation's population lives in urban areas;

(2) transportation is the lifeblood of an urbanized society and the health and welfare of that society depends upon the provision of efficient economical and convenient transportation within and between its urban areas;

(3) for many years the mass transportation industry satisfied the transportation needs of the urban areas of the country capably and profitably;

(4) in recent years the maintenance of even minimal mass transportation service in urban areas has become so financially burdensome as to threaten the continuation of this essential public service;

(5) the termination of such service or the continued increase in its cost to the user is undesirable and may have a particularly serious adverse effect upon the welfare of a substantial number of lower income persons;

(6) some urban areas are now making preliminary plans for, or are actually carrying out, comprehensive projects to revitalize their mass transportation operations;

(7) immediate substantial Federal assistance is needed to enable many mass transportation systems to continue to provide vital service; and

(8) long-range capital improvements programs with adequate Federal support are necessary to implement the construction and modification of transit systems.

URBAN PUBLIC TRANSIT

SEC. 3. (a) Section 5 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"URBAN PUBLIC TRANSIT PROGRAM

"SEC. 5. (a) As used in this section—

"(1) the term 'Governor' means the Governor, or his designate, of any one of the 50 States or of Puerto Rico, and the Mayor of the District of Columbia; and

"(2) the term 'urbanized area' means an area so designated by the Bureau of the Census, within boundaries which shall be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary, which shall at a minimum, in the case of any such area, encompass the entire urbanized area within the State as designated by the Bureau of the Census, and which has a population of at least 50,000.

"(b)(1) Of the amounts available under section 4(c) for any fiscal year beginning after the date of enactment of the Urban Mass Transportation Assistance Act of 1974, 70 per centum shall be available to the Secretary for grants to eligible applicants in urbanized areas which have populations in excess of 750,000. Grants under this subsection shall be made on a fair and equitable basis and on such terms and conditions as the Secretary may prescribe in accordance with the provisions of subsections (e) through (g) of this section, subsection (m) of this section, and section 4(a).

"(2) Of the amounts available for grants under this subsection in any fiscal year, not to exceed 50 per centum shall be available for grants for operating expenses.

"(c)(1) of the amounts available under section 4(c) for any fiscal year beginning after the date of enactment of the Urban Mass Transportation Assistance Act of 1974, 20 per centum shall be available to the Secretary for apportionment to the States in accordance with the provisions of this subsection for use in urbanized areas (other than urbanized areas eligible for assistance under subsection (b)) in accordance with the provisions of this section and section 4(a).

"(2) The Secretary, under regulations prescribed by him, shall apportion the sums available under this subsection for any fiscal year for use in urbanized areas with populations of 750,000 or less in the several States under a formula by which each State will be entitled to receive an amount equal to the product of the total amount available for apportionment multiplied by the ratio which the population of such urbanized areas within such State bears to the total population of all such urbanized areas in all the States as determined by the latest available Federal census, except that no State shall receive an entitlement which is less than one-third of 1 per centum of the total amount so apportioned.

"(3) The funds apportioned to any State under paragraph (2) of subsection (c) of this section that are attributable to urbanized areas of 200,000 population or more shall be made available for expenditures in such urbanized areas in accordance with a formula which entitles such area to receive an amount equal to the product of the total amount of that State's apportionment determined under paragraph (2) multiplied by the ratio which the population of such urbanized area or part thereof bears to the total population of all the urbanized areas in that State having populations of 750,000 or less.

"(4) Any amounts which are not subject to the entitlement formula set forth in paragraph (3) shall be allocated by the Governor on a fair and equitable basis to eligible applicants in urbanized areas within the State having populations of less than 750,000 for projects which meet the requirements of subsection (m), for a period of two years after the close of the fiscal year for which such sums are allocated and any amounts remaining unobligated at the end of such period shall be recovered to the Treasury of the United States.

"(5) Of the amounts available for the purpose of this subsection, not to exceed 50 per centum shall be available for grants for operating subsidies.

"(d) Of the amounts available under section 4(c) for any fiscal year beginning after the date of enactment of the Urban Mass Transportation Assistance Act of 1974, 10 per centum shall be available to the Secretary as a discretionary fund to meet the special needs of any mass transportation system serving any urbanized area. In making grants under this subsection the Secretary shall give a priority to those urbanized areas which demonstrate an increase in the ratio of mass transportation ridership to total trips taken in such areas by all forms of transportation.

"(1) Uniform reporting procedures shall be developed by the Secretary and utilized by urbanized areas to determine the ridership information required in subsection (d).

"(e)(1) The Secretary may approve for assistance under this section, on such terms and conditions as he may prescribe, (A) the acquisition, construction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service, and (B) the payment of operating expenses to improve or to continue such service.

"(2) The Secretary shall issue such regulations as he deems necessary to administer this subsection and subsection (f), including regulations regarding maintenance of effort by States, local governments, and local public bodies, the appropriate definition of operating expenses, and requirements for improving the efficiency of transit services.

"(f)(1) The Federal share payable under subsection (e)(1)(B) shall not exceed 50 per centum of the cost of the project. The remainder of the cost of the project shall be

provided from sources other than Federal funds. Federal funds available for expenditure for mass transportation operating expenses under this section shall be supplementary to and not in substitution for the average amount of State and local government funds and other revenues expended on the operation of mass transportation service in the area involved for the two fiscal years preceding the fiscal year for which the funds are made available; but nothing in this sentence shall be construed as preventing State or local tax revenues which are used for the operation of mass transportation service in the area involved from being credited (to the extent necessary) toward the non-Federal share of the cost of the project for purposes of the preceding sentence. The Secretary is authorized to make such adjustments in any grant for operating expenses as may be necessary to assist and encourage the establishment and maintenance of fare structures which make special provision for elderly persons, non-peak hours service, or other special circumstances.

"(2) The Federal share payable under section (e)(1)(A) shall be determined under section 4(a).

"(g)(1) As soon as practicable after the allocation pursuant to subsection (c) has been made for any fiscal year, any applicant desiring to avail himself of the benefits of this section shall submit to the Secretary for his approval a program, or programs, of proposed projects for the utilization of the funds authorized. The Secretary shall act upon programs submitted to him as soon as practicable, and he may approve a program in whole or in part.

"(2) An applicant for assistance under this section (other than a Governor) shall submit the program or programs to the Governor of the State affected, concurrently with submission to the Secretary. If within 30 days thereafter the Governor submits comments to the Secretary, the Secretary shall consider such comments before taking final action on the program or programs.

"(h)(1) An applicant shall submit to the Secretary for his approval such surveys, plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such surveys, plans, specifications, and estimates as soon as practicable after they are submitted, and his approval of any such projects shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

"(2) In approving the plans, specification, and estimates for any proposed project under this section, the Secretary shall assure that possible adverse economic, social, and environmental effects relating to the proposed project have been fully considered in developing the project, and that the final decisions on the project are made in the best overall public interest, taking into consideration the need for fast, safe, and efficient transportation, public services, and conservation of environment and natural resources, and the costs of eliminating or minimizing any such adverse effects, including—

"(A) air, noise, and water pollution;

"(B) destruction or disruption of manmade and natural resources, aesthetic values, community cohesion, and the availability of public facilities and services;

"(C) adverse employment effects, and tax and property value losses;

"(D) injurious displacement of people, businesses, and farms; and

"(E) disruption of desirable community and regional growth.

"(i) Upon submission for approval of a proposed project under this section, the applicant shall certify to the Secretary that it has conducted public hearings (or has afforded the opportunity for such hearings) and that these hearings included (or were scheduled to include) consideration of the economic and social effects of such project, its impact on the environment, including requirements under the Clean Air Act, the Federal Water Pollution Control Act, and other applicable Federal environmental statutes, and its consistency with the goals and objectives of such urban planning as has been promulgated by the community. Such certification shall be accompanied by (1) a report which indicates the consideration given to the economic, social, environmental, and other effects of the proposed project, including, for construction projects, the effects of its location or design, and the consideration given to the various alternatives which were raised during the hearing or which were otherwise considered, and (2) upon the Secretary's request, a copy of the transcript of the hearings.

"(j) (1) The Secretary may discharge any of his responsibilities under this section with respect to a project under this section upon the request of any applicant by accepting a certification by the applicant, if he finds that such project will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to, this section.

"(2) The Secretary shall make a final inspection or review of each such project upon its completion and shall require an adequate report of its estimated and actual cost, as well as such other information as he determines to be necessary.

"(3) The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this subsection.

"(4) Acceptance by the Secretary of a certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do so.

"(5) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any other Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), section 4 (f) of the Department of Transportation Act (49 U.S.C. 1653(f)), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d) et seq.), title VIII of the Act of April 11, 1968 (Public Law 90–284, 42 U.S.C. 3601 et seq.), and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

"(k)(1) As soon as practicable after the plans, specifications, and estimates for a specific project under this section have been approved, the Secretary shall enter into a formal project agreement with the applicant. Such project agreement shall make provision for non-Federal funds required for the State's or other recipient's share of the cost of the project.

"(2) The Secretary may rely upon representations made by the applicant with respect to the arrangements or agreements made by the Governor or the other recipient where a part of the project involved is to be constructed at the expense of, or in cooperation with, local subdivisions of the State.

"(l)(1) The Secretary may in his discretion, from time to time as the work progresses, make payments to the applicant for costs of construction incurred by him or it on a project. Such payments shall at no time exceed the Federal share of the costs of construction incurred to the date of the voucher covering such payments plus the Federal share of the value of the materials which have been stockpiled in the vicinity of such construction in conformity to plans and specifications for the project. Such payments may also be made in the case of any such materials not in the vicinity of such construction if the Secretary determines that because of required fabrication at an offsite location the materials cannot be stockpiled in such vicinity.

"(2) After completion of a project in accordance with the plans and specifications, and approval of the final voucher by the Secretary, an applicant shall be entitled to payment out of the sums apportioned to him of the unpaid balance of the Federal share payable on account of such project.

"(3) No payment shall be made under this section except for a project covered by a project agreement.

"(4) Such payments shall be made to such official or officials or depository as may be designated by the Governor or other recipient of the urbanized area and authorized under the laws of the State to receive public funds of the State.

"(m) The Secretary shall not approve any project under this section unless he finds that such project is based upon and consistent with a continuing comprehensive transportation planning process carried on cooperatively by the State and the governing bodies of local communities in conformance with the objectives of section 134(a) of title 23, United States Code, and is necessary for the sound, economic and desirable development of such area. A project under this section may not be undertaken unless the responsible public officials of the urbanized area in which the project is located have been consulted and, except for projects solely to pay operating expenses, their views considered with respect to the corridor, location, and design of the project.

"(n)(1) The provisions of section 13(c) and section 3(e)(4) shall apply in carrying out mass transportation projects under this section.

"(2) The provision of assistance under this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.

"(o) The Secretary shall report annually to the Congress with respect to the effectiveness of the allocation of funds under this section and shall include in such report detailed information, based on annual surveys carried out for the purpose of establishing eligibility for assistance under subsection (d), relating to the ridership ratios of all recipients."

(b) Section 4(a) of such Act is amended by striking out "Except as specified in section 5, no" and inserting in lieu thereof "No".

INCREASE IN BASIC ASSISTANCE AUTHORITY

SEC. 4. (a) The first sentence of section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking out $6,100,000,000" and inserting in lieu thereof "$23,000,000,000".

(b) The third sentence of section 4(c) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out all that follows "which amount may be increased"; and

(2) by inserting in lieu thereof "to not to exceed an aggregate of $310,000,000 prior to July 1, 1972, not to exceed an aggregate of $710,000,000 prior to July 1, 1973, not to exceed an aggregate of $1,260,000,000 prior to July 1, 1974, not to exceed an aggregate of $3,260,000,000 prior to July 1, 1975, not to exceed $5,260,000,000 prior to July 1, 1976, not to exceed and aggregate of $7,260,000,000 prior to July 1, 1977, and not to exceed $9,260,000,000 prior to July 1, 1978, not to exceed $11,260,000,000 prior to July 1, 1979, and not to exceed an aggregate of $20,500,000,000 thereafter."

By Mr. PERCY:

S. 3603. A bill to repeal the no-knock laws. Referred to the Committee on the Judiciary.

Mr. PERCY. Mr. President, the central premise underlying all forms of constitu-

tional government, our own in particular, is the limitation on the right of the Government to act in certain areas or in certain ways. This notion of limited government evolved over many years in Europe before it was adopted on this side of the Atlantic. It was made a cornerstone of the U.S. Constitution after being a hotly contested issue in our war of independence, and then only after extensive discussion and debate at the Constitutional Convention.

One of the signal advances made in the original Constitution was the specific restriction placed on Government authority to search persons and their effects and to seize private property. The fourth amendment of the Constitution specifically provides:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Such limitations on governmental authority are rather rare in all of recorded history. They should be treasured. They should not be taken for granted.

The right to be free from unreasonable searches and seizures—along with the first amendment rights of speech, assembly, and religion—has long been considered part of the bedrock of our constitutional system. Without these rights, all other constitutional guarantees seem empty.

A further bulwark against governmental tyranny—the doctrine of the separation of powers—was enshrined in the Constitution as a means of preventing any one individual or any branch of government from gaining and consolidating the kind of absolute power that the colonists had suffered under before the Revolution. But it was understood that a mere clash of political interests was no guarantee of individual liberty. If the Government as a whole has absolute power to regulate and control the most private spheres of conduct, then any division of this authority among the branches of government only serves to separate powers that are ultimately all-encompassing. It was this that the Founding Fathers sought specifically to preclude for forbidding Government activity under certain circumstances and by recognizing certain individual rights which were to be secure against all the world.

Over the years, the U.S. Supreme Court, the final arbiter of constitutional questions under our political system, has remained faithful to this basic tenet: while checks and balances do operate to moderate the exercise of official power, the rigid restrictions on all governmental actions written into the Constitution must be closely adhered to. It has given certain rights of citizens a preferred status. With regard to fourth amendment safeguards, the Court has gone so far as to hold that all evidence seized in an unconstitutional fashion is tainted and is to be excluded in Federal (*Weeks v. United States*, 232 U.S. 383 (1941), and State (*Mapp v. Ohio*, 367 U.S. 643 (1961)) criminal proceedings. This is a drastic course, to be sure. But the Court felt that only by operation of a rigid exclusionary rule could the rights of the many be protected from the excesses of the few.

In recent years, no doubt in reaction to the distressing increase in violent crime in the United States, the Congress and the executive branch have begun to take our hard won fourth amendment rights for granted. A prime example of this trend involved enactment of the Comprehensive Drug Abuse Prevention and Control Act of 1970. This statute was designed to dramatically expand the Federal Government's role in combating the cancer of drug abuse. Included in that legislation was a provision known as the Federal no-knock statute, 21 U.S.C. 879.

The no-knock provision is applicable only to searches by Federal narcotics officers enforcing Federal drug laws. The law permits unannounced forcible entries by authorized Federal narcotics agents pursuant to a "search warrant relating to offenses involving controlled substances the penalty for which is imprisonment for more than one year." In order to obtain such a warrant, a judge or a U.S. magistrate must decide that there is probable cause to believe that the material sought may be easily or quickly destroyed if advance notice is given or that such warning would endanger the life or safety of the executing officer or other persons. These no-knock warrants must specifically state that no advance notice is required.

Increasingly, reports in the news media point to an upsurge in the violation of the fourth amendment rights of innocent individuals by drug agents at all levels since passage of the Federal no-knock law. At the same time, there is a growing recognition that no-knock entries are generally not an effective law enforcement tool, and certainly not as effective as intended when the provision was enacted.

In the District of Columbia, where an even broader no-knock statute is in effect, police officials unilaterally decided over 2 years ago that the exercise of the no-knock authority is too dangerous under present circumstances. Mr. Geoffrey Alprin, chief lawyer for the police department in Washington, D.C. has stated that in a no-knock search ". . . there might be a shoot out. That's not what we want." He went on to say, "It's most effective from a safety viewpoint to announce who we are," adding, "generally, we don't need no-knock."

Capt. Charles Light of the police morals division in Washington, D.C., has emphasized that while the police had originally requested no-knock warrants, "after weighing all the facts, we decided not to." He explained that unannounced entry "adds to the risk factor to officers involved and to the occupant. We'd prefer to go there as known police officers with a barricade team."

In 1970, I voted for the Comprehensive Drug Abuse Prevention and Control Act in spite of the fact that it contained the potentially dangerous Federal no-knock provision. I felt that the positive purposes of that law outweighed its more questionable provisions. But the dangers and abuses that were predicted by some Senators have unhappily come to pass over the last few years. Mistaken drug raids by Federal officers have unfortunately taken place across the country with an alarming frequency. Narcotics agents have sometimes used police state tactics in making unannounced and unlawful entries into the dwellings of decent, law-abiding citizens. A simple, but familiar pattern has emerged in these raids. Overly eager agents, suspecting that drugs are hidden in a home, decide to dispense with the warrant provisions of the no-knock law, and the command of the fourth amendment. Alternatively, they seek a special no-knock search warrant and then alter the address as circumstances dictate.

The widely publicized mistaken drug raids that occurred in Collinsville, Ill., in April 1973, represent perhaps the most notorious example of this official lawlessness.

On the evening of April 23, teams of Federal and local narcotics officers raided the homes of the Herbert Giglottos and the Donald Askews. Unidentified and unannounced, the drug agents entered these homes in commando-raid fashion with weapons drawn. Both families looked on in terror as the agents made a futile search for supposedly large caches of illicit drugs. Only after the officers were completely satisfied that no drugs were to be found at these addresses did they realize that they had raided the wrong homes. At this point the agents simply departed into the night.

Such incidents are not uncommon. They have occurred across the Nation. Some have involved death and serious personal injury to dedicated officers and innocent home dwellers alike. Too often, even well-meaning agents dispense with the warrant requirements of the Federal no-knock statute for reasons of convenience. Sometimes they alter the address on a warrant rather than obtain a new one as the law requires.

Individual instances of drug agents trampling constitutionally guaranteed rights are alarming, but continuing systematic behavior along these lines is profoundly disturbing and calls for immediate remedial action. If allowed to spread, a callous disregard for the rights of some citizens in the name of law and order could risk a severe public backlash against the concept of strict law enforcement. Justice William Brennan stated this argument well in *Miller* v. *United States*, 357 U.S. 301 at 313 (1958):

> We are duly mindful of the reliance that society must place for achieving law and order upon the enforcing agencies of the criminal law. But insistence on observance by law enforcement officers of traditional fair procedural requirements is, from the long point of view, best calculated to contribute to that end. However much in a particular case insistence upon such rules may appear as a technicality that inures to the benefit of a guilty person, the history of the criminal law proves that tolerance of short-cut methods in law enforcement impairs its enduring effectiveness.

Mr. President, today I am introducing legislation which will repeal the Federal no-knock provision as well as the no-knock authority found in the District of Columbia Code. This bill is designed to do more than merely repeal now-existing

statutory authority. It makes clear that in the future Federal officers must in all cases identify themselves and announce their purpose and authority before they can enter and search a private dwelling.

I recognize, of course, that the vast majority of drug law enforcement agents have not conducted the sort of mistaken drug raids that have caused a public outcry over the past several years. But a climate has developed where, on occasion, doors are kicked in, residents are terrorized, property is destroyed, lives are irreparably scared, and, for the sake of administrative convenience, questions are dealt with later. Answers, perhaps never.

It is this attitude of condoning shortcut methods when dealing with basic constitutional rights that this repealer law is, above all, designed to prevent. I ask unanimous consent that this bill be printed at the conclusion of my remarks. I trust that it will receive prompt consideration in hearings before the appropriate committees in the Senate.

Mr. President, editorial comment on repealing the no-knock statutes has come recently from newspapers around the country and has been almost uniformly favorable. There appears to be a general recognition that no-knock authority is unnecessary for thorough, vigorous police work. Indeed, that it creates more problems than it solves.

Adequate constitutional authority clearly exists to combat drug abuse. On April 6, 1974, a New York Times editorial on the Collinsville trial made a persuasive case for curbing the overly broad police powers granted in 1970:

Even though the police work [in the Collinsville raids] was shoddy and irresponsible in planning and in execution—as was the case in similar incidents in other parts of the country—it is nevertheless obvious that the laws under which the raiders acted should really have been on trial. The real culprit is the legislation enacted in 1970 by a get-tough Congress under pressure from a 'law and order' Administration. The resulting powers of 'no-knock' entry clearly amount to a blank check in the hands of over-zealous or vindictive police.

It is virtually impossible to prove that a warrantless raider had no reason to believe that contraband was about to be destroyed in any house which he, however mistakenly, decided to enter. As long as such police license remains undefined and uncurbed, no home is safe from government raiders.

Earlier, New York Times columnist Tom Wicker had argued for repeal of the no-knock statute in his column of November 11, 1973:

A survey by the New York Times has disclosed that largely as a result of the 1970 legislation, dozens of violent and mistaken assaults on innocent persons and abodes have been carried out by drug-abuse officers, notably the highly publicized raids at the Askew and Giglotto homes in Collinsville, Ill. At least four persons, including one policeman, have been killed in these incidents. . . .

Mr. Percy's decision to seek repeal of the no-knock law is significant in itself. As he put it, 'If we allow drug abuse law enforcement to be overridden by drug law enforcement abuse, the sacrifice and the risk are just too great.' He pointed out, moreover, that despite the self-serving claims of enforcement officials, no-knock entry has been of dubious efficacy; on the average, such raids save only twenty seconds, while frequently putting the officers as well as the targets in danger of violent reaction.

While praising efforts by the Drug Enforcement Agency to issue stricter rules and regulations for no-knock search situations, the Los Angeles Times has called for outright repeal of this law:

The new regulations may bring narcotics agents under more effective and sensible control, but they do not reach the heart of the matter, which is the no-knock sections of the omnibus drug-control bill that permits law enforcement officers to smash into a home or other building without notice. The dangers inherent in this statute were noted at the time. Events since have amply confirmed these warnings. Congress should repeal the law.

The Metro-East Journal, in East St. Louis, Ill.—near Collinsville—stated in an April 5, 1974, editorial that the Federal no-knock law should be repealed forthwith:

There are ways—good and effective ways—for drug offenders to be apprehended without "no-knock" provisions. Good police work can substitute for recklessness at the same time rights to privacy are preserved.

A law that does not leave so much room for possible confusion and mistakes also would protect law enforcement agents from such legal troubles as those that developed from the Illinois raids.

The Witchita Eagle opined editorially on November 8, 1973, that:

The no-knock law should be repealed because its constitutionality is questionable, its usefulness limited, its effectiveness doubtful and its contribution to the lawless and mindless conduct of some federal narcotics agents undeniable.

In Chicago, a WBBM–TV editorial on November 17, 1973, made the same point in more emphatic language:

We have no brief with the fight against illicit drug trafficking. We need every bit of law enforcing mechanism to root out and contain drug abuse. What we don't need, however, are law enforcement officials hiding behind the law to harass and deny people their constitutional rights. The no-knock law has proven to be a mistake, and should be repealed.

On December 4, 1973, another Chicago television station, WGN, urged prompt action to eliminate the possibility of additional official lawlessness in the future. No less was at stake, according to this editorial, than insuring that the means used in combating drug abuse do not become more dangerous than the drug trafficking itself:

We concur in Senator Percy's statement that, "If we allow drug-abuse law enforcement to be overridden by drug law enforcement abuse, the sacrifice and the risk are just too great." Too much, we feel has been done in the name of law and order which flies in the face of that famous phrase. Certainly we want law and order, but we're not willing to accept DIS-order and questionable legality as an ultimate solution. No end, regardless how worthy, can justify using any and every means at hand.

A third Chicago television station, WMAQ, was equally emphatic:

We have had a federal no-knock law since 1970. One specific reason for it was to combat narcotics traffic. The argument was made that if officers have to announce their presence in advance, drug pushers will have just enough time to flush away their heroin or pills. And drug traffic does constitute a serious threat to our society, particularly to young people.

But even more important is the Fourth Amendment to our Constitution that guarantees every one of us the right to be secure in our homes against unreasonable searches and seizures. That is a fundamental right of every American. We cannot accept the rationalization that a few citizens might be forced to surrender their basic rights for the benefit of the majority.

The time has come for Congress either to repeal the no-knock law or to revise it substantially so that our rights as citizens are protected.

Last July 18, the Chicago Sun-Times praised efforts by the Drug Enforcement Administration to improve its hiring and training procedures. But that was not seen as a complete response to the abuses of the past:

The ultimate answer, however—the one solution that won't fall short of a full guarantee of civil and personal rights—is to outlaw no-knock drug raids. We have long held that the grant of no-knock power was a dangerous invitation to abuses. The recent evidence has shown the position to be correct. The campaign against the drug traffic and the crime it breeds should not be a vigilante performance. There must always be an official concern for constitutional liberties.

The Sun-Times reiterated its position on this matter in even more forceful terms on December 11, 1973:

Those of us who argued that this [no-knock] law violated fundamental guarantees against abuse of police powers were elbowed aside—it was more important to stop the drug traffic. But when innocent citizens were raided and terrorized, as they were in Collinsville, Ill., and elsewhere, the reasons for the fundamental guarantees began to simmer through.

The no-knock law was an extension of the end-justifies-the-means philosophy that underlay the Watergate concept which has rocked the nation to its foundation. The no-knock law itself breeds lawlessness. It has no place in a society based on the concept that law and order begins with respect for the rights of all citizens.

As the Des Moines, Iowa, Register concluded in an editorial comment on August 20, 1973:

Many Americans who once were caught up in the fervor of the 'war against drugs' now recognize that giving the police no-knock authority was a bad idea.

The Northern Virginia Daily took a similar tack on July 23, 1973:

One of the abiding problems of law enforcement is to maintain a balance between individual rights and the exercise of police authority. The government's new drug enforcement rules are an effort to achieve this balance, and as such are welcome. Repeal of the no-knock law would be even more so.

In short, as stated by a Decatur, Ill., Herald editorial on July 18, 1973:

The no-knock cure seems worse than the disease. Indeed, it seems like the disease.

Mr. President, several months ago I wrote a number of authorities on the criminal law to survey the opinion of the law enforcement and legal communities on no-knock repeal proposals. Much of the reaction has been highly favorable. Former Supreme Court Justice Abe Fortas responded:

I do not have the slightest doubt that the no-knock laws should be repealed. They are and should be held unconstitutional. They

violate a fundamental principle of our constitutional and political heritage.

The sanctity of a man's dwelling place was established in Hebraic and English law long before the freedoms of religion, speech and the press. That sanctity is absolutely basic. Without it, other freedoms are fragile and vulnerable.

The American revolution was triggered by the incidents of crown officers breaking into the homes and warehouses of the colonials.

The requirement that the police officer identify himself and give notice of his identity and purpose is fundamental to maintain this ancient safeguard of personal inviolability. It is a fundamental and rudimentary part of due process of law. These ancient protections of the individual against arbitrary acts by the state are not luxuries that can be dispensed with because of the pressures of a period in history.

One should know by now that disregard of our constitutional and ethical heritage is an invitation to catastrophe.

Anyone who is literate in the history of mankind's struggle for freedom—anyone who is literate in the background of our Constitution, should know that the qualified immunity which your proposal seeks to protect, is essential to us. Any literate person should have been able to foresee that the result of the no-knock laws would be precisely what has occurred—widespread and flagrant abuse.

His former colleague on the high court, Arthur Goldberg, agreed saying:

Laws such as this . . . transgress our basic constitutional guarantees.

Along the same lines, former Chief Justice Earl Warren wrote:

I do share with you concern about some of the methods authorized by the Federal and District "No-Knock" statutes now in existence. I have always thought that they are of questionable constitutionality, and are subject to great abuse. I wish you success in any effort to revitalize the Fourth Amendment.

Louis H. Pollak, a distinguished professor of law at Yale, echoed these sentiments and urged an early repeal to the no-knock law:

I wholly concur in your view that our experience with "no-knock" authority has been calamitous. And I think it is high time to expunge from federal law an authority so inconsistent with our traditions and, demonstrably, so counter-productive for law enforcement purposes.

Some law enforcement officials are equally adamant about the repeal of this statute. Joseph McNamara, chief of police of Kansas City, wrote:

In principle, I agree with the requirement of not only having an officer identify himself and giving notice of his authority and purpose, but also believe that at least one uniformed member of a police agency should be present at any searches as those in question here.

Bernard Carey, State's Attorney from my own Cook County, Ill., was unequivocal:

The power and authority vested in the "no-knock" legislation is not only not needed for good police work, but in fact invites the type of abuse we have been experiencing the last few years throughout the country.

The "no-knock" laws in my opinion seriously violate individual rights of our citizens and generate disrespect for law enforcement.

Mr. President, these excerpts from letters and editorials are but a sample of the positive reaction to proposals for repealing the Federal and District of Columbia no-knock statutes. I ask unanimous consent that the editorials and letters referred to above, as well as other comments on this proposal, be printed in the RECORD at this point.

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

[From the New York Times, Apr. 6, 1974]

POLICE RAIDS UPHELD

The acquittal of ten narcotics agents in Alton, Illinois, who had forcefully invaded six homes in the course of what turned out to be mistaken-identity drug raids underscores the danger inherent in existing laws which sanction such abuse of police power. The case also offers new proof of the fundamental flaws in trials on charges of conspiracy. Conspiracy is equally vague and capricious a concept whether the alleged conspirators are dissenting from, or in support of governmental policies.

The agents were charged with conspiracy to deprive their mistaken victims of their civil rights. The homes of those victims had been damaged, their persons were manhandled; and some were actually taken into custody. Yet, the jurors quite understandably reached their verdict of no guilt in response to the Federal District Judge's instructions that, in order to convict, they would have to find that the agents had conspired against the victims' constitutional rights. Quite properly, under existing law, the judge held that searches without warrants were permissible if the officers believed that contraband drugs were about to be destroyed.

Even though the police work was shoddy and irresponsible in planning and in execution—as was the case in similar incidents in other parts of the country—it is nevertheless obvious that the laws under which the raiders acted should really have been on trial. The real culprit is the legislation enacted in 1970 by a get-tough Congress under pressure from a "law and order" Administration. The resulting powers of "no-knock" entry clearly amount to a blank check in the hands of overzealous or vindictive police.

It is virtually impossible to prove that a warrantless raider has no reason to believe that contraband was about to be destroyed in any house which he, however mistakenly, decided to enter. As long as such police license remains undefined and uncurbed, no home is safe from government raiders.

[From the New York Times, Nov. 11, 1973]

"NO-KNOCK," DRUG USERS AND CRIME

(By Tom Wicker)

Tuesday's elections suggested something of a retreat from the often hysterical "law-and-order" politics of recent years. Also attesting to a more rational political attitude toward crime-fighting was Senator Percy's welcome announcement that he would introduce a bill to prevent "no-knock entry" by drug law-enforcement agents.

No-knock entry was authorized in a 1970 act purporting to facilitate the control of drug abuses. Officers were permitted to obtain warrants authorizing them to enter private premises without warning, on the theory that they had to do so to prevent drug pushers from destroying their supplies of drugs—the evidence—while the officers pounded on their doors.

A survey by the New York Times has disclosed that, largely as a result of the 1970 legislation, dozens of violent and mistaken assaults on innocent persons and abodes have been carried out by drug-abuse officers, notably the highly publicized raids at the Askew and Giglotto homes in Collinsville, Ill. At least four persons, including one policeman, have been killed in these incidents; a dozen agents have been indicted for the Illinois raids.

Mr. Percy's decision to seek repeal of the no-knock law is significant in itself. As he put it, "If we allow drug abuse law enforcement to be overridden by drug law enforcement abuse, the sacrifice and the risk [are] just too great." He pointed out, moreover, that despite the self-serving claims of enforcement officials, no-knock entry has been of dubious efficacy; on the average, such raids save only twenty seconds, while frequently putting the officers as well as the targets in danger of violent reaction.

But beyond that, Mr. Percy is an obvious if undeclared Presidential candidate. As a Republican liberal, he is already at a disadvantage in a conservative party. His decision to fight no-knock entry is a risky one, at best, and is bound to signify his perception that the nation may be gradually beginning to see the folly and danger of the "anything goes" approach to fighting crime.

The hour is nevertheless late; here in New York, for example, punitive new laws against drug abuses have come into effect at the urging of Governor Rockefeller, mainly on the specious premise that all other means of controlling the drug-crime crisis have been tried and found wanting. This is widely believed, and when it was stated in this space on Sept. 30 that "there are no really good statistics . . . to prove that a substantial proportion of violent crime is committed by drug addicts," many letters of protest were received.

I am indebted, therefore, to Dr. William C. Eckerman of the Research Triangle Institute for providing me with a copy of a comprehensive study he directed for the Bureau of Narcotics and Dangerous Drugs; it shows that, in fact, drug users are *less likely* to be charged with crimes of violence than are non-drug users.

The study was carried out by personal interviews with, and urine analysis of, 1,899 arrested persons in Chicago, Los Angeles, New Orleans, Brooklyn, San Antonio and St. Louis in 1970 and 1971. The past arrest records of the subjects also were studied.

The results showed clearly that in the major categories of violent crime—criminal homicide, forcible rape, aggravated assault, and other assaults—non-drug users were substantially more often charged than drug users (eleven drugs were considered in the study). Only 2.5 per cent of the drug users arrested during the study, for example, were charged with criminal homicide, as against 3.9 per cent of the non-drug users. Aggravated assault charges were brought against 7.4 per cent of the drug users (218 persons out of a total of 1,278) and against 16.8 per cent of the non-drug users (103 people out of 611).

Those considered drug users in these statistics were, in fact, persons who had used drugs at some time in their lives; and these people made up about two-thirds of the total arrested. This finding obviously confirms the general belief that drug users are responsible for much crime.

It is primarily, however, what Dr. Eckerman and his colleagues called "acquisition crime" rather than "violent crime." Thus, 17.1 per cent of all drug users in the study had been charged with robbery, which may or may not be a "violent" crime but is always acquisitive; another 20.6 per cent were charged with burglary, which is rarely violent; 4.8 per cent were charged with auto theft, and 11.9 per cent with violations of narcotics laws. These were the only categories in which drug users were charged more often than non-drug users; they total 54.4 per cent of all the drug users arrested. And only 4.6 per cent of the drug users were arrested on weapons charges, as against 7.5 per cent of the nonusers.

[From the Los Angeles Times, July 18, 1973]

DANGERS OF THE NO-KNOCK LAW

Constitutional safeguards of individual rights often frustrate authorities in the apprehension and prosecution of criminals. The safeguards were deliberately designed for that purpose. The framers of the Constitution understood from the history of tyranny that people have much to fear from lawless law enforcement.

A series of raids earlier this year by narcotics agents on a hunt for illegal drugs provided fresh evidence, if any new evidence were needed, of the wisdom of these constitutional protections. Armed men invaded a Winthrop, Mass., home, terrorized the family and left; they were plainclothesmen of the state police, and had raided the wrong house in a search for drugs. Armed men also broke into two Collinsville, Ill., homes, ransacked them, threatened the two families and left; they were federal narcotics agents acting without warrants, and, again, had invaded the wrong homes.

As the narcotics agents were leaving one of the Collinsville homes, an agent told the wife of the family: "Just forget about it, ma'am. It's all a mistake." But the climate in which such "mistakes" can occur more readily is created by authorities who view constitutional protections solely as an impediment to law enforcement rather than as the foundation of all our freedoms.

In response to the Collinsville episodes, the acting head of the newly formed Drug Enforcement Administration has issued stricter rules in no-knock searches and forcible entry in the search for illegal narcotics. All no-knock searches must now be approved by the agency chief or his deputy, arrest warrants must be obtained "when humanly practical" before agents force their way into a home, and agents must wear identifying emblems.

The new regulations may bring narcotics agents under more effective and sensible control, but they do not reach the heart of the matter, which is the no-knock sections of the omnibus drug-control bill that permits law enforcement officers to smash into a home or other building without notice. The dangers inherent in this statute were noted at the time. Events since have amply confirmed these warnings. Congress should repeal the law.

[From the (E. St. Louis, Ill.) Metro-East Journal, Apr. 5, 1974]

NO-KNOCK LAW SHOULD BE REPEALED

The acquittal of 10 narcotics agents by a jury in Alton closes one important chapter in an unfortunate story concerning civil rights, U.S. law and its enforcement.

The jury has rendered its verdict that the federal agents involved in six drug raids last April in Collinsville, East St. Louis and Edwardsville were innocent of conspiring to deprive 11 persons of their civil rights, among other charges. The jury verdict stands. The men are innocent.

But the events set in motion by this case and its national publicity do not, and should not, end there. A lot went wrong during those drug raids. The fault lies in several places, if not with the men themselves.

Now that the court has determined the federal agents did not criminally violate federal law, it becomes more important than ever to examine the law and its consequences.

In search of illegally possessed drugs, agents forcibly entered the home of Mr. and Mrs. Herbert Giglotto in Collinsville last April 23. The agents had no search warrant. One held a gun to Mr. Giglotto's head. It turned out later that the agents had come to the wrong address. So much was admitted by the defense during the trial.

A second mistaken raid took place at the home of Mr. and Mrs. Donald Askew in Collinsville. Agents armed with shotguns crashed through the door of his house. They did not have a search warrant. It turned out later that the agents had, again, gone to the wrong address.

No illegal material was found in either search.

Innocent victims of other mistaken raids that occurred during the same period have said they were terrorized by drug agents.

We find no good excuse for the drug agents' failure to procure search warrants.

A warrant is intended to assure that law enforcement officers have a good reason for searching the places they search. In these cases, warrants might have helped to ensure that the right houses were entered. At least one federal magistrate in Illinois has said that search warrants are relatively easy to obtain by authorized law enforcement officers with good reason. The agents certainly had enough time to get search warrants, had they chosen to do so for the searches that culminated in the raids began three days earlier.

We suspect a good part of the outrageous bungling in these cases was due to lax and improper supervision within the drug agency itself. This factor has been brought to attention by Myles J. Ambrose, former head of the now-defunct office of Drug Abuse Law Enforcement. We trust the recent case has brought about necessary review of drug enforcement supervision.

Probably the worst offender has been the federal "no-knock" law enacted by the Congress in 1970. The law allows federal drug agents with a warrant to break in and search private buildings without prior announcement of their intention or authority.

Senator Charles Percy, R-Ill., has called proper attention to the faults in this law which tend to lead to abuses of civil rights. His hearings last summer revealed facts of how the law has been abused. There is no justification whatsoever for the drug agents' attorney David Schippers blasting at Sen. Percy that he conducted "onesided" hearings. The drug agents were given an opportunity to testify at the hearings, but refused to do so because of the pending court action.

Senator Percy has promised to seek repeal of the "no-knock" law. It has led—besides the mistaken Collinsville raid—to terrorizing of innocent citizens in other mistaken raids throughout the country. Even some law enforcement agents are saying the law is unnecessary and harmful.

There are ways—good and effective ways—for drug offenders to be apprehended without "no-knock" provisions. Good police work can substitute for recklessness at the same time rights to privacy are preserved.

A law that does not leave so much room for possible confusion and mistakes also would protect law enforcement agents from such legal troubles as those that developed from the Illinois raids.

The acquittal of the 10 drug agents in Alton should convince Americans that the law, not the men, is at fault. No-knock should be repealed before such mistakes are repeated.

[From The Wichita Eagle, Nov. 8, 1973]

REPEAL NO-KNOCK

Legislation to remove the controversial and generally unpopular "no-knock" provision from federal drug abuse statutes will be introduced shortly in the U.S. Senate.

Sen. Charles Percy, R-Ill., wants to change federal laws in order to prevent the recurrence of a series of mistaken and illegal drug raids in the past year.

Percy is particularly concerned because two highly publicized raids took place in his home state. At the Collinsville homes of Donald Askew and Herbert Giglotto, agents of the now-defunct federal office for Drug Abuse Law Enforcement kicked in doors, ransacked dwellings and held the families at gunpoint while shouting obscenities before realizing they had the wrong homes. The agents had no search warrants.

In June, a two-month long New York Times investigation revealed that many violent, illegal and mistaken drug raids had been conducted in recent months by agents on all levels of government across the country. At least four persons have died in such incidents.

Specifically, Percy's bill would delete the so-called no-knock provision from the comprehensive Drug Abuse Prevention Control Act of 1970. That act, among other things, permits federal narcotics agents to enter premises without announcing themselves if they secure a special no-knock warrant and show that announcing themselves would endanger the agents or allow drug evidence to be destroyed.

Percy maintains such raids save only an estimated 30 seconds, "hardly sufficient time for the destruction of very large caches of drugs." Moreover, he says, such tactics often trigger a violent response by the home owner. At least one policeman has been shot and killed as he broke into an innocent woman's bedroom unannounced.

If the experience of the past few months has taught anything, it is that excessive zeal, even in the pursuit of so worthy a purpose as drug law enforcement, cannot be allowed to destroy the fundamental rights of American citizens. If drug abuse law enforcement is overridden by drug law enforcement abuse, the sacrifice and the risk are just too great.

The no-knock law should be repealed because its constitutionality is questionable, its usefulness limited, its effectiveness doubtful and its contribution to the lawless and mindless conduct of some federal narcotics agents undeniable.

[WBBM–TV Editorial]

NO-KNOCK REPEAL

NOVEMBER 16, 1973.

Illinois' senior Senator, Charles Percy, has started a campaign that should have been started a long time ago. Percy wants the repeal of the no-knock provision in federal law enforcement.

This provision gives federal lawmen the right to break into homes they suspect of being involved in illegal activities. Despite the good intentions of lawmakers, the no-knock provision has been misused and abused by federal agents in their over-zealous pursuit of drug dealers. In April of this year, raids were made in Collinsville, Illinois, in which families had their rights violated and were shamefully treated. There are other examples of abuse of the law by federal agents in other states.

Senator Percy says, "individual instances of drug agents trampling on constitutionally guaranteed rights are alarming enough. But the evidence of systematic behavior along these lines calls for immediate remedial action." We agree. If this kind of action by federal agents continues, then the whole concept of law and enforcement will suffer in the public's eye.

We have no brief with the fight against illicit drug trafficking. We need every bit of law enforcing mechanism to root out and contain drug abuse. What we don't need, however, are law enforcement officials hiding behind the law to harass and deny people their constitutional rights. The no-knock law has proven to be a mistake, and should be repealed.

That is the opinion of the management of WBBM–TV.

[WGN EDITORIAL]

LET'S END "NO-KNOCK"

DECEMBER 4, 1973.

It was late spring that agents of the federal government, in quest of illicit drugs, staged midnight raids on two homes in Collinsville, Illinois. In both cases, the raids

were mistakes, and the raiders were disciplined, after they and their superiors apologized. But, in both cases, the people who lived in the two homes were terrorized. The raiders, acting under a 1970 law, broke into the houses in the middle of the night, the clatter waking and terrifying those people.

A few weeks later, in behalf of the Government Operations Committee, Senator Charles Percy conducted a hearing in Chicago. One of the couples which had been terrorized in Collinsville told the Senator a tale of such intimidation during and following the raid that they were forced to move to another city.

Now, the Senator says, he plans to introduce a bill to repeal the no-knock provision. He does not deny that the warning of a knock on the door *may* allow a drug dealer to flush away the evidence. But, he adds, it's estimated that knocking first delays entering, forced or otherwise, no more than 20 seconds.

We concur in the Senator's statement that, "If we allow drug-abuse law enforcement to be over-ridden by drug law enforcement abuse, the sacrifice and the risk are just too great." Too much, we feel has been done in the name of law and order which flies in the face of that famous phrase. Certainly we want law and order, but we're not willing to accept DIS-order and questionable legality as an ultimate solution. No end, regardless how worthy, can justify using any and every means at hand.

[WMAQ–TV Editorial]

July 27, 1973.

There have been serious cases recently where law enforcement officers have flagrantly disregarded the fundamental rights of American citizens.

First, some examples of these abuses. In April, federal drug agents smashed into the homes of two sleeping families in Collinsville, Illinois, ransacked the houses and held the terrified occupants at gunpoint. Later the agents discovered they made a mistake. They were in the wrong houses. There was a similar incident in Edwardsville, Illinois, and others elsewhere in the country.

Residents of the black community in Chicago say the overzealous, police-state mentality shown in these cases is nothing new to them—and they're undoubtedly correct.

We sense in this country a growing disregard for individual rights by some law enforcement agencies. But the violation of just one citizen's constitutional rights is sufficient reason for concern by all of us. Collinsville and Edwardsville are not far away from Woodlawn or Winnetka.

The Drug Enforcement Administration has piously apologized for these raids—suspending the agents involved while promising to be more careful in the future. That's an unsatisfactory response. Law enforcement agencies should be in the forefront of protecting our rights and they should immediately get rid of any officers with pistol-pointing, door-busting tendencies.

Even that is only a partial, superficial solution. The cases in Collinsville and Edwardsville are examples of what can happen when the law allows for no-knock raids.

We had had a federal no-knock law since 1970. One specific reason for it was to combat narcotics traffic. The argument was made that if officers have to announce their presence in advance, drug pushers will have just enough time to flush away their heroin or pills. And drug traffic does constitute a serious threat to our society, particularly to young people.

But even more important is the Fourth Amendment to our Constitution that gurantees every one of us the right to be secure in our homes against unreasonable searches and seizures. That is a fundamental right of every American. We cannot accept the rationalization that a few citizens might be forced to surrender their basic rights for the benefit of the majority.

The time has come for Congress either to repeal the no-knock law or to revise it substantially so that our rights as citizens are protected.

[From Chicago Sun-Times, July 18, 1973]

No-Knock Law Should Be Repealed

The Drug Enforcement Administration has tightened regulations governing the conduct of no-knock narcotics raids and has said it is studying the possibility of psychological screening for agency applicants. The actions are welcome. There has been an unfortunate outbreak of mistaken-identity raids in which agents terrorized innocent persons. And although Myles J. Ambrose, last director of the defunct Office of Drug Abuse Law Enforcement, correctly said there is no way to insure that "some knucklehead wouldn't go off halfcocked in the future," tighter rules and screening could minimize the risks.

The ultimate answer, however—the one solution that won't fall fall short of a full guarantee of civil and personal rights—is to outlaw no-knock drug raids. We have long held that the grant of no-knock power was a dangerous invitation to abuses. The recent evidence has shown the position to be correct. The campaign against the drug traffic and the crime it breeds should not be a vigilante performance. There must always be an official concern for constitutional liberties. It is thus reassuring that Sen. Charles H. Percy (R-Ill.) and other legislators may seek to repeal the no-knock law. We urge them to make the effort.

[From the Chicago Sun Times, November 12, 1974]

The Basis of Law and Order

Sen. Charles H. Percy (R-Ill.) is probably reflecting widespread and current public opinion in his call for repeal of the controversial "no-knock" federal law passed by Congress three years ago during the period when "law and order" was a popular political catchphrase. Last week some local law-and-order candidates—including three with police force experience—were defeated in elections. We suspect that the vote, aside from purely local considerations, shows not a loss of concern about law and order but loss of enchantment with one-dimensional political figures whose only appeal is to the citizenry's fear of rising crime and changing social mores.

The "no-knock" law, which we have argued against since its inception, permitted federal agents armed with a warrant to knock down the doors of a citizen's home—in the dead of night if they wanted to—if the agents suspected the citizen might possess illegal drugs. It was argued the surprise element was necessary to prevent evidence from being disposed of (flushed down a toilet).

Those of us who argued that this law violated fundamental guarantees against abuse of police powers were elbowed aside—it was more important to stop the drug traffic. But when innocent citizens were raided and terrorized, as they were in Collinsville, Ill., and elsewhere, the reasons for the fundamental guarantees began to simmer through.

The no-knock law was an extension of the end-justifies-the-means philosophy that underlay the Watergate concept which has rocked the nation to its foundation. The no-knock law itself breeds lawlessness. It has no place in a society based on the concept that law and order begins with respect for the rights of all citizens.

[From the Des Moines Register, Aug. 20, 1973]

No-Knock Repeal

Senator Charles Percy (Rep., Ill.) is preparing a bill to repeal the "no-knock" provision of the 1968 omnibus crime law under which police units throughout the country carried out aggressive anti-drug crusades. Percy voted for the provision at the time, but he now says that was a mistake.

Numerous reports of abuse of the law by undercover narcotics agents have come to light in recent months, especially after two families in Collinsville, Ill., were terrorized last spring by agents who went to the wrong houses.

Under the federal law, police get special search warrants authorizing them to enter places unannounced if there is probable cause to believe they can apprehend a person committing an unlawful act or can seize substances that could be disposed of if the presence of police were known.

After the "mistaken" raids at Collinsville, the federal Office for Drug Abuse Law Enforcement issued new regulations to tighten up no-knock procedures. Among them was a rule specifying that no-knock warrants could be obtained only with the approval of Administrator John R. Bartels, Jr., of the federal agency or his deputy.

Civil rights groups pointed out that in a somewhat analagous situation, that of wiretapping, special warrants can be obtained from a federal court only on the personal request of the U.S. attorney general.

The Collinsville families whose homes were invaded by narcotics agents have filed suit against the government claiming damages as a result of the incidents. But the government is immune from prosecution except under vague and broadly worded provisions of the civil rights laws.

Percy has indicated his bill will include a provision permitting citizens to file direct suits against both the government and individual agents who overstep their authority. He is thinking about drafting the provision so it would apply to instances of illegal electronic eavesdropping by the government as well as to no-knock entry.

Along with Senator Percy, many Americans who once were caught up in the fervor of the "war against drugs" now recognize that giving police no-knock authority was a bad idea.

[From the Northern Virginia Daily, July 23, 1973]

A Curb on No-Knock

Passage of federal law permitting no-knock searches and forcible entry in narcotics cases was an unwise response to an admittedly grave problem. Such practices, no matter how justifiable they may seem as a weapon against drug abuse, violate the letter and spirit of the Fourth Amendment. We would be better off if Congress were to get rid or this bad law.

Short of that, the corrective action taken by the Drug Enforcement Administration is commendable. The DEA's acting chief, John R. Bartels Jr., has tightened the controls on no-knock raids and promised "a shift in emphasis" to assure more protection for individual rights. This is a proper reaction to recent episodes in which drug agents have trampled roughshod over constitutional guarantees, even terrorizing innocent people in some cases.

One of the abiding problems of law enforcement is to maintain a balance between individual rights and the exercise of police authority. The government's new drug enforcement rules are an effort to achieve this balance, and as such are welcome. Repeal of the no-knock law would be even more so.

[From the Decatur Herald, July 18, 1973]

Move Against "No-Knock"

Senator Charles H. Percy reportedly is "seriously considering" a bill to eliminate the "no-knock" authority given federal authorities at the insistence of former Atty. Gen. John N. Mitchell.

The "no-knock" provision was a corner-

stone of the administration's war against crime. Police officials argued it was needed to prevent suspects from flushing narcotics down the toilet or disposing of them in some other way.

The result has been an abuse of authority seldom seen in American law enforcement. Federal narcotics agents have terrorized innocent families by use of tactics too similar to those used in totalitarian societies to be ignored.

The Federal Drug Enforcement Administration has issued new regulations designed to alleviate that kind of a situation.

Their agents have been told to burst only "sparingly" into private homes and to observe all the proprieties. No more raiding the refrigerator for beer as they apparently did in one raid in Edwardsville.

The essential problem lies in the very fact that agents of the federal government, presumably trained men and women, would have to be so admonished.

The elemental problem lies in the very nature of the no-knock law, which by itself tends to encourage loose behavior.

There is a bit of glamor in being able to smash through a door and startle those inside the house or apartment. It sets up a train of action through which other events seem to follow.

Constitutional rights become blurred. Why not the refrigerator door if one can break down the front door?

That is the sort of behavior one expects from a conquering army entering enemy territory, not law enforcement officers operating against persons who are, after all, fellow citizens.

Sen. Percy should follow through on his "serious consideration" but start a move to end this reprehensible practice. The "no-knock" cure seems worse than the disease. Indeed, it seems like the disease.

[From the Washington Post, Apr. 14, 1972]

A PIECE OF STUPIDITY

(By William Raspberry)

A lot of us thought it was bad news when the District's no-knock law was enacted in 1970.

Some of us could sympathize a little with the rationale behind the law: that in some cases contraband and other criminal evidence may be destroyed if police raiding parties have to announce themselves.

But we were certain that more evil than good would come of a law that made it legal for police officers to break into a home without having to identify themselves as policemen, without waiting to be admitted, without even the necessity of wearing uniforms.

We knew, no matter what the intentions of those who drafted the legislation, that most of the legalized breaking and entering would not be done in the "good" sections of town.

The debate was over whether the police needed this frightening tool.

There just may be a number of local police officers who were wondering whether they want it. No-knock, as some of us suspected from the beginning, can be dangerous not just to those who are raided but also to those who are doing the raiding.

What brings this up now is a case that police say was not a no-knock raid. But it does give a good indication of what can happen.

The legislation was barely on the books when, in October, 1970, D.C. police raided Marvin Vincent's home on Hayes Street NE. They were looking for narcotics, they said.

What they found was not drugs, but slugs. Two of them, from Vincent's gun, struck one of the raiding officers. This week, Vincent was acquitted of all nine counts of the indictment growing out of the affair.

Police told the U.S. District Court that they knocked on Vincent's door and heard someone inside say, "Just a minute." When there was no further response, they said, they broke the door down. They were met by a hail of bullets.

Vincent said he opened fire because the officers had burst in without warning and he feared for his life. It's easy to believe he was frightened in light of the fact that two years earlier he had been shot six times by police during an altercation involving a motorcycle.

In any case, the officers retreated and called for reinforcements. The reinforcements came—including some three dozen policemen and an armored car—but Vincent held them off for nearly three hours until community leaders managed to work out a deal for his surrender.

You and I will never know whether Vincent was given adequate notice of what was happening, or whether he was the intended victim of an unofficial no-knock.

The interesting point is that a jury chose to believe Vincent, in spite of the fact that he hardly qualifies as a pillar of the community.

From what I know of the case, the acquittal makes sense. If you accept the assumption that a man has a right to defend his home against intruders, that puts some special burdens on the police when they are the intruders. And the most important of those burdens is that they make unmistakably clear who they are.

They didn't make it clear when they raided Kenyon Ballew's home in suburban Silver Spring last year, and as a result the young gun collector tried to protect himself and was nearly killed for his efforts.

They didn't make it clear in Northeast Washington, either, and as a result a policeman was lucky to escape with his life.

Vincent's acquittal doesn't make him any sort of tinhorn hero. As a matter of fact, he's in prison now doing 4 to 12 for armed robbery and assault, crimes that took place after the shootout.

The point is that no-knock is a stupid piece of legislation that can get you killed no matter on which side of a busted down door you happen to be.

In view of Vincent's acquittal, the police might give thought to leading a fight to get that piece of stupidity off the books.

[From the Washington Post, Jan. 28, 1974]

REPEALING THE NO-KNOCK LAW

(By William Raspberry)

Sen. Charles Percy (R-Ill.) is now drafting legislation to repeal the no-knock provisions of both the federal Comprehensive Drug Abuse Prevention and Control Act of 1970 and the D.C. Omnibus Crime Law of that same year.

It's hard to avoid mixed emotions over the good news. There's no doubt in my mind that the provisions ought to be repealed (along with the preventive detention provision of the D.C. act), and I'm glad Mr. Percy shares that view.

But I do wish he had come around sooner, and for different reasons. When D.C. residents were being saddled with a repressive piece of legislation that they didn't want, the liberal Mr. Percy voted for it.

(So did that other liberal, former Sen. Joseph Tydings (D-Md.). Conservative Sen. Sam Ervin (D-N.C.) and Sen. John Stennis (D-Miss.) doubted the bill's constitutionality and voted against it.)

What helped to trigger Sen. Percy's change of heart is the way no-knock has worked out in real life—not in the District of Columbia but in Silver Spring, where antique gun collector Kenyon Ballew was crippled in a shoot-out during a mistaken raid; in Rochester, N.Y., where state troopers swooped down on the James R. Herman family because they got the address mixed up; in Eureka, Calif., where federal agents killed a panic-stricken Dirk Dickenson, who was fleeing his cabin while an army of plainclothesmen (some arriving by helicopter) were wrecking the place in search of a nonexistent "giant lab" for producing illegal drugs. And of course the raids in Collinsville, in Sen. Percy's home state, on the homes of the Herbert Giglottos and the Donald Askews.

But there's no point in being bitter that it took police abuse elsewhere to help Sen. Percy see the error of his vote on the D.C. bill. One should simply be glad that he has changed his mind, and grateful that he is sufficiently principled to do something about it.

He bases his call for repeal on four considerations: "The law is of doubtful constitutionality; it has proved to be quite ineffective as a tool of law enforcement; it has unnecessarily increased the danger to law enforcement officers and suspects; and it has contributed to an atmosphere where wholesale assaults on individual rights have taken place."

Fair enough, even if some of us were positively screaming about precisely those considerations four years ago. Who knows, maybe if we had convinced Sen. Percy then he wouldn't be moved to work for repeal now.

Even now, he's finding it difficult to get the bill worded right, which is one of the reasons he doesn't expect to have the measure introduced before late next month.

The problem is that a simple repealer (he fears) won't be adequate. His fear is based on the fact that a key argument forwarded by the bill's sponsors was that it simply codified existing common law on no-knock authority.

Some Justice Department officials even advanced the notion that their act was a civil libertarian instrument, in that it put clear limits where none had existed before. Percy fears that if that point of view prevails in the courts, simple repeal will leave us worse off than we are now on the question of no-knock.

Thus, he is adding language to the effect that "No federal officer may, pursuant to the conduct of any search, break open an outer or inner door or window of a building, or any part of the building, or anything therein, without first identifying himself and giving notice of his authority and purpose."

No-knock has been largely a theoretical concern here since it has seldom been used. That may be due in part to restraint at the top police ranks. But it is almost certainly due in large measure to second thoughts on the part of police officers.

As Geoffrey Alpin, chief attorney for the D.C. police force, told Percy's Government Operations Committee, use of no-knock tends to increase the chances of injury or death to police officers as well as to citizens.

"There might be a shoot-out," he said. "That's not what we want . . . It's most effective from a safety viewpoint to announce who we are.

Incidentally, while he's at it, Sen. Percy is trying to correct what strikes him as another injustice in the law.

In general, a citizen may not sue the government for damages unless the government agrees to be sued. Thus a citizen may find it impossible to recover for damages even if a law officer deliberately violates his rights.

"With all due respect to the ancient principles involved," says Percy, "it seems to me that it is now time to amend the Federal Tort Claims Act so that victims of deliberate violence at the hands of federal agents can be better compensated, if only monetarily for their losses . . .

"Surely the federal treasury is large enough to indemnify citizens whose constitutional rights have been blatantly violated. It is ludicrous for us to be overly

cost-conscious in denying basic justice to the victims of the fast and loose tactics of a federally sponsored law-enforcement program."

And now if somebody could get him worked up about preventive detention . . .

[From the Washington Post, June 29, 1973]

ENFORCEMENT OF DRUG LAWS—OR REPRESSION?

President Nixon has called drug addiction "Public Enemy No. 1." That is a large and probably exaggerated statement, but there is no question that the big drug problem has a powerful and corrosive effect on American society. There is also no question that the Nixon administration has beefed up law enforcement efforts in the drug field significantly in the past few years. The only trouble is that the cure seems to be getting out of hand. In an extensive investigation, the New York Times has discovered a disturbing nationwide pattern of violent, illegal and mistaken drug raids which have caused the deaths of a number of innocent people and have left some families quaking in fear at any random sound in the night.

The Times report carried details of 13 mistaken raids carried out over the last three years from Massachusetts to California by federal, state and local law enforcement officers. Two of the raids occurred on the night of April 23 in Collinsville, Ill., and were highly publicized at the time. Although federal officials suggested then that the Collinsville incidents were aberrations, the Times report details a whole pattern of sloppy, illegal and negligent raids.

In the main, these raids took place in private homes in the middle of the night pursuant to special "non knock" authority given by Congress to federal agents or pursuant to similar local authority claimed by state and local officers. Two examples will suggest the horror.

At about 3 a.m. on May 24, 1972, Mrs. Lillian Davidson of Norfolk, Va., heard someone battering down her bedroom door. She picked up her gun, fired through the door and killed a 22-year-old patrolman, the son of the local police chief. The raid was a mistake, the result of a bum tip from an informer.

On Oct. 3, 1969, state and local agents entered the apartment of a Whittier, Calif., woman, but withdrew and went upstairs to the right address when they realized they were in the wrong place. Hearing the commotion, the woman's son-in-law and his 22-month-old son went into her apartment to see what was wrong. Suddenly, a gun went off upstairs, a bullet crashed through the ceiling. One of the raiders upstairs had inadvertently discharged the unauthorized weapon he was carrying. Another mistake, but the bullet pierced the son-in-law's head and left him dead.

Federal officials have expressed outrage at such incidents and the Civil Rights Division of the Department of Justice says it is looking into the whole matter. But, somehow that doesn't seem to be enough. The federal government has commendably beefed up drug law enforcement. Manpower is said to be up to 1,586 agents this year, compared to 615 in 1968; funding is up $74 million from $14 million in 1968. Federal officials are also proud that their lead has enlarged state and local efforts in this field. Yet, the problem of controlling what it has set in motion now appears to be one of the toughest law enforcement problems facing the administration.

It is one thing to hire hosts of new agents and another to train them properly—the course on due process and restrictions on illegal searches and seizures is not mandatory for new agents or for local law enforcement personnel trained by the Bureau of Narcotics and Dangerous Drugs. It is one thing to motivate local officials and another to urge them on to the point where they operate negligently and vengefully. It is one thing to recruit brave men willing to perform society's dangerous and dirty work and another to train them to act with professionalism and skill in an atmosphere of evil and fear. It is one thing to announce that you have suspended men accused of the grossest violations of citizens' civil liberties and another, as *Sen. Charles Percy* (R-Ill.) has discovered, to permit those "suspended" men to continue to work while they are under investigation.

Miles Ambrose, special assistant attorney general for drug abuse law enforcement, talked a few weeks ago about "a few knuckleheads . . . [who] call all law enforcement into disrepute." It is now clear that it is a problem larger than those "few knuckleheads." The question is whether the government, having launched a major law enforcement thrust, can conduct the people's business and protect their interests within the bounds of the law. This problem will be a major test of the new attorney general.

FORTAS AND KOVEN,
Washington, D.C., February 19, 1974.

Re Federal No-Knock Legislation.

Hon. CHARLES H. PERCY,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR: Forgive me for my delay in responding to your letter of January 21. I had hoped to find time to write you a detailed response, but the intervention of influenza has made it impossible. Now Carol and I are about to go off to Aspen for two weeks and I think I should send you a brief reply to your inquiry.

I do not have the slightest doubt that the no-knock laws should be repealed. They are and should be held unconstitutional. They violate a fundamental principle of our constitutional and political heritage.

The sanctity of a man's dwelling place was established in Hebraic and English law long before the freedoms of religion, speech and the press. That sanctity is absolutely basic. Without it, other freedoms are fragile and vulnerable.

The American revolution was triggered by the incidents of crown officers breaking into the homes and warehouses of the colonials.

The requirement that the police officer identify himself and give notice of his identity and purpose is fundamental to maintain this ancient safeguard of personal inviolability. It is a fundamental and rudimentary part of due process of law. These ancient protections of the individual against arbitrary acts by the state are not luxuries that can be dispensed with because of the pressures of a period in history.

One should know by now that disregard of our constitutional and ethical heritage is an invitation to catastrophe.

Anyone who is literate in the history of mankind's struggle for freedom—anyone who is literate in the background of our Constitution, should know that the qualified immunity which your proposal seeks to protect, is essential to us. Any literate person should have been able to foresee that the result of the no-knock laws would be precisely what has occurred—widespread and flagrant abuse.

My personal regards.

Sincerely,

ABE.

JANUARY 25, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: This is in reply to your letter enclosing a copy of a draft bill designed to repeal the Federal and District of Columbia no-knock statutes which you, together with several of your colleagues, propose to introduce early in this session of the 93rd Congress.

I entirely share your view that the no-knock laws should be repealed for the reasons cogently set forth in your letter to me.

I want to commend you for taking the leadership in seeking repeal of laws such as this which transgress our basic constitutional guarantees.

I shall give thoughtful consideration to your proposed bill and will write you again offering any suggestions that I may regard to be helpful after my study of the language of the bill.

With every good wish, I am

Yours most cordially,

ARTHUR J. GOLDBERG.

SUPREME COURT
OF THE UNITED STATES,
Washington, D.C., April 25, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
Washington, D.C.

MY DEAR SENATOR: This is a very belated response to your letter of January 21st concerning the drug problem which arrived during my absence because of illness.

The subject you discuss is a very important one in the life of a nation and is one which I am sure calls for greater attention than it has been accorded thus far. However, the problem of what kind of an agency should administer the program is a political one and one which I am not prepared to discuss as a matter of administration. However, I do share with you concern about some of the methods authorized by the Federal and District "No-Knock" statutes now in existence. I have always thought that they are of questionable constitutionality, and are subject to great abuse. I wish you success in any effort to revitalize the Fourth Amendment.

With best wishes, I am

Sincerely,

EARL WARREN.

YALE UNIVERSITY LAW SCHOOL,
New Haven, Conn., March 13, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: On January 21, 1974, you wrote asking my views about your proposed legislation to repeal the federal and District of Columbia "no-knock" laws. At about the same time you wrote a similar letter to President Kingman Brewster, Jr., who, believing himself not currently versed in these problems, referred your letter to me. This letter is by way of belated response to your two letters.

I wholly concur in your view that our experience with "no-knock" authority has been calamitous. And I think it is high time to expunge from federal law an authority so inconsistent with our traditions and, demonstrably, so counter-productive for law enforcement purposes.

With respect to your proposed legislation, I have two comments:

1. As to the proposed amendment of 21 U.S.C. § 879, I think there is a typographical error in line 3. The phrase should be not "or anything" but "or anything therein."

As to the proposed amendment of 18 U.S.C. 3109, I wonder whether it doesn't on the one hand go too far, and, on the other hand, go not far enough. The proposed language may go too far in the sense that it may be legitimate to preserve the existing entitlement of an officer to make an unannounced entry "when necessary to liberate himself or a person aiding him in the execution of the warrant" (except that I would wish to insist that the "person aiding him" should himself be acting with official authority). On the other hand, I wonder if the proposed amendatory language doesn't go far enough in the sense that as written it does not seem to specify the existence of a search warrant, whereas Section 3109 as it now stands does presuppose that the officer is there "to execute a search warrant." With

these two thoughts in mind, I suggest a revision of your proposed amendatory language along the following lines:

No officer authorized to execute a search warrant may break open any outer or inner door or window of a building, or any part of a building, or anything therein, to execute a search warrant, unless such officer identifies himself and gives notice of his authority and purpose and is thereafter refused admittance; provided that such officer need not identify himself and give notice of his authority and purpose when the giving of such identification and notice would impede the officer's necessary efforts to liberate himself or a person authorized to aid him in the execution of the warrant.

In closing, permit me to commend you for taking the lead in this important effort to restore rationality and decency to federal law enforcement.

Sincerely yours,

LOUIS H. POLLAK.

POLICE DEPARTMENT,
Kansas City, Mo., January 28, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator, Illinois,
Washington, D.C.

DEAR SENATOR PERCY: I received your proposed bill prohibiting "no knock" provisions under U.S.C. 879 and 23 D.C. Code 561.

In principle, I agree with the requirement of not only having an officer identify himself and giving notice of his authority and purpose, but also believe that at least one uniformed member of a police agency should be present at any searches as those in question here.

It is my further belief that regardless of such a provision or lack of it, there is no substitute for proper training and supervision and a change in the statutes without more is a useless act.

Sincerely,

Dr. JOSEPH D. MCNAMARA,
Chief of Police.

COUNTY OF COOK,
OFFICE OF THE STATE'S ATTORNEY,
Chicago, Ill., January 29, 1974.

Hon. CHARLES H. PERCY,
U.S. Senator,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: I am in full agreement with you on your stand in opposition to the federal and District of Columbia "no-knock" statutes.

In my campaign for Sheriff in 1970 and the 1972 campaign for State's Attorney, I publicly announced my strong opposition to legislation of that type. The power and authority vested in the "no-knock" legislation is not only not needed for good police work, but in fact invites the type of abuse we have been experiencing the last few years throughout the country.

The "no-knock" laws in my opinion seriously violate individual rights of our citizens and generate disrespect for law enforcement. I applaud your effort to repeal the federal and District of Columbia "no-knock" statutes.

Please let me know if there is anything I can do to help.

Sincerely,

BERNARD CAREY,
State's Attorney.

NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE,
New York, N.Y., January 29, 1974.

Hon. CHARLES H. PERCY,
Dirksen Building, New Senate Office Building, Washington, D.C.

DEAR SENATOR PERCY: This will acknowledge your letter of January 21. The Federal no-knock statute and the District of Columbia no-knock statute have been cause of great concern for us in the Association. It is our conclusion that the no-knock provisions serve to bring law enforcement in disrepute. We thoroughly agree with the stated position of the District of Columbia Police Department. As a matter of fact, we have always been opposed to no-knock procedure.

Search and Destroy, the Report of the Commission of Inquiry into the Chicago police raid on the Black Panthers headquarters, December 4, 1969, found that even with a warrant, Chicago plainclothes officers entered the apartment at 4:45 A.M. with machine guns. This type of procedure has negatively conditioned the black community, with reason.

We are, of course, opposed to the Federal no-knock statute 21 U.S.C. 879.

I am referring a copy of your correspondence to Clarence Mitchell of our Washington Bureau, who will also be in touch to communicate our pledge to do all possible to secure the repeal of these laws.

With best wishes, I am

Sincerely yours,

ROY WILKINS,
Executive Director.

GOLDFARB & SINGER,
Washington, D.C., February 4, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate, Committee on Government Operations, Washington, D.C.

DEAR SENATOR PERCY: Thank you for sending me your proposed bill repealing the no-knock laws. I agree with your conclusion that the present situation is of questionable constitutionality. Furthermore, the hazardous implementation of the law makes its continuance precarious on pragmatic grounds. I understand, as well, that in terms of community perceptions of the police and law enforcement process, this law is a very sore spot, indeed. Demonstrated abuses, strong public feelings regarding the law and its questionable legal posture and seemingly modest returns in terms of law enforcement efficiency combine to support your notion that the law be changed.

I wish you success in this endeavor and hope you will call on me if I can be of any further assistance.

Sincerely,

RONALD L. GOLDFARB.

THE COUNCIL OF NEW YORK LAW ASSOCIATES,
New York, N.Y., February 13, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Thank you for your letter of January 28th discussing your suggested repeal of the no-knock laws. I strongly agree with your position that these statutes need to be repealed. The grave invasion of civil liberties as described in the report of the Committee on Government Operations does not outweigh the marginal benefits of these statutes. On page 35 of the Committee's report you note that citizens who have their civil rights and privacy invaded by illegal government action have no remedy against the government except the commonly meaningless one against the agent, who has little funds. Perhaps a second bill should be introduced which does create a cause of action for individuals against illegal acts and intentional torts of the federal government's agents.

I am a member of the Civil Rights Committee of the Association of the Bar of the City of New York. I referred your letter and committee report to the Committee Chairman and have suggested to her that the Civil Rights Committee and perhaps ultimately the Criminal Courts Committee join in a report supporting your bill. I think at least the Civil Rights Committee will give your bill support.

Yours sincerely,

JAMES J. FISHMAN,
Executive Director.

By Mr. PROXMIRE:

S. 3604. A bill to abolish certain Federal agencies, and for other purposes. Referred to the Committee on Government Operations.

FEDERAL AGENCY EFFICIENCY ACT—ABOLISH EIGHT GOVERNMENT AGENCIES

Mr. PROXMIRE. Mr. President, today I am introducing a bill to abolish eight Federal agencies. On April 15 I called for the abolition of 17 agencies. Due to the death of the Economic Stabilization Act on April 30, which I helped bring about both in the Banking Committee and on the Senate floor, 9 of the 17 agencies will die on June 30. My bill would kill the remaining eight.

As vice chairman of the Joint Economic Committee and chairman of its Subcommittee on Priorities and Economy in Government, and as chairman of the Appropriations Subcommittee on HUD, Space, Veterans, I have gone into these matters in considerable detail.

The eight remaining agencies are the Interstate Commerce Commission, Selective Service, the Overseas Private Investment Corporation, the so-called Department of Dirty Tricks of the CIA plus the CIA's domestic activities, the Small Business Administration, the Civil Defense Agency, the Renegotiation Board, and the President's Council on Physical Fitness.

Under the bill a few necessary functions of these agencies are transferred to existing ones. For example, the disaster loan functions of the Small Business Administration are transferred to the Secretary of Commerce, and the civil defense functions of warning against enemy attack and impending natural disasters are transferred to the Secretary of Defense and OMB, respectively.

The act would take effect 30 days after enactment.

REASONS FOR BILL

There are a variety of reasons why these agencies should be abolished. First and foremost is the general principle that while almost every act of Congress sets up a new agency, bureau, or commission, almost no act or bill ever wipes one out.

With respect to specific agencies, here are my reasons for ending them:

THE INTERSTATE COMMERCE COMMISSION

There are more whiskers and cobwebs at the ICC than any place in the Government. With fierce competition among air, rail, barge, and road transportation, regulation for other than safety purposes has long been unnecessary. The answer is abolition plus strong enforcement of the antitrust laws.

SELECTIVE SERVICE

No one is being drafted. No one can be drafted. Yet Selective Service is asking for $47 million in fiscal year 1975 to keep its bureaucracy afloat.

OVERSEAS PRIVATE INVESTMENT CORPORATION

OPIC gives a Government guarantee to U.S. firms operating abroad. There is no reason why the Government should protect them against the risk of confiscation. That should be reflected in their rate of return. Why should the taxpayers provide funds to bail out ITT?

CIA DIRTY TRICKS AND DOMESTIC ACTIVITIES

The CIA should continue to gather in-

telligence by mechanical and other means. But when it gets into the business of dirty tricks, overthrowing governments, and so forth, it has little control over the forces set in motion. The CIA's domestic activities, which were never intended under the original law, should be carried out by the FBI or other domestic institutions, to the degree they are legitimate and necessary.

SMALL BUSINESS ADMINISTRATION

This is a highly political agency which helps a minute number of small businesses. The favoritism should end.

CIVIL DEFENSE

Everyone knows this has been one of the Nation's biggest boondoggles since it was started. Its few legitimate functions of warning of natural or military disasters should be continued elsewhere.

RENEGOTIATION BOARD

This agency does not do its job. After renegotiation, company after company got a return of 50, 75, and even 100 percent or more on its investment under "negotiated contracts." Taxpayers are not required to support a useless agency.

PRESIDENT'S COUNCIL ON PHYSICAL FITNESS AND SPORTS

This agency has done some fine things. But if there is any activity which is clearly a private rather than a government one it is personal physical fitness and sports.

I hope we can kill these eight remaining agencies as fast as we killed the first nine. Our motto should be "nine down, eight to go."

By Mr. MONTOYA (for himself, Mr. ABOUREZK, Mr. CLARK, Mr. DOMENICI, Mr. HUGHES, Mr. MCGEE, Mr. MANSFIELD, and Mr. METCALF):

S. 3605. A bill to provide emergency assistance to persons engaged in the cattle raising business by authorizing the Secretary of Agriculture, for a temporary period of time, to guarantee loans made to such persons until they can sell their livestock. Referred to the Committee on Agriculture and Forestry.

Mr. MONTOYA. Mr. President, on behalf of Senators CLARK, DOMENICI, HUGHES, MCGEE, MANSFIELD, METCALF, and myself I introduce today a bill to prevent an artificially induced collapse of the entire cattle industry.

The crisis in which the cattle industry now finds itself is well recognized. Signs of serious trouble are visible for all to see. Between September 1973 and March 1974, for example, livestock feeders had lost more than $1 billion, and more has been lost since March. The farm price of beef, as reported in yesterday's Wall Street Journal, is $38 per hundredweight, as opposed to $46.60 a year ago. Cattle production is down 4 percent from what it was last year and the number of cattle killed is down 5 percent. Perhaps the most telling statistic is that cattle raisers are losing between $150 and $200 a head.

If this goes on, we are going to see beef disappear from the supermarket. There will be no beef at any price.

Several first steps have already been taken to deal with the problem. Bills have been introduced by Senator CURTIS to reestablish the beef import quotas and by Senator DOLE to suspend imports altogether for 90 days. These are important measures and will solve part of the problem.

In March, the administration announced it would purchase an additional $45 million worth of ground beef for the school lunch program, and this was another helpful step. But this is not enough.

The bill we introduce today is addressed to yet another aspect of the problem; namely, the financial structure which supports the cattle industry.

The cattle industry survives on the basis of loans made by private lending institutions and production credit associations to individual cattle raisers and feeders. If, for some reason, this system fails, it will bring down cattlemen, banks, feedlot operators, and grain dealers alike. There will be a general collapse.

Such a crash could come about because the loans which have been made to cattle raisers and feeders have attracted the critical attention of Federal bank examiners. The bankers who specialize in cattle loans have told me that they are confident that the loans which they have made will be paid back, once the cattle industry regains its footing, but they are concerned that the bank examiners are going to force a foreclosure on cattle loans.

Cattle loans are normally secured by the cattle themselves which are pledged as collateral. During normal times, the integrity of this collateral is unassailable. As the cattle gain weight, their value increases and so does their value as collateral.

During these abnormal times, however, declining cattle prices have undercut the value of the cattle as collateral. This, in turn, has forced some bank examiners to question the security of some cattle loans, and bankers are concerned that wholesale foreclosing could ensue.

The bill we introduce today heads off that possibility by providing a Federal guarantee for 90 percent of these loans.

We have attempted to write a bill which is limited in scope and time and which can be implemented quickly.

The bill is restricted in scope to those persons who were engaged in the cattle raising business in 8 of the 12 months preceding the time they take out their loans. This provision is designed to restrict the bill's application to regular cattle raisers and to exclude speculators, assuming anyone would wish to speculate in cattle at this time.

The fact that the loan guarantee would be restricted to 90 percent of the value of the loan means that the lending institution would stand to lose 10 percent of the value of the loan if there were a foreclosure. This provision will force the lending institutions tc continue to exercise prudence in making loans.

The life of the program is limited to 1 year. This reflects our conviction that the cattle industry, assisted by this and other bills, will be back on its feet within a short period of time. We have included a special provision authorizing the Secretary of Agriculture to discontinue the program after 6 months if he finds that the industry has regained its health.

In short, what is proposed is a limited bill providing much needed but temporary relief.

The cattlemen do not want and we do not propose a program which will eventually become a permanent part of the United States Code.

I also wish to point out that this act can be implemented quickly. This is important, for speed is of the essence if any assistance is to be offered to the cattle industry. We have not set up a vast number of requirements which must be met before a loan may be guaranteed, but believe instead that the lending institutions, constrained by the threat of a 10-percent loss, will exercise the prudence needed to protect the interest of the United States and keep the program within bounds. A program which required the establishment of a new governmental agency and which would require reams of application forms and papers would be self-defeating, for the cattle industry would have failed before aid could be provided to it.

I know that Senator MCGOVERN, the chairman of the Agricultural Subcommittee on Agricultural Credit and Rural Electrification is concerned about this crisis and I am hopeful that he may see fit to hold hearings soon on this measure.

By Mr. MCGOVERN (for himself, Mr. HUMPHREY, and Mr. ABOUREZK):

S. 3606. A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for producers of livestock. Referred to the Committee on Agriculture and Forestry.

ASSISTANCE FOR LIVESTOCK PRODUCERS

Mr. MCGOVERN. Mr. President, I introduce today for appropriate reference, a bill and an amendment on behalf of myself and Senators HUMPHREY and ABOUREZK, which are designed to help producers of cattle and hogs out of the most severe financial disaster they have ever faced.

My bill would establish a $3.5 billion revolving fund which would be used by the Department of Agriculture to insure and guarantee loans, to be repaid over 5 years at 5.5 percent interest, to help cattle and hog producers stay in business.

The amendment would suspend immediately, for a period of 60 days, all imports of beef into the United States, and at the end of that period reimpose the quotas provided in the 1964 Meat Import Act which have been suspended by the President.

Several of our colleagues have introduced legislation with similar purpose. All of them, as am I, reflect the outrage which is felt by hundreds of thousands of livestock producers who are being driven to the point of bankruptcy and despair.

In addition, they reflect a concern which representatives of urban States should have for the consumers of meat and meat products. For the present financial condition of the livestock markets threaten a severe shortage of meat in the supermarkets just a few months from now, along with the highest retail prices that a meat counter has ever displayed.

Even though retail prices do not fully reflect the present low state of slaughter

animal prices, the problem today is too much meat on the market. But as soon as the present supply is gone, there is likely to be a severe scarcity.

For the last 9 months in a row, cattle placements into feedlots have been down. Many feedlots are closing; they have been wiped out. Those which can still struggle along are operating at far less than capacity.

And every cattle feeder who sells a fed steer or fed heifer today loses at least $150—in many cases more. And they simply cannot afford to replace feeder stock. The cow-calf operator, in turn, is hit with depressed prices for feeder animals, and that in turn is causing a number of them to sell off cows from their production herds.

Thousands of them have been broken financially; some will not recover.

They have been subjected to merciless increases in the costs of everything they buy, and to the cruelties of a sagging livestock market which has cut out any hope of breaking even in the near future.

The crisis in the livestock industry can be traced directly to the ill-advised and unfair use of price control authority in the food economy last year, when first red meat, then only beef, were singled out for controls in the naive hope that retail meat prices could be driven down without hurting the livestock producer.

The result of the price freeze, compounded by the effects of a truck strike and continued unlimited imports of foreign meat products, is a gross oversupply of meat on the market and a collapse in the price paid to farmers, ranchers, and feeders.

Mr. President, inasmuch as the problem was created in part by the Federal Government, we have an obligation to help repair the damage.

Accordingly, I introduce legislation which will create a revolving fund for insured and guaranteed loans, to be provided by private lenders but administered and guaranteed by the Farmers Home Administration in the Department of Agriculture, to help cattle and hog producers get back on their feet.

This is not a handout. It is a helping hand. Although it would provide up to $5 billion in credit—to meet a need which is far greater than the amount in my bill—it would be financed not by appropriations but by repayments to the revolving fund created by this legislation.

In addition, this is not the full solution to the problem of cattle and hog producers. A loan program will not make up the billions of dollars already lost, and which are yet to be lost, by producers.

It is predicated on the hope that the markets for slaughter cattle and hogs will recover sufficiently in the months ahead to permit repayment of the loans which this legislation would provide.

Eligible family farmers and ranchers who have been, and are able to continue, in the production of cattle and hogs and who are unable to obtain credit elsewhere, would qualify for 5-year loans to be repaid at a maximum interest rate of 5½ percent.

The Congressman from Texas, Mr. PRICE, has introduced similar legislation in the House. His personal experience as a livestock producer, and the experience and counsel of hundreds of livestock producers in my State and elsewhere, are eloquent testimony to the need for legislation such as this.

As I said, Mr. President, this is not the final answer. We will continue to urge the administration to restrict the unfair competition now being provided by imports of foreign beef, and to work to expand the markets for U.S. meat producers.

But this legislation can serve as the focus for action, and it is my hope that we can have suggestions during committee consideration which will improve the bill.

Our colleagues from urban centers should understand that this legislation is not solely in the interests of the livestock producers of the United States. It is every bit as much in the best interests of consumers who want a stable supply of meat at reasonable prices. Because without some incentive and assistance to remain in business, the cattle and hog producers of this Nation simply will be unable to produce meat in the quantity, quality and consistent supply necessary.

Mr. President, I ask unanimous consent that the text of my bill and my amendment be included in the RECORD at the conclusion of my remarks.

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

S. 3606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by striking out "Subtitle D" in the center heading immediately preceding section 331 and inserting in lieu thereof "Subtitle E", and by inserting immediately after subtitle C the following new subtitle:

"SUBTITLE D—LOAN INSURANCE FOR PRODUCERS OF LIVESTOCK

SEC. 331. (a) The Secretary shall insure loans made by a lender other than the United States, or made by the Secretary and sold to such lender, to a borrower in the United States who—

"(1) is a citizen of the United States engaged solely or primarily in agricultural production;

"(2) is or has been engaged in livestock producing operations to an extent and in a manner determined by the Secretary as necessary to assure reasonable prospects of success in livestock producing endeavors financed by loans insured under this subtitle;

"(3) is unable to obtain sufficient credit to finance his actual needs in the livestock producing business at reasonable rates and terms, as determined by the Secretary after considering prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time; and

"(4) has, if he has received previously a loan insured under this subtitle, performed successfully the terms of such loan.

"(b) Loans insured under this subtitle must be expended for the purpose of financing the normal operations of buying, raising, and selling meat animals by the borrower whose loan is being insured.

"SEC. 332. (a) Subject to the approval of the county committee, appointed under section 352, the amount of any loan insured under this subtitle shall be determined by the lender.

"(b) The period of repayment of any loan insured under this subtitle shall not exceed five years.

"SEC. 333. (a) The Secretary shall from time to time establish the interest rate which may be paid by borrowers on loans insured under this subtitle, but such rate shall not exceed 5.5 per centum per annum.

"(b) Whenever the Secretary determines it necessary that a lender be paid a higher interest rate on a loan than is to be paid by the borrower on such loan in order for the Secretary to be able to enter into a contract of insurance with a lender with respect to such loan, the Secretary may contract to pay the difference between the interest rate to be paid by the borrower and the interest rate to which the lender is to be entitled under such contract.

"SEC. 334. (a) The Secretary shall determine whatever security he deems necessary for the obligations entered into by him in connection with loans insured under this subtitle.

"(b) The Secretary may enter into any security instrument in connection with loans insured under this subtitle; whenever practicable he shall provide that such instrument constitutes a lien running to the United States even though the notes are held by lenders other than the United States.

"SEC. 335. In any case in which the borrowers receives the loan insured under this subtitle in installment payments, the Secretary shall specify in any contract made in connection with such loan that such borrower shall receive no such payments after failure by the borrower to perform successfully the terms of such loan.

"SEC. 336. The Secretary is authorized—

"(1) to make agreements with respect to the servicing of loans insured under this subtitle and to purchase any such loan on conditions and terms as he may prescribe; and

"(2) to retain out of payments by the borrower a charge at a rate specified in the insurance agreement applicable to the loan.

"SEC. 337. Any contract of insurance executed by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestible except for fraud or misrepresentation of which the holder has actual knowledge.

"SEC. 338. (a) The borrower of any loan insured under this subtitle shall pay such fees and other charges as the Secretary may require.

"(b) Such borrower shall prepay to the Secretary as escrow agent such taxes and insurance as the Secretary may require and on such terms and conditions as he may prescribe.

"SEC. 339. (a) There is hereby created the Livestock Producers' Insurance Fund (hereinafter in this subtitle referred to as the 'fund') which shall be used by the Secretary as a revolving fund for the discharge of obligations of the Secretary under this subtitle.

"(b) The Secretary is authorized to transfer, no later than twelve months after the date of enactment of this subtitle, assets from the Agricultural Credit Insurance Fund, described in section 309, to the fund if he determines that such transfer is necessary to establish the insurance program created by this subtitle.

"(c) Moneys in the fund not needed for current operation shall be deposited in the Treasury of the United States to the credit of the fund or invested in direct obligations of the United States or obligations guaranteed by the United States. The Secretary may purchase with money in the fund any notes issued by the Secretary, for the purpose of obtaining money for the fund, to the Secretary of the Treasury.

"(d) The Secretary shall make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for discharging obligations under this subtitle, and he may make and issue such notes for

the purpose of establishing the insurance program created by this subtitle. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate fixed by the Secretary of the Treasury, taking into consideration the current average market yield of outstanding marketable obligations of the United States having maturities comparable to the average maturities of loans insured under this subtitle. The Secretary of the Treasury shall purchase any notes of the Secretary issued hereunder, and, for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which such securities may be issued under such Act are extended to include the purchase of notes issued by the Secretary hereunder. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

"(e) Notes and security acquired by the Secretary in connection with loans insured under this subtitle shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof at the balance due thereon, or on such other basis as the Secretary may determine from time to time. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

"(f) The Secretary shall deposit in the fund any charges collected for loan insurance services provided by the Secretary under this subtitle as well as charges assessed for losses and costs of administration in connection with insuring loans under this subtitle.

"(g) The Secretary shall utilize the fund—

"(1) to make loans which can be insured under this subtitle whenever he has reasonable assurance that they can be sold without undue delay, and he may sell and insure such loans;

"(2) to pay amounts to which the holder of insured notes is entitled on loans insured accruing between the date of any payments by the borrower and the date of transmittal of any such payments to the holder; in the discretion of the Secretary, payments other than final payments need not be remitted to the holder until due or until the next agreed remittance date;

"(3) to pay to the holder of insured notes any defaulted installment, or upon assignment of the note to the Secretary at the Secretary's request, the entire balance due on the loan;

"(4) to purchase notes in accordance with contracts of insurance entered into by the Secretary;

"(5) to make payments in compliance with the Secretary's obligations under contracts of insurance entered into by him;

"(6) to pay taxes, insurance, prior liens, and expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, plus expenses for necessary services, including commercial appraisals and loan servicing and consulting fees, and other expenses and advances authorized in section 355(a) of this Act in connection with loans insured under this subtitle; such items may be paid in connection with guaranteed loans after or in connection with acquisition by the Secretary of such loans, or of the security of such loans after default, to an extent determined by the Secretary to be necessary to protect the interest of the United States;

"(7) to pay the difference between interest payments by borrowers and interest to which insured lenders are entitled under contracts of insurance entered into by the Secretary under section 333(b);

"(8) to pay the Secretary's cost of administration of the program authorized under this subtitle, including costs of the Secretary incidental to insuring loans under this subtitle; and

"(9) to perform any other act authorized by this subtitle.

"SEC. 340. The aggregate amount of the obligations insured under this subtitle and outstanding at any one time shall not exceed $3,500,000,000.

"SEC. 341. Any amounts loaned, insured, guaranteed, advanced or otherwise expended under this subtitle shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"SEC. 342. For purposes of this subtitle—

"(1) the term 'livestock producing operations' means: (a) a beef cow-calf rancher; (b) an individual who raises beef cattle or hogs and pigs in his normal farming or ranching operations; (c) an individual feedlot operator who feeds beef cattle or hogs and pigs for himself and others; (d) a partnership that feeds beef cattle or hogs and pigs for itself; (e) an individual operator who feeds beef cattle or hogs and pigs for himself: *Provided*, that the individual or partnership herein defined shall obtain his or its income solely or primarily from agricultural production: *Provided further*, that a corporation, other than a corporation wholly owned by members of a single family, shall not qualify for loans under this subtitle; and

"(2) the term 'livestock' means cattle, hogs and pigs raised to be sold and slaughtered primarily for purposes of meat for human consumption.".

(b) Sections 331 through 334 of the Consolidated Farm and Rural Development Act, and all references thereto, are redesignated as sections 351 through 364, respectively.

AMENDMENT NO. 1418

At the end of the bill, insert the following new title:

TITLE —CONTROL OF MEAT IMPORTS

"SEC. . Notwithstanding any provision of law, no article specified in Item 106.10 (relating to fresh, chilled and frozen cattle meat) of the Tariff Schedules of the United States may be imported into the United States for sale, consumption or any other use for a period of sixty days following the first day of the first month subsequent to the enactment of this Act.

"SEC. . Effective upon the date of enactment of this Act, paragraph (3) of Proclamation 4272, 39 F.R. 7777 (1974) (relating to the suspension of quotas pursuant to Section 2 (d) of the Act of August 22, 1964 (78 Stat. 594; 19 U.S.C. 1202, note), shall be of no force and effect.

"SEC. . Section 2(d) of the Act of August 22, 1964 (78 Stat. 594; 19 U.S.C. 1202, note) is amended by striking the last sentence of such section and inserting in lieu thereof: 'No such suspension shall be in excess of a period of sixty days, unless the Congress shall, by concurrent resolution, expressly authorize a suspension for a period which may be longer.' "

ADDITIONAL COSPONSORS OF BILLS

S. 2801

At the request of Mr. PROXMIRE, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 2801, a bill to prevent the Food and Drug Administration to regulate safe vitamins as dangerous drugs.

S. 3294

At the request of Mr. WILLIAMS, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 3294, to provide the employees of State and political subdivisions thereof shall be subject to provisions of the National Labor Relations Act.

S. 3295

At the request of Mr. WILLIAMS, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 3295, the National Public Employment Relations Act.

S. 3386

At the request of Mr. FONG, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 3386, a bill to amend title II of the Social Security Act to increase the increment in old-age benefits payable to individuals who delay their retirement beyond age 65.

S. 3504, S. 3505, S. 3507, S. 3427, AND S. 3428

At the request of Mr. PERCY, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 3504, to amend the Social Security Act to provide for the furnishing of rehabilitative services to inpatients of long-term care facilities; S. 3505, to amend section 232 of the National Housing Act to provide insurance for loans to finance improvements to long-term care facilities required to correct deficiencies identified in State surveys and Federal certification procedures; S. 3507, to amend the Social Security Act so as to make permanent certain temporary provisions relating to inspections of long-term care institutions, to provide for the publication of certain information regarding such institutions, and requiring that such institutions provide certain training for their nonprofessional employees as a condition of participation in the medicare and medicaid programs; S. 3427, to liberalize the retirement earnings limitation under the Social Security Act; S. 3428, to provide for computation of benefits under title II of the Social Security Act based on the combined earnings of a husband and wife.

SENATE CONCURRENT RESOLUTION 89—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE PLACEMENT IN THE CAPITOL OF LIKENESSES OF INDIVIDUALS FROM MINORITY GROUPS WHO HAVE CONTRIBUTED TO OUR NATION AND OUR HISTORY

(Referred to the Committee on Rules and Administration.)

Mr. HUMPHREY. Mr. President, I am today submitting, for myself and my distinguished colleague from Minnesota (Mr. MONDALE), a Senate concurrent resolution which would direct the Joint Committee on the Library to obtain likenesses, for placement in the Capitol, of individuals from minority groups who have contributed significantly to our Nation and our history.

My resolution also would establish a

procedure for the selection of those who should be represented.

It would provide that the leadership of both the Senate and the House of Representatives act together to appoint an advisory committee of nine persons distinguished in public or private life to nominate individuals whose likenesses would be obtained for permanent exhibit in the Capitol. It would be my hope that this advisory committee could include historians, political scientists, representatives of the arts and sciences, the professions, government officials past or present, or others with a high degree of expertise in relevant fields.

The advisory committee would be authorized to seek the advice and recommendations of a broad range of experts, as well as the general public, similar to the procedures utilized by the Special Committee on the Senate Reception Room which was authorized by Senate Resolution 145, of the 84th Congress, to select five outstanding persons who served in the Senate whose portraits would be placed in the Senate Reception Room.

The number of persons to be selected for representation has been left unspecified, so as to allow the advisory committee the greatest possible freedem in its determinations. Space limitations in the Capitol will necessarily impose certain restrictions on the number, but I believe that this question should be left to the advisory committee and the House and the Senate, acting as authorized in the resolution to approve the recommendations of the advisory committee.

The advisory committee would be directed to complete its selection process within 1 year from the date this resolution is agreed to, after which time both Houses would be called on to approve the selections by concurrent resolution.

Upon final approval of the selection or selections, the Joint Committee on the Library, which has jurisdiction over works of art in the Capitol, would be directed to obtain likenesses of these individuals by any of several procedures currently available. The manner in which each individual is to be represented—whether by statue, bust, or portrait—is also left unspecified, to allow the joint committee flexibility in placing the works of art in light of the current shortage of available space.

Mr. President, it would be impossible to overstate the role that has been played in our national history by members of minority groups. Great achievements in law, medicine, science, philosophy, religion, sports, the arts—indeed, in every phase of American life—have been accomplished through the dogged and often unrecognized efforts of minority citizens who struggled against great odds to bring honor to themselves and their country.

Nearing our 200th year as a nation, we have finally put to rest many of the legal, socioeconomic, and cultural barriers which prevented these outstanding citizens from being brought into the mainstream of American life. We are better able at this juncture to assess the critical contributions which have been made in the building of our Nation.

It is fitting that we determine at this hour in our national life to honor these citizens suitably and to bring their achievements to the attention of the American people by commemoration in the U.S. Capitol.

Thousands of citizens pass through these halls each year. Many are schoolchildren who are seeing American history firsthand. It is neither accurate nor just to have them believe that American history is only a history of white, Anglo-Saxon Protestant or Catholic. Rather, they should be allowed to see that American history is a tapestry—composed of many diverse peoples who have come to this great land seeking freedom and opportunity.

As our national goal for 1976, I would like for us to be able to show the world that we were able to create out of this diversity of people a sense of common purpose without in any way destroying individuality or cultural heritage.

We have to be willing to once again find the ideals that move people and nations. So let us begin our third century as an America aware of the richness in our heritage and diversity; a nation that realizes the importance of every people; a society in which the contributions and achievements of each ethnic and racial group are respected and valued.

Let us proudly announce to the world the true freedom—the freedom of all people to be themselves—to be as diverse as history and culture have made them, and to make their fullest contribution to a greater America. I believe that we can enhance the chances for realization of this goal by beginning now to redraw the lines that have impeded the recognition of the accomplishments and contributions of minority citizens. I can think of no more appropriate way to look toward America's future than to acknowledge and cherish her true history.

The concurrent resolution reads as follows:

Whereas the United States of America will celebrate its two hundredth anniversary in 1976;

Whereas it is appropriate that the richness and variety in our national history be commemorated in conjunction with Bicentennial events and celebrations;

Whereas it is fitting and appropriate that the important role of members of minority races, cultures, and nationalities in the development of the Nation and the enhancement of human life in America be acknowledged and commemorated; and

Whereas minorities are not adequately represented among the statues, busts, portraits, and other works of art displayed in the United States Capitol: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on the Library is authorized to obtain, in accordance with this concurrent resolution, likenesses of members of minority groups to be placed in the United States Capitol.

SEC. 2. (a) The President pro Tempore of the Senate, the Majority and Minority Leaders of the Senate, the Speaker of the House of Representatives, and the Majority and Minority Leaders of the House of Representatives shall jointly appoint—

(1) an advisory committee to be composed of 9 distinguished citizens from the public and private sectors, for the purpose of selecting members of minority groups it deems appropriate who have made significant contributions to the United States; and

(2) one member of the advisory committee as chairman of the advisory committee.

Each member of the advisory committee who is not otherwise employed as an officer or employee of the United States Government shall receive compensation, for each day (including travel time) that he performs duties as a member of the advisory committee, at an annual rate of pay which is in effect with respect to pay disbursed by the Secretary of the Senate and which will provide a daily rate which is nearest to, but not less than, $75 for each such day. Each member of the advisory committee shall be paid for expenses incurred, including travel expenses, with respect to his duties as a member.

(b) The advisory committee is authorized to seek advice and recommendations from such historians and other sources including the general public, as it deems advisable.

(c) The advisory committee shall report any of its selections to the Senate and House of Representatives not later than one year from the date this concurrent resolution is agreed to.

(d) The Joint Committee on the Library, the Architect of the Capitol, and the Commission on Art and Antiquities of the United States Senate shall provide to the advisory committee, to the maximum extent practicable, employees, facilities, supplies, and equipment that the advisory committee deems appropriate in carrying out its duties under this concurrent resolution.

SEC. 3. Upon approval by the Senate and House of Representatives by concurrent resolution of any selection made by the advisory committee, the Joint Committee on the Library shall obtain by donation, loan, purchase, or commission appropriate likenesses of any individual so approved.

SEC. 4. Expenses of this concurrent resolution shall be paid out of the contingent fund of the Senate upon vouchers approved by the Chairman of the Joint Committee on the Library.

SENATE RESOLUTION 337—SUBMISSION OF A RESOLUTION TO AMEND RULE VIII, RELATIVE TO THE CONSIDERATION OF PROPOSED LEGISLATION

(Referred to the Committee on Rules and Administration.)

Mr. ROBERT C. BYRD submitted the following resolution:

S. RES. 337

Resolved, That Rule 8 of the Standing Rules of the Senate is amended—

1. At the end of paragraph 2, insert a new paragraph as follows:

"3. (a) At the end of the Morning Hour of any legislative day, it shall be in order for any Senator to be recognized to make a unanimous consent request that the Senate proceed to the immediate consideration of any bill or resolution on the Calendar, with the proviso that any amendment (except any amendment proposed by the committee which reported such bill or resolution) offered to the said bill or resolution during the consideration of the same must be germane or relevant to the subject matter of the said bill or resolution, or to the subject matter of an amendment proposed by the committee which reported the bill or resolution.

"(b) Should objection be heard to such a unanimous consent request, specified in the above subparagraph (a), on the following day, at the conclusion of the Morning Hour, a motion to the same effect set forth in the above proposed unanimous consent request would be in order, to be determined without

debate, and if a two-thirds vote on that motion is forthcoming, that bill or resolution would become the unfinished business of the Senate until it is disposed of. Thereafter, during the consideration of the said measure, any amendment (except any amendment proposed by the committee which reported such bill or resolution) which is not germane or relevant to the subject matter of such bill or resolution, or to the subject matter of an amendment proposed by the committee which proposed such bill or resolution, shall not be in order.

"(c) A motion to reconsider the vote to consider such a bill or resolution which was agreed to or which was not agreed to shall not be in order, and, if such a motion was not agreed to, it shall not be in order to make a second motion under subparagraph (b) with respect to such bill or resolution.

"(d) When a motion made under subparagraph (b) has been agreed to with respect to the consideration of a bill or resolution, a point of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may, prior to ruling on any such point of order, entertain such debate as he considers necessary in order to determine how he shall rule on such point of order. Appeals from the decisions of the Presiding Officer on such points of order shall be decided without debate.

"(e) The provisions of the above paragraphs shall not apply to amendments subject to the rules of germaneness and relevancy contained in paragraph 4 of Rule XVI and paragraph 2 of Rule XXII.

"(f) Renumber paragraph 3 of Rule VIII."

SPECIAL ENERGY RESEARCH AND DEVELOPMENT APPROPRIATION ACT, 1975—AMENDMENT

AMENDMENT NO. 1404

(Ordered to be printed and to lie on the table.)

Mr. ROBERT C. BYRD (for Mr. McGEE) submitted an amendment intended to be proposed to the bill (H.R. 14434) making appropriations for energy research and development activities of certain departments, independent executive agencies, bureau offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes.

NOTICE OF MOTION TO SUSPEND THE RULE

Mr. ROBERT C. BYRD (for Mr. McGEE) submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 14434) the following amendment; namely: Following the word "expended" on line 15, page 2, add the following language: Provided, That the Environmental Protection Agency may transfer so much of the funds as it deems appropriate to other Federal agencies for energy research and development activities that it may be in a position to supply, or to render or to obtain by contract.

AMENDMENT NO. 1421

(Ordered to be printed and to lie on the table.)

Mr. HASKELL. Mr. President, I am introducing an amendment today which I intend to call up on Monday when H.R. 14434, the special energy research and development appropriations bill, is before the Senate.

The bill reported from the Appropriations Committee contains $4.4 million for the applied energy technology stimulation techniques. My amendment will limit the amount of funds available for use by the Atomic Energy Commission to continue that program. Briefly it would do the following:

First, it would allow the AEC to continue its evaluation of Project Rio Blanco, a 1973 nuclear stimulation experiment conducted in Colorado. That evaluation has already begun and H.R. 14434 contains $375,000 to complete the study which would be left intact with my amendment.

Second, the amendment would halt further research and development on nuclear stimulation techniques until the above evaluation is complete. Congress would then decide whether to proceed with nuclear stimulation research and development or whether to fund other stimulation techniques such as massive hydraulic fracturing. Halting this year's research program, until an evaluation of Project Rio Blanco is available, involves deleting $4.025 million from the bill.

It should be noted that the AEC recently contracted with CER Geonuclear Corp. to fund a large-scale hydraulic fracturing experiment. The AEC will pay about $1 million of the estimated $2.5 million project cost. The site for this experiment is within 1 mile of the Project Rio Blanco nuclear gas stimulation experiment site. There is considerable debate whether it is necessary to use nuclear explosive devices to fracture these particularly tight sand formations or whether hydraulic fracturing will be successful. The Federal Government has spent over $33 million to date developing nuclear stimulation techniques and approximately $1.3 million on hydrofracturing.

In my opinion it is premature and inappropriate for us to commit ourselves still further in support of nuclear stimulation techniques. We must look at the facts—which will be available once the Rio Blanco evaluation is complete and once the new hydraulic fracturing experiment is complete—to determine which technology is most appropriate.

I fully recognize that the natural gas resources in the Rocky Mountain States are tremendous and important in our energy development picture. I am not opposing development of that resource. But I do propose that we must use the best means available for that development; one that will not interfere with development of other valuable resources which are also located in the same area such as oil shale, coal, uranium, nahcolite, and bauxite.

A recent report by the General Accounting Office entitled "Progress and Problems in Developing Nuclear and Other Experimental Techniques for Recovering Natural Gas in the Rocky Mountain Area" stresses that—

Commercial programs to recover natural gas in the Rocky Mountain area might not be compatible with development of the other mineral resources in the area.

The Department of the Interior stated in a letter to the GAO dated February 11, 1974:

. . . the *apparent incompatibility of nuclear fracturing techniques with concurrent or subsequent mining of oil shale and other mineral resources in the same area* is viewed as a most unfavorable feature of fracturing techniques which use nuclear explosives. (emphasis added)

I recognize that many of my colleagues might well be inclined to support additional Plowshare program funding because of the energy shortages which face us. I must stress that this gas will not be available in the near future in any case. The technology is being developed with a long-term purpose in mind.

The Federal Power Commission estimates that the Rocky Mountain formation contains up to 600 trillion cubic feet of natural gas. A 1973 FPC task force report estimated that up to 300 trillion cubic feet of this gas could be recovered with either of the two techniques—nuclear stimulation or massive hydraulic fracturing—currently under study. In order to recover that much gas using nuclear stimulation the program would involve drilling 5,680 wells and detonating 29,680 nuclear explosive devices each with a 100-kiloton yield over a period ranging from about 35 to 65 years. For massive hydraulic fracturing the task force report indicated the program would involve drilling about 22,720 wells over a period of about 60 to 115 years.

With anywhere from 400 to 1,000 nuclear devices being detonated annually for a period of up to 65 years considerable risk would be involved. Just recently a small amount of the radioactive byproduct tritium leaked from a disposal well in close proximity to the Project Rio Blanco nuclear stimulated gas well. The amount of tritiated water was small—very small—but even that amount represented an unexpected development. Many uncertainties shroud nuclear stimulation and the Congress must insure that such developments are investigated and resolved before further development takes place.

The Joint Committee on Atomic Energy has recognized that the 1973 Rio Blanco experiment has not been entirely satisfactory. In their report on legislation authorizing appropriations for the Atomic Energy Commission for fiscal year 1975 it was stated:

The Committee notes . . . that satisfactory results have not been forthcoming from the fiscal year 1974 Rio Blanco event. The Committee considers that the Commission must place strong emphasis on resolving the uncertainties in results from that experiment before proceeding with other major experiments. Further, the Joint Committee believes it important that the AEC complete the conventional hydrofracturing experiment it started near the Rio Blanco site during fiscal year 1974 (Report 93-969)

Mr. President, I appeal to my colleagues to support this amendment. I hope that we can agree to evaluate Project Rio Blanco and the current AEC–CER geonuclear hydraulic fracturing test before proceeding with further development of nuclear stimulation technology for natural gas or oil shale or coal.

The best available evidence indicates that nuclear stimulation is incompatible with development of other mineral resources in the area. We cannot afford to forfeit those resources. Therefore, I can see no reason to support the funding request contained in this bill.

I ask unanimous consent that a copy of my amendment be printed at this point in the RECORD.

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

AMENDMENT NO. 1421

On page 8, line 1, delete "$1,023,690,000" and insert in lieu thereof "$1,019,665,000"; on line 14 delete "." and insert in lieu thereof ": Provided further, That the sum herein appropriated for the Applied Energy Technology Program, totaling $375,000, shall be limited for use solely in completing the technical and economic assessment of Project Rio Blanco, detonated May 17, 1973."; on line 23 delete "$432,470,000" and insert in lieu thereof "$432,160,000".

DEPARTMENT OF DEFENSE APPROPRIATIONS AUTHORIZATION ACT, 1974—AMENDMENT

AMENDMENT NO. 1405

(Ordered to be printed, and to lie on the table.)

Mr. JACKSON (for himself and Mr. THURMOND) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

AMENDMENT NO. 1422

(Ordered to be printed and to lie on the table.)

Mr. MCGOVERN (for himself, Mr. BROOKE, and Mr. HATHAWAY) submitted an amendment intended to be proposed by them jointly to the bill (S. 3000), supra.

AMENDMENT NO. 1423

(Ordered to be printed and to lie on the table.)

AMENDMENT TO DEVOTE ICBM R. & D. TO PROTECT AGAINST SOVIET FIRST STRIKE AND BAN U.S. FIRST STRIKE DEVELOPMENTS

Mr. MONDALE. Mr. President, should the United States develop a first strike capability against Soviet ICBM's? This is the most serious issue raised by the defense appropriations authorization bill which contains several programs aimed at increasing the accuracy and yield of our ICBM warheads. Developing these capabilities would be a radical change in U.S. strategic policy. Proposals along these lines have been pressed for years by the U.S. military and rejected by civilian defense officials and also turned down by Congress.

American policy has been to aim for stability by making clear that both sides should have a deterrent secure from attack. Now, however, the Secretary of Defense is asking for new improvements in our Minuteman ICBM's which would provide an increased capability of attacking Soviet ICBM's.

The major arguments for these new programs are that the Soviets appear to be moving in this direction with their new ICBM's. If they go ahead and we go ahead, both sides will be able, for the first time, to threaten major segments of the other side's deterrent. In a severe crisis, there would be enormous pressure to use nuclear forces before they are lost to enemy attack. This in turn will only add to the gravity of any crisis.

Thus, if we go down this route, both sides will be worse off. Both will be more vulnerable. Both will be more frightened of the other's intentions. And the risk of nuclear war will be closer than before. Not only détente, but peace itself will be in greater jeopardy.

It is imperative, therefore, that every effort be made to control these so-called first-strike programs in SALT. However, if the Soviets do not accept effective limits on their ability to attack our ICBM's, we should not blindly follow a moneky-see, monkey-do policy. Responding by increasing our ability to kill Soviet ICBM's will in no way help ours to survive; it only makes our ICBM's a more tempting and urgent target.

I believe that we must emphasize other more stabilizing options: mobility—land or air mobile ICBM's, or more submarine launched ballistic missiles. We also can further diversify our forces such as by adding a long-range standoff cruise missile capability for our ships and planes. This would continue the traditional U.S. policy of producing an assured deterrent by making clear that there will be no advantage to be gained by the Soviets in trying for a first-strike capability. At the same time, these programs will not threaten the Soviets with a first strike.

For this reason, I am submitting the following amendment to the defense appropriations authorization bill. It provides that research and development funds for ICBM's be used to enhance their ability to withstand a Soviet first strike and not give our ICBM's a better capability to carry out a first strike on Soviet ICBM's. I ask unanimous consent that the text of this amendment may appear in the RECORD at this point.

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

On page 4, between lines 18 and 19, insert the following new section 202:

"SEC. 202. The Secretary shall expend funds authorized pursuant to section 201 for research and development for intercontinental ballistic missile forces only upon determination that such expenditure is for the purpose of enhancing the ability of such forces to survive a strategic attack, or otherwise to improve the effectiveness of such forces, but that such expenditure is not for the purpose of increasing the capability of such forces to destroy hardened ICBM launchers of other countries."

NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES ACT—AMENDMENT

AMENDMENT NO. 1406

(Ordered to be printed and to lie on the table.)

Mr. NELSON (for himself and Mr. HASKELL) submitted an amendment intended to be proposed by them jointly to the bill (S. 3523) to establish a Temporary National Commission on Supplies and Shortages.

AMENDMENTS NOS. 1408 AND 1409

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted two amendments intended to be proposed by him to the bill (S. 3523), supra.

FULL DEPOSIT INSURANCE FOR PUBLIC UNITS—AMENDMENT

AMENDMENT NO. 1407

(Ordered to be printed and to lie on the table.)

Mr. BROOKE submitted an amendment intended to be proposed by him to the bill (H.R. 11221) to provide full deposit insurance for public units and to increase deposit insurance from $20,000 to $50,000.

EXEMPTION FROM DUTY CERTAIN EQUIPMENT AND REPAIRS FOR VESSELS—AMENDMENTS

AMENDMENTS NOS. 1410 THROUGH 1417

(Ordered to be printed and to lie on the table.)

Mr. GRAVEL submitted eight amendments intended to be proposed by him to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971.

AMENDMENT NO. 1418

(Ordered to be printed and to lie on the table.)

Mr. MCGOVERN (for himself, Mr. HUMPHREY, and Mr. ABOUREZK) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 8217), supra.

(Mr. MCGOVERN's remarks in connection with this amendment appear under the heading "Statements on Bills and Joint Resolutions.")

AMENDMENTS NOS. 1419 AND 1420

(Ordered to be printed and to lie on the table.)

Mr. HASKELL. Mr. President, on May 2 of this year, Senator CHILES and I introduced amendment No. 1247 to H.R. 8217. That amendment consisted of four parts: First, it would replace the present $750 personal exemption deduction with a nonoptional $200 tax credit; second, it sharply limits use of the investment tax credit; third, it repeals the asset depreciation range system—ADR; and, fourth, it repeals the so-called DISC provisions of the tax code.

We are today reintroducing these proposals as two separate amendments. The

first consists of the replacement of the $750 income deduction with a $200 personal exemption tax credit. The second amendment consists of the three revenue-raising tax reform measures originally included in amendment 1247.

I ask unanimous consent that my statement of May 2, 1974, explaining the amendments further and the amendments themselves be printed at this point in the RECORD.

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

EXEMPTION FROM DUTY CERTAIN EQUIPMENT AND REPAIRS FOR VESSELS—AMENDMENT

AMENDMENT NO. 1247

(Ordered to be printed, and to lie on the table.)

AN INCOME TAX REALLOCATION AMENDMENT

Mr. HASKELL. Mr. President, there has been much discussion recently about the advisability of a substantial income tax cut. Today, I am submitting for myself and the Senator from Florida (Mr. CHILES) a tax relief—tax reform amendment that we shall propose when H.R. 8217 is before the Senate. Senator NELSON is also introducing a tax relief—tax reform bill today. I applaud his efforts and look forward to supporting him as we pursue the goal of tax fairness.

I am convinced that some form of relief or cutback is an essential element of much needed tax reform. But we must be cautious of the manner in which such relief is provided.

Some form of reallocation of the Federal income tax burden is a wise and desirable manner in which to help millions of inflation-pressed American families to cope with the extraordinary economic situation in which we now find ourselves. I believe, though, that we should achieve this goal without even arguably jeopardizing the economic position of the American people as a whole.

I further believe that we have before us a unique opportunity to not only provide economic relief to the vast majority of American taxpayers, but also to do so in a way that provides them a significant measure of fair play in the operation of their Federal tax system. We should, in my judgment, seize this opportunity to reallocate, on the principle of fairness, some of the overall income tax burden.

I would like first to explain my concern over the proposals that have been made by some of a blanket tax cut without any offsetting revenue raising features. Although many things about the present state of our economy are unclear, Mr. President, there are some things that should be abundantly obvious to all of us.

One is that inflation has not been halted.

Another is that inflation has hit hardest those Americans with middle and lower incomes. Americans are today trapped in the vise of higher prices, concurrently shrinking real wages and the unrelenting pressure of Federal taxes. It is sensible to propose that they should have the pressure of that vise loosened by having less of their wages withheld through the Federal tax system.

But taxes are not the only important variable in any income-enhancing plan. Inflation, which affects middle- and low-income taxpayers the most, also plays a decisive role in income distribution and growth. Therefore, it seems that any tax proposal must in reality have twin objectives. The first should be to place the burden of such a tax proposal more squarely on the shoulders of those who can pay; the second, to minimize any adverse price effects on the economy.

A brief perusal of recent economic reports quickly underlines the serious strains already being placed on the average American. Statistics just released by the Labor Department reveal that while the net income of the average American worker increased by 5.2 percent in the first quarter of 1974, real compensation declined by almost 5.6 percent at an annual rate. Inflation has simply more than offset any surface increase in income.

At the same time as the rate of inflation approached 14.5 percent computed annually, something quite unorthodox by traditional economic standards occurred. Both total output of goods and services in the private sector and productivity declined at annual rates of more than 5.5 percent. Such behavior is normally characteristic of economies undergoing periods of low inflation.

This anomalous behavior seems to indicate that the output recession is finding its origins not in decreasing demand at all—as has traditionally been the case—but rather in shortages of supply. Conversely, increases in inflation appear to be originating in the attempts of producers to compensate for falling production due to raw materials shortages—especially energy—by raising prices.

This rapid escalation of inflation concomitant with productivity and output "recession" presents a difficult dilemma, for forces normally working against one another to restore equilibrium now appear to be acting temporarily in concert. Thus, strategies designed to decrease inflationary pressure are likely to further aggravate high unemployment and lower output, while strategies designed to spur growth in productivity and output and lower unemployment are likely to encourage higher rates of inflation.

It is in this context of "stagflation" that we must view any tax cut proposal. If we agree that any such cut should be designed to improve the plight of those Americans most seriously affected by inflation—the lower- and middle-income groups—then any such cut must be judged by reference to the income effects it will have on these individuals.

In the case of any tax cut, there is an immediate and obvious income effect: that is to increase the amount of money readily available to any wage earner. But, any such increase in the amount of money available for immediate expenditure by consumers eventually translates itself through the demand mechanism into increased inflation. Thus, one must subtract the decline in real income lost to inflation as a result of the tax cut from the addition to earnings accruing from the tax cut to determine the true income effects.

For example, if a family's income was $10,000 and the increase in inflation due to the tax cut was 2 percent, then the family's income in real terms suffered a loss of over $200. Therefore, any tax cut, to make sense, must increase this family's income by more than $200. If it does not, the tax cut is self-defeating, and any income gains are quickly erased by price losses—that is, growing inflation.

With the economy already undergoing severe strain from inflation, induced by shortages of supply, a simple tax cut is very likely to result in even higher rates of inflation, and hence, less real value to the average consumer. This is particularly true when the cut is considered in light of a deficit in the Federal budget of $5.4 billion this year and an anticipated deficit of almost $10 billion in fiscal year 1975. Any tax cut would only further aggravate fiscal problems by cutting Federal revenues in the fact of increasing Federal expenditures. The logical result of this would seem to be a further erosion in the buying power of the average consumer—an effect quite opposite to that intended by the proposal to simply cut taxes.

As Prof. Otto Eckstein of Harvard University, stated in testimony before the Senate Finance Committee in March:

"My feeling against a tax cut is mainly based on the longer term needs for resources by the Federal government. We have cut taxes too much in the last four years, and we will need the tax base to meet the future social goals."

Profs. John Kenneth Galbraith and Murray Wiedenbaum echoed this concern when they also concluded, respectively:

"I am very doubtful about a tax reduction. Inflation is still a major problem. It's a tough fact that tax reduction is the wrong medicine for that, and I am concerned that the $6.5 billion estimated revenue loss (to the Federal government) would add to inflationary pressures which remain so very strong."

Thus, for many reasons, Mr. President, I am opposed to a simple tax cut. I believe the best way to accomplish the twin objectives of tax reform and price stability is to couple any tax cut with reforms designed to offset any losses of Federal revenue, thereby minimizing the danger of added inflation.

With this in mind I have proposed an amendment to H.R. 8217. I firmly believe that our proposal will provide the much-needed tax relief without posing the threat to middle- and lower-income persons of having that relief eaten away by yet more exaggerated rates of inflation. At the same time, it addresses itself to several of the most inequitable, unjustifiable, and unnecessary tax breaks presently built into the Internal Revenue Code.

Our amendment will propose to—

First, replace the present personal exemption in the form of a deduction with a nonoptional tax credit of $200.

Second, repeal the code provision allowing the deferral of certain export income—DISC; terminate, with an exception, the investment tax credit; and eliminate the asset depreciation range system.

Step No. 1 in our proposal will provide tax relief for nearly 55 million taxpayers. This represents nearly 90 percent of all the tax returns that are filed each year. The bulk of this relief will go to taxpayers with annual income of $20,000 per year and less.

Step No. 2 of our proposal is designed to offset the loss in tax revenues caused by step No. 1—about 6.1 billion—by repealing some of the least justifiable tax breaks presently in the code.

First, the so-called DISC provisions of the code would be repealed. These provisions allow certain businesses engaged in exporting to defer half of their overseas income and, in the end, this deferral can be so extended as to amount to the equivalent of an initial exemption from taxation for the part of the exporter's income.

A Treasury report released just last week informs the Congress that DISC cost the Federal Government 2½ times as much as was anticipated in 1972. When enacted, the Congress was told that DISC would mean a loss of about $100 million in Federal revenues. Instead, DISC has meant a subsidization of the exporting business to the tune of $250 million. Moreover, the report states that—

"On balance, it seems likely that the 1973 income figures, and hence revenue loss, will exceed the estimated 1972 loss."

There are two disturbing elements of the tax subsidization of exporters. One is the high uncertainty of the need for the DISC provisions. We just do not know how much of the increased exporting activity in 1972 would have occurred without the help of DISC.

We know, for example, that devaluation and other general economic influences have inevitably spurred on exporting; we know, hence, that, to some extent DISC has been an utter, unjustified waste.

The other disturbing element of DISC is the fact that its incentive features all too

often may result in American manufacturers exporting items that American consumers find they are unable to obtain here at home. This is an unnecessary business incentive and an unnatural tax policy. Repeal of this provision will result in a revenue gain of $250 million.

The second part of this amendment that will bring in new revenue will be a termination of the investment tax credit, subject to a limited exception. We propose to limit the credit to assets with a cost basis of $100,000 or less. The credit would be fully applicable up to a cost basis of $50,000, and would then be incrementally phased out from $50,000 to $100,000.

I seriously doubt, Mr. President, that this investment tax credit is much of a stimulus to the economy at all. If the board of directors of a corporation is convinced of the profitability of further investment, then marginal benefits accruing from a tax credit will play a very small role in their decision to invest. If the venture is inherently nonprofitable, then it should not be further subsidized by an investment tax credit. The credit is, in my opinion, a classic example of the use of the tax system to induce certain economic behavior, whether that behavior needs to be induced or not.

The effect of the tax credit is very nearly to completely offset the interest costs an investor must pay to borrow the funds to be invested. Thus, borrowing is largely at the expense, not of the investor, but of taxpayers in general. The extraction of those dollars from the average taxpayer in order to subsidize the borrowing of corporate investors ought to require a showing of compelling need if it is to be justified at all. Such a showing has not, to my satisfaction, been made. Thus, the burden ought to be shifted back to those presently benefiting to come to the Congress and demonstrate their individual need for economic subsidization by the Federal Government. The Joint Committee on Internal Revenue Taxation estimates that the change proposed by Senator CHILES and me will yield from $3.5 to $4 billion in additional Federal revenues.

The third revenue-raising element of our proposal is a repeal of the asset depreciation range system. ADR allows rapid tax depreciation of machinery and equipment, and is defended as an incentive for the purchase of new assets, much like the investment tax credit. The system is essentially a fiction, since financial accounting in shareholders' and creditors' reports uses far less rapid depreciation methods. Rapid depreciation amounts to a deferral of taxes: this deferral is a highly valuable tax reduction device. Like the investment credit, we have been shown no current evidence of the need for this tax preference. Fifty percent of the benefits of ADR, it is estimated, go to the largest 103 corporations. Eighty percent of the benefits will go to the largest 2,500 corporations—just one-twentieth of 1 percent of all U.S. businesses. What ADR, in reality, means, is that the Federal Government, at the taxpayers' expense provides these corporate giants interest-free loans of taxes otherwise due each year.

Senator CHILES and I propose to eliminate the ADR concept—a move I view as one more step in the direction of eliminating Federal Government interference through the tax system in the decision-making processes of the free-enterprise system. This repeal will net the Treasury approximately $1.5 billion.

The new revenue raised by my proposals is to be used to finance tax relief for nearly 90 percent of all Federal income taxpayers. The method by which this is to be accomplished is replacement of the deduction for personal exemptions with a tax credit for those exemptions. The credit will not be on an optional basis, although I acknowledge the attractiveness of the option, that feature would simply be unfair.

Tax reform, if to be true to the implication of equity inherent in that appealing phase must face a fundamental reality; we cannot reform the tax system by giving something to everyone. Tax relief for the many must come from those presently paying less than their fair share. The American people recognize this fact of life. So, too, should the Senate. Moreover, equity knows no qualification. True equity should not mean that some are to be treated "more fairly" than others or that some taxpayers are "more equal" than others under the law.

The present personal exemption system is backward simply because it provides tax assistance to taxpayers in proportion to their marginal tax bracket. Thus, for the very wealthiest of taxpayers, the $750 exemption means that $750 of their income will not be taxed at the otherwise applicable 70 percent tax rate. For the wealthiest taxpayer, then, the exemption is worth about $525 in real dollars saved. For the lowest marginal bracket taxpayers, however, the exemption is worth only about $105—this notwithstanding the fact that their basic living expenses for the minimum essentials of life do not cost them less simply because they are less affluent than other taxpayers. For a family of four with an income of $15,000 a year, the exemption is worth about $185.

But, since the exemption is designed to provide tax recognition to the expenses that one incurs for the basic essentials of life, it should not be valuable to a taxpayer only in so far as he is wealthy. Thus, in my opinion, the credit that is available in lieu of a deduction for personal exemptions should not be provided on an optional basis. It would be available to all taxpayers, rich, poor, or in the middle, on an equal basis.

In the end, Mr. President, one thing must be always kept in mind regarding our tax system: every time one taxpayer does not have to pay some or all of his taxes, the rest of the American people must take up the slack.

It is the presence in the Federal tax "budget" of some $65 or $75 billion of tax subsidization like those I propose we repeal which has for years stood in the way of any meaningful tax relief. Many of these items sharply distort the progressiveness of the tax system.

Thus, there exists this independent justification for our amendment: it is never too soon to close off the most unjustifiable of the tax loopholes. And that is precisely what we propose.

I hope that my colleagues on both sides of the aisle will be able to join in proposing tax relief for millions of the hardest pressed American taxpayers, and a noninflationary reallocation of the Federal tax burden to some who have for too long not been paying their fair share of Federal taxes.

AMENDMENT NO. 1419

SEC. 4. AMENDMENT OF THE INTERNAL REVENUE CODE.

Except as otherwise expressly provided, whenever in section 5 a reference is made (by way of amendment or repeal or otherwise) to a section, chapter, or other provision, the reference shall be considered to be made to a section, chapter, or other provision of the Internal Revenue Code of 1954.

SEC. 5. CREDIT AGAINST TAX, IN LIEU OF DEDUCTION, FOR PERSONAL EXEMPTIONS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by renumbering section 42 as section 43 and by inserting after section 41 the following new section:

"SEC. 42. PERSONAL EXEMPTIONS.

"There shall be allowed, as a credit against the tax imposed by section 1 or 3, the amount determined under section 151 for personal exemptions. Such credit shall not exceed the tax imposed by section 1 or 3 for the taxable year."

(b) CONFORMING AMENDMENT.—So much of section 151 of such Code (relating to deductions for personal exemptions) as precedes subsection (b) is amended to read as follows:

"SEC. 151. CREDIT FOR PERSONAL EXEMPTIONS.

"(a) AMOUNT OF CREDIT.—The amount of the credit allowed by section 42 for the taxable year for personal exemptions shall be $200 for each exemption allowed to the taxpayer under this section for the taxable year.".

(c) CONFORMING AMENDMENT.—Section 151 is further amended by striking out "of 750" wherever it appears therein.

(d) TECHNICAL AMENDMENTS.—

(1) Sections 2(a)(1)(B), 2(b)(1), 143(b)(1), 214(b)(1)(A), 874(b), and 931(e) are each amended by striking out the word "deduction" wherever it appears and inserting in lieu thereof the word "credit".

(2) Section 37(a) (relating to retirement income credit) is amended by striking out "and" before "section 35" and by inserting before the period at the end thereof ", and section 42 (relating to personal exemptions)".

(3) Section 41(b)(2) (relating to contributions to candidates for public office) is amended by striking out "and" before "section 38" and by inserting before the period at the end thereof ", and section 42 (relating to personal exemptions)".

(4) Section 46(a)(3)(B) (relating to the investment credit) is amended to read as follows:

"(B) section 42 (relating to personal exemptions), and ".

(5) Section 50A(a)(3) (relating to credit for expenses of work incentive programs) is amended—

(A) by striking out "and" at the end of subparagraph (D),

(B) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and", and

(C) by inserting after subparagraph (E) the following new subparagraph:

(F) section 42 (relating to personal exemptions)."

(6) Section 63(b) (relating to definition of taxable income) is amended by striking out all that follows after the words "adjusted gross income" and inserting in lieu thereof "minus such standard deduction".

(7) Section 72(n)(3) (relating to special computation of taxable income) is amended by striking out subparagraph (A).

(8) Section 170(b)(1)(C) (relating to unlimited charitable deduction) is amended by striking out clause (ii).

(9) Section 172(d)(3) (relating to net operating loss deduction) is amended to read as follows:

"(3) ESTATES AND TRUSTS.—No deduction shall be allowed for the personal exemption allowed an estate or trust under section 642(b).".

(10) Section 443(c) (relating to return for short period) is amended by striking out "a deduction under section 151 (and any deduction in lieu thereof)" and inserting in lieu thereof "as a credit under section 151 or a deduction under section 642(b)".

(11) The last sentence of section 642(b) (relating to estates and trusts) is amended to read as follows: "The deductions allowed by this subsection shall be in lieu of the credits allowed under section 42 (relating to credit for personal exemptions).".

(12) Section 703(a)(2) (relating to partnership computations) is amended by striking out subparagraph (B).

(13) Section 873(b)(3) (relating to nonresident aliens) is amended to read as follows:

"(3) CREDIT FOR PERSONAL EXEMPTION.—Except in the case of a nonresident alien individual who is a resident of a contiguous

country, only one credit shall be allowed for exemptions under section 151.".

(14) Section 891 (relating to citizens of foreign countries) is amended by striking out "under section 151 and".

(15) Section 933(1) (relating to residents of Puerto Rico) is amended by striking out "(other than the reductions under section 151, relating to personal exemptions)".

(16) Section 1211(b)(3) (relating to deduction of capital losses) is amended by striking out "the deductions provided in section 151 (relating to personal exemptions) or any deduction in lieu thereof" and inserting in lieu thereof "and deduction allowed by section 642(b)".

(17) Section 1402(a) (relating to self-employment income) is amended by striking out paragraph (7).

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1973.

AMENDMENT NO. 1420

SEC. 4. AMENDMENT OF THE INTERNAL REVENUE CODE.

Except as otherwise expressly provided, whenever in sections 5, 6, or 7 a reference is made (by way of amendment or repeal or otherwise) to a section, chapter, or other provision, the reference shall be considered to be made to a section, chapter, or provision of the Internal Revenue Code of 1954.

SEC. 5. LIMITATION OF INVESTMENT CREDIT.

(a) IN GENERAL.—Section 46(a)(1) of the Internal Revenue Code of 1954 (relating to amount of credit) is amended to read as follows:

"(1) GENERAL RULE.—The amount of the credit allowed by section 38 for the taxable year shall be equal to a percentage (determined under the following table) of the qualified investment (as defined in subsection (c)).

"If the basis of the section 38 property is—	The applicable percentage is—
$50,000 or less	7
More than $50,000 but not more than $58,000	6
More than $58,000 but not more than $66,000	5
More than $66,000 but not more than $74,000	4
More than $74,000 but not more than $82,000	3
More than $82,000 but not more than $90,000	2
More than $90,000 but not more than $100,000	1
More than $100,000	0".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property—

(1) the physical construction, reconstruction, or erection of which is begun on or after January 1, 1974; or

(2) which is acquired by the taxpayer on or after that date.

(c) Subpart B of part IV of subchapter A of chapter 1 (relating to rules for computing credit for investment in certain depreciable property) is amended by adding at the end thereof the following new section:

"SEC. 50–1. SECOND TERMINATION OF CREDIT

"(a) GENERAL RULE.—For purposes of this subpart, the term 'section 38 property' does not include property the cost basis of which exceeds $100,000 and—

"(1) the physical construction, reconstruction, or erection of which is begun on or after January 1, 1974, or

"(2) which is acquired by the taxpayer on or after such date,

other than second pretermination property.

"(b) SECOND PRETERMINATION PROPERTY.—The Secretary or his delegate shall prescribe regulations describing property which is treated as pretermination property for purposes of subsection (a). Such regulations shall prescribe rules similar to and consistent with the provisions of section 49(b).

"(c) LEASED PROPERTY.—In the case of property which is leased on or after January 1, 1974 (other than pursuant to a building contract to lease entered into before such date), which is section 38 property with respect to the lessor but is property which would not be section 38 property because of the application of subsection (a) if acquired by the lessee, and which is property of the same kind which the lessor ordinarily sold to customers before such date, or ordinarily leased before such date and made an election under section 48(d), such property shall not be section 38 property with respect to either the lessor or the lessee.

"(d) PROPERTY PLACED IN SERVICE AFTER 1980.—For purposes of this subpart, the term 'section 38 property' does not include any property placed in service after December 31, 1980."

(d) CLERICAL AMENDMENT.—The table of sections for such subpart is amended by adding at the end thereof the following new item:

"Sec. 50–1. Second termination of credit.".

SEC. 6. REPEAL OF THE TAX EXEMPTION FOR A DISC.

(a) IN GENERAL.—Section 991 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following: "This section shall not apply to any taxable year beginning after December 31, 1974.".

(b) TECHNICAL AMENDMENT.—Section 992(a) (relating to definition of DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—No corporation shall be treated as a DISC for any taxable year beginning after December 31, 1973."

SEC. 7. REPEAL OF ASSET DEPRECIATION RANGE SYSTEM.

(a) Section 167(m) (relating to the Asset Depreciation Range System) is repealed.

(b) Section 167(a) (relating to a reasonable allowance for depreciation) is amended by adding at the end thereof the following: "Such reasonable allowance shall be computed, subject to the provisions of Revenue Procedure 62–21 (including the provisions for the reserve ratio test) as in effect on December 31, 1970, on the basis of the expected useful life of property in the hands of the taxpayer.".

(c) The amendment made by subsection (a) shall apply to property placed in service after December 31, 1973. The amendment made by subsection (b) shall apply to taxable years ending after December 31, 1974, but it shall not apply to property placed in service by the taxpayer during the calendar years 1971, 1972, 1973, or 1974 if an election has been made to have the provisions of section 167(m) applicable to such property.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 1389

At the request of Mr. MCINTYRE, the Senator from Indiana (Mr. HARTKE) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of amendment No 1380, intended to be proposed to the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

ANNOUNCEMENT OF HEARING ON THE PLIGHT OF INDEPENDENT OIL FIRMS

Mr. HUMPHREY. Mr. President, as chairman of the Subcommittee on Consumer Economics of the Joint Economic Committee, I wish to announce that the subcomittee will undertake an inquiry into "The Plight of Independent Oil Firms" on Thursday, June 13, beginning at 10 a.m., in room 1202 of the Dirksen Senate Office Building.

One of the explicit objectives of the Emergency Petroleum Allocation Act is the preservation of the competitive viability of the independent oil refiners and marketers. This act also requires that the mandatory oil allocation program achieve equitable distribution of crude oil and refined products at equitable prices. The subcommittee will ask Mr. Sawhill, Director of the Federal Energy Office what he is doing to save the independent sector of the oil industry.

We will also ask representatives of the independent oil refiners and independent gasoline marketers what needs to be done to help them cope with the current market situation. Mr. R. E. Holding, president of the Independent Refiners Association, and Mr. Ronald J. Peterson, chairman of the Independent Gasoline Marketers Council, will give testimony to the subcommittee on the plight of the independents

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NOTICE OF HEARINGS ON COAL SLURRY PIPELINES

Mr. JACKSON. Mr. President, on April 9, I introduced legislation designed to facilitate the construction of coal slurry pipelines—amendment 1175 to S. 2652. I wish to inform all Senators and the public that on June 11, the Committee on Interior and Insular Affairs will hold a hearing on my proposal.

It is increasingly clear that coal slurry pipelines are going to be needed to move the coal required to meet our energy needs. My proposal would do two things. First, it would amend the law governing issuance of rights-of-way over Federal lands for oil and gas pipelines. The existing law was recently updated by the Congress in connection with its consideration of the trans-Alaska pipeline and is found in title I of the act of November 16, 1973. Thus, the most modern and environmentally responsible Federal law would apply to coal slurry pipelines on Federal lands.

Second, my proposal would give a right of eminent domain over private property to the operator of a coal slurry pipeline, if the Secretary of the Interior makes certain findings with respect to the pipeline involved.

Anyone wishing more information should call Mike Harvey of the committee staff—225–1076. The hearing will begin at 10 a.m. in room 3110, Dirksen Senate Office Building.

NOTICE OF HEARINGS BY TECHNOLOGY ASSESSMENT BOARD

Mr. CASE. Mr. President, I wish to inform Members of the Senate that the Technology Assessment Board, of the Office of Technology Assessment, has scheduled hearings on June 12 and 13 on technology assessment related activities of the National Science Foundation.

These are the first hearings the Board has held since OTA began operations and are the beginning of a series of hearings on technology assessment.

The hearings on both days will commence at 10 a.m. in room 318, Russell Senate Office Building, and will be open to the public.

ADDITIONAL STATEMENTS

PROGRESS TOWARD A BETTER LIFE IN VIETNAM

Mr. GOLDWATER. Mr. President, one slanderous charge that professional activists repeatedly use in their campaign against continued U.S. financial assistance to South Vietnam is that the South Vietnamese Government is an isolated regime, uncaring of the needs of its average people. At least 15 organizations, representing what the Indochina Peace Campaign newspaper itself designates "pacifists, church people, civil libertarians, Marxists, liberals, and anarchists," are stressing this theme as a major element of their lobbying campaign to pressure Congress for cuts in aid to South Vietnam.

The lie to these fabrications is clearly provent by the third and fourth of studies on Vietnam written by my legal assistant, Mr. Terry Emerson, who traveled extensively throughout South Vietnam from May 2 to June 1. His investigations reveal that the South Vietnamese Government is making heartening strides in promoting universal education in the country and is achieving truly remarkable success in resettling over half a million refugees created by the Communist warfare.

Widespread, but seldom reported Communist violations of the Paris cease-fire agreement are disturbing, but not preventing, the continued progress of these programs for the South Vietnamese people; and the fact that these projects can exist at all in a setting of vicious terrorism demonstrates the general stability which prevails in South Vietnam, contrary to the misleading barrage of sensationalist headlines which portray to Americans an image of chaos that is far from the truth.

Mr. President, in order that a more balanced picture of the situation in Vietnam may be available to the general public, I ask unanimous consent that Reports From Vietnam: III and IV, by Mr. Emerson, entitled "An Obsession for Education" and "A New Life in Suoi Nghe," be printed in the RECORD.

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

REPORT FROM VIETNAM: III

(By J. Terry Emerson)

AN OBSESSION FOR EDUCATION

"Who is it who has shortened your days on earth?
At three you went into class, at five you would come out
Your parents expected you for the evening meal . . .
It was Saturday, Sunday would be a day of rest
Who would have thought your going away was forever?"

The above poem was read by an eleven year old Vietnamese school child who was honoring the memory of classmates who had been killed in a Viet Cong mortar attack on the Cai Lay Primary School one week earlier, on March 9 of this year. Communist gunners had fired an 82 mm mortar round as the children were lining up in the playground, preparing for afternoon lessons to start after a recreation period.

A single Chinese-made mortar round, of a special kind which has a very large killing zone as it explodes, caused the death of 45 small children instantly or at the hospital and wounded another 83. A tail section of the murder weapon, the Communist mortar shell, was found and identified by an International Commission of Control and Supervision Team (ICCF) at the site of the playground.

On May 4, the Communists repeated their massacre tactics by shelling Song Phu elementary school. This time three Communist mortar rounds killed at least eight children ages six to fourteen and left another 30 of them wounded. Indonesian and Iranian members of the ICCF have investigated the massacre, but the two Communist delegations, Poland and Hungary have refused to look into the attack.

Of the three rounds that fell into this school, one exploded in the rear, in front of a grocery shop. That was where Nguyen Tien, the Deputy Principal, found his six year old girl. Her two legs were blown off and she was already dead. The shell that killed his daughter also killed three other boys.

At Song Phu, eleven of the children are still in the hospital. At Cai Lay, care is still being given to about 50 children who have shrapnel left in their legs and hands.

The attacks on these two primary schools are part of an extensive campaign of terrorists' tactics which the Communists have undertaken since the signing of the Paris Cease-Fire Agreement in January of 1973 in order to disrupt the stability of the South Vietnamese Government and to physically force villagers to come over to Communist-controlled areas. The dead school children are among the more than 2,300 civilians in South Vietnam who have been killed by the Communists after the cease fire went into effect.

But school goes on. Education is an obsession with the people of South Vietnam. If there is one impression that stands out from the many one gathers after an exhaustive tour of the Republic of South Vietnam, it is the truth that the people have a great thirst for knowledge.

Not only in sophisticated Saigon, but in every village and hamlet one visits in South Vietnam, he encounters scores of school children, easily identifiable in the case of girls because female students in South Vietnam wear a type of uniform, white blouse or dress over black pants. While traveling along dirt roads in the most distant village, one sees rows of these school children walking beside the road in contrast to their elders who are stooping in the wet farmlands which seem to stretch endlessly in the remote areas.

The achievement of the South Vietnamese Government in the field of education is nothing short of remarkable. In the current 1973–74 academic year, there are over three million children attending primary schools in South Vietnam, over one million pupils in High Schools, and over one hundred thousand in higher education.

The three million children in primary schools represent 90.4% of all children in the six to ten age group and the one million children in high schools constitute about 55% of all children from eleven to seventeen. The percentage of children starting school now that can expect to complete the twelfth grade of high school is seventy percent, based on present schooling trends.

The success of the Republic of Vietnam in the field of education is a major achievement for an under-developed nation. Its results stand very favorably in comparison with other free world undeveloped countries and its progress far out-shines its direct antagonist, North Vietnam, which, with 5 million more citizens than the South, has only about as many youngsters in school.

Twenty years ago, South Vietnam lacked even one indigenous university. Now, it has nearly twenty institutions of higher education, with a total student population exceeding one hundred thousand. Saigon University is the largest with over fifty thousand students, but several smaller, private universities have also started up in the last few years. The skills that can be learned in South Vietnam represent a spectrum from the humanities and social sciences to engineering, medicine and the law.

For a nation which has suffered continuous war on its own territory, which has much of its resources necessarily locked into the national effort of self-survival, and which is facing deliberate Communist attacks against school children and teachers, the people of South Vietnam have marked a tremendous development in education. The United States can be proud to assist the government and people of South Vietnam, who are making a dedicated effort to advance themselves into a Western-style society of highly educated, free-thinking citizens.

REPORT FROM VIETNAM: IV

(By J. Terry Emerson)

A NEW LIFE IN SUOI NGHE

Suoi Nghe lies about 80 miles northeast of Saigon in a beautiful valley stretching to the nearby seacoast on one side and bordered by rolling mountains that revive childhood memories of my native West Virginia scenery. A comfortable breeze sweeps the lush farmland cleared from the thick, inland forest, in sharp contrast to the more humid atmosphere at Saigon.

Suoi Nghe is one of 140 resettlement sites in South Vietnam in which some 550,000 refugees are being given an opportunity to establish a safe life of their choosing. If Suoi Nghe were situated on the east coast of the United States, it undoubtedly would have been developed as a city dwellers' retreat, part of a resort land boom campaign.

But Suoi Nghe is the home of eleven thousand refugees who have settled here since early 1972. In this village, the average homesite given to each family is 1,300 square meters, ample room for a family residence and some gardening. In addition, each family is provided one acre and a half for cultivation purposes. When the adjacent land is fully reclaimed from the forest, each family will be granted up to three hectares, or over seven acres, for farming.

The Government provides this land free of charge, without compensation, to the families who are resettled here and in other refugee villages and cities throughout the country. The individual family itself must volunteer a wish for resettlement and lists of approximately 5,000 such volunteers are compiled. Then four or five representatives of the people within the group accompany officials of the government to three or four possible locations in different provinces.

Once a location is finally selected with the agreement and participation of the people who wish to move there, the land itself is cleared and prepared with the assistance of the national government. Eventually, the various lots are determined upon and assigned to individual families who select the corresponding numbers.

For the first two years, each individual family is given a temporary title to their

land. With this, they may borrow from the Agricultural Bank and begin cultivating their land. If they make a reasonable effort at working the land, their titles will be confirmed to them without cost by the Ministry of Agriculture at the end of the two-year period.

Anyone who loves the land would enjoy living at Suoi Nghe. To be let alone, with a chance to develop rich soil in a vibrant climate amidst a picturesque environment is a dream come true for many a pressure-driven, smog-bound city dweller. For nearly all the residents of Suoi Nghe, it is a way of life for which they would choose no replacement. Farming is the calling which these people want above all else.

Tragedy has filled the lives of hundreds of thousands of villagers in South Vietnam because of the Communist design for conquest. Of course, if the people submit passively to the Communist invaders and allow their lives to become manipulated by the whims of totalitarian despots, in other words if they are willing to submit to slavery, these refugees need not have left their original homes. But one of the remarkable facts about the war in Vietnam is that the refugees from battles have always run to the South Vietnamese side. The clear vote is for life in the Republic of Vietnam and against Communism.

The Government of South Vietnam deserves applause for its success in properly handling the resettlement or return to home of over 550,000 persons in a period of some fifteen months. Of about 737,000 refugees who were in camps in 1972, there are now remaining in refugee centers fewer than 185,000. At least 40,000 of these unfortunates are new refugees who were created in 1974 as a result of Communist violations of the Cease-Fire Agreement.

The successful refugee program by the South Vietnamese Government is not only a tremendous humanitarian undertaking, but it has great economic importance as well to the stability of life in South Vietnam. The land reform program, which has accompanied the refugee resettlement project, has given approximately three million acres to one million families. This is a truly major achievement done in a bloodless way by a government who is concerned about its people. It stands in sharp contrast to the so-called Communist land reform, where the individual peasant only retains at best a tiny plot in his backyard.

The true land reform effort by the Republic of Vietnam has resulted in the intensive cultivation of rice lands. Even with the Communist cease-fire violations, South Vietnam is well on its way to resuming its natural status as being a rice surplus and exporting area.

In summary, the South Vietnamese Government is providing valuable services to its population and the people have demonstrated their will to be free from Communism. American assistance for a short while longer can guarantee that the residents whom I saw in Suoi Nghe will enjoy a continued opportunity to make their lives in freedom rather than slavery.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, again I wish to express my vigorous support for the Genocide Convention. I am not alone in this support, however. Many of my colleagues here in the Senate as well as eminent members and scholars of the bar, support the ratification of this treaty. There has also been widespread support among the press and many of my constituents have expressed to me their support of the convention.

The support for the treaty has been undaunting. It has been over 25 years since the treaty was put before the Senate for ratification, and those who supported the treaty 25 years ago continue to do so now with the same conviction. Surely this steadfast support must be a sign of the need for this treaty. The governments representing the peoples of 78 nations have already approved the terms of the treaty, yet we have failed to do so.

Mr. President, I urge that we take heed of the intensity with which many view the appropriateness of the convention and ratify it as soon as possible.

JUSTICE MARY COLEMAN

Mr. GRIFFIN. Mr. President, at a time in our history when it is especially important to have faith in our legal system, I welcome the opportunity to call attention to the service of an outstanding jurist in my State.

In 1972, Justice Mary Stallings Coleman became the first woman ever elected to the Michigan Supreme Court. Having been a lower court judge for 12 years prior to her elevation, she brought to the high court of our State a unique combination of beauty and brilliance.

Recently, in an interview with reporter Gary F. Schuster of the Detroit News, Justice Coleman discussed her judicial philosophy and provided some candid insight into the workings of the appellate court on which she sits. It is an heartening account that inspires confidence, particularly in this remarkable member of the judiciary.

Mr. President, I ask that the article, which appeared in the Detroit News on June 3, 1974, be printed in the RECORD.

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

A VIEW OF MICHIGAN'S HIGH COURT THROUGH THE EYES OF JUSTICE MARY COLEMAN

The following is a Detroit News intreview with Michigan Supreme Court Justice Mary Stallings Coleman:

Q. "How have you been received by your colleagues on the court?"

A. "Fine. I have no complaints. They are all gentlemen and treat me well. I must say, however, there are no holds barred when it comes to arguing a position on a case. Then (I am) just one of the boys.

"If the discussions become violent, which they frequently do, we keep the fighting in the conference room, write a dissent if we can't win our position and go out to lunch and be friends."

Q. "What has impressed you least about the court?"

A. "I hate to put it this way, but I think appellate courts like ours have become obsessed with the perfect trial to the point that we have forgotten about the fair trial.

"Courts have become, in hindsight, too ritualistic. The substance of a case becomes lost as a result, and so does truth. There are other things that bother me about this court, but I can't approve of everything. So I will not comment on the other things."

Q. "You seem to be worried in answering the questions about, perhaps, damaging the public image of the court. Is the court worried about its public image?"

A. "Yes. The good name of the court is related to its effectiveness. The court does not want to lose the confidence of the people."

Q. "Do you think the court has lost the public's confidence?"

A. (Hesitation.) "Yes. It has. I don't say that negatively. It's necessary for the court to keep up with the times. And I mean not only keeping up, but also keeping from getting too far ahead. It can be harmful if we move too far from the people.

"If we get too far out with our decisions, the lower courts can't handle it or understand it. I mean, if the rules we set down change dramatically, rapidly and in great number, there will be confusion in the lower courts and among the public.

"I'm for evolution of the law, not revolution. We must be consistent. The law should be stable, but not stand still. It has to develop in an orderly fashion to take care of the new concerns of society."

Q. "How do you perceive justice?"

A. "Justice is arriving at the truth. Through the facts found at the trial court level, and great research, this court is called on to make a decision. I think justice can be defeated by a court being overly technical. In arriving at a decision it must be remembered that justice is for defendants as well as plaintiffs."

Q. "Does the Supreme Court have too much power over the lower courts?"

A. "The power has to be there, but it must be used with restraint. Along those same lines, I think we should be slow to overturn the decisions of trial courts. I believe in considering whether to hear (a case) the court should take into account whether a defendant is obviously guilty. If he is and the trial court has done its work properly, then the verdict should be able to stand on its own."

Q. "How do you see your role on the seven-member court?"

A. "Just as that. I'm one of seven. I can't act as an individual, and that is one of the drawbacks. As a Probate judge, I could, and now I can't. My statements affect the other six members of the court."

Q. "Why can't you act as an individual? Your job is to state your opinions on matters before the court whether you are speaking for the majority or as a lone dissenter."

A. "Well, I should say I can't speak my opinion other than in writing. I don't think it's judicially ethical to go out on a speaking tour and undercut the court. I feel a certain restraint. But I got away from the question. I see myself as a moderate on the court, I think there are two of us who are consistently moderate. Myself and Justice John Fitzgerald. (Both of whom are Republicans.)"

Q. "Let me put it another way. Has the fact that you are a woman justice had an impact on the court's actions?"

A. "Yes, but not because I'm a woman. I think my legal background with 12 years' trial court experience has helped me make a greater contribution than the fact I'm the first woman justice. There is a shortage of trial judges on the Supreme Court. But the woman's angle is important too."

Q. "How important?"

A. "I see a question that my male cohorts do not see on some occasions. If you are a man, perhaps you don't see it as a problem or a question. In any event, once I see a problem I bring it before the other members of the court. So far we have agreed that there indeed was a problem in the area I pointed out, and we have addressed those things to my satisfaction."

Q. "What would you say is the hardest part of your job?"

A. "Writing opinions. I say that because all kinds of problems are involved. I'm very sensitive to the effect they will have, not just to the man or woman whose case is before us, but down the line. When I write an opinion or a dissent, I keep in mind—or try to determine—what the repercussions will be for generations to come. Sort of the stone-in-the-pond effect.

"You have to know where you are going. You have to ask yourself if what you are doing is going to open prison gates for some or

shut them on others. You can't ever forget society. There is the practical application of the law, but in applying that law you have to consider the human element too."

Q. "The court has been criticized in the past for being politically oriented in some of its rulings. Do you think that is a fair criticism?"

A. "In my term I have not had occasion to witness any of the opinions that the court has been taken to task for. I think the philosophy of a particular justice is more important in decisions than his or her political background. From case to case, a philosophy of a justice shifts like sand."

Q. "You remarked earlier that you considered yourself a moderate. Do you feel alone on this court?"

A. "I don't know what the others call themselves. Some are moderates in some respects in a particular case. I can't speak for them, though. I might be looked down on for criticizing my cohorts and I do not want to do that. Let it stand that the others have philosophies different from mine."

Q. "Does the magniture of the job scare you?"

A. "No. I'm not frightened by it. I feel the weight of the responsibility. It's a tremendous challenge. I don't think people realize what goes into making a decision in a case. There is a continuous searching of the conscience as well as doing background research into case law from, in some instances, every state in the Union.

"It's very exciting to participate in decisions that affect matters which come to every man's fireside."

FIFTIETH ANNIVERSARY OF THE CLARKE-McNARY ACT

Mr. TALMADGE. Mr. President, I rise to note that today marks the 50th anniversary of the enactment of the Clarke-McNary Act of 1924. This landmark legislation gave full recognization for the first time to the key role of private forestry in meeting future timber requirements of the Nation.

As we look to the future and wonder where we will get the timber to meet rapidly expanding demands for wood and wood products, it is well that we consider that the authors of this act attempted to face these same concerns in a manner that was consistent with balanced concerns for the environment and for timber management. This law was the trigger which established national initiatives in resource conservation.

The Clarke-McNary Act authorized Federal cooperation with the States and private landowners in lessening risks, such as fire, as improving the opportunities for commercial timber production. Under its far-reaching provisions, the 50 States have extended fire protection to 626,000,000 acres of forest and watershed lands. Fire losses during 1973 were held to less than two-tenths of 1 percent of the acreage protected. That is a remarkable achievement.

The act has also provided for Federal-State cooperation in the production and distribution of seedlings for the establishment of forests, shelterbelts, and windbreaks. More than 14½ billion seedlings have been distributed since 1924. This is a major reforestation achievement. But more must be done.

Other provisions of the Clarke-McNary Act enabled the Secretary of Agriculture to accept donations of 355,000 acres of forested land, and to determine that certain public lands should be added to the national forest system for the protection of navigable streams and the production of timber. Other acquisitions under the Weeks Act of 1911 extended multiple use management for the public benefit to some 17,000,000 acres. These tracts have also been added to the national forest system.

The Clarke-McNary Act authorized the Federal Government to carry out its responsibilities in the protection of the land. In doing this, it caused the creation of at least 20 new State forestry organizations. Together, the Federal Government and the State forestry organizations have made great strides in fire protection and reforestation that never would have been possible without a cooperative effort.

In this tradition of excellence, the Committee on Agriculture and Forestry has attempted to build on the sound environmental principles of the Clarke-McNary Act.

In 1960 we had enacted the Multiple Use-Sustained Yield Act. In 1972 we enacted reforestation legislation, which unfortunately the Executive has not seen fit to implement. We have supported the efforts of the Forest Service to do serious and meaningful planning for effective management of all lands for all uses in the national forest system.

In 1973 the Senate adopted, at our initiation, a resolution which would have insured adequate manpower for the Forest Service to continue its good work, including the cooperative program with the States.

Also, in 1973, we followed the lead of my distinguished colleague from Mississippi (Mr. STENNIS) and had a forestry incentives measure added to the Agriculture and Consumer Protection Act. This measure is already at work assisting small landowners in managing their woodlots for commercial uses, thereby increasing the Nation's timber stock.

Further, in that same portion of the farm bill, title X, we provided for a long series of conservation measures which, when effectively implemented, will provide greatly for improved environmental quality and protection in vast areas of rural America.

This year, the committee adopted and the Senate passed the Forest and Rangeland Environmental Management Act.

This proposal, when enacted, will provide for a systematic program for the total management of all uses in the national forest system and for constant evaluation to determine if the job is being done.

The Clarke-McNary Act began a long tradition of resource conservation that must be expanded upon if we are to be assured adequate supplies of vital renewable resources while maintaining an environmentally sound posture. The Committee on Agriculture and Forestry is moving forward vigorously in this tradition.

THE AIR FORCE PSALM

Mr. GOLDWATER. Mr. President, on the 30th of May of this year it was my privilege to address the graduating class of 74-06 at Moody Air Force Base in Georgia. The benediction was given by Lt. Col. Lee Backman, the base chaplain, and it was so inspiring that I asked him for a copy so that I may make it a matter of the RECORD. I ask unanimous consent that the "Air Force Psalm" which was the benediction be printed in the RECORD.

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

THE AIR FORCE PSALM

The Lord is my Pilot. I shall not falter.
He sustaineth me as I span the heavens;
He leadeth me, steady, o'er the skyways.
He refresheth my soul.
For He showeth me the wonders of His firmament
For His Name's sake.

Yea, though I fly through treacherous storms and darkness
I shall fear no evil, for He is with me.
His Providence and Nearness they comfort me.

He openeth lovely vistas before me
In the presence of His Angels.
He filleth my heart with calm.
My trust in Him bringeth me peace.

Surely, His Goodness and Mercy
Shall accompany me each moment in the air,
And I shall dwell in His matchless heavens forever.

—From the Office of Chief of Air Force Chaplains.

FEO HEARINGS ON SYNTHETIC NATURAL GAS FEEDSTOCK ALLOCATION POSE DIRE THREAT TO PROPANE USERS AND INDUSTRY

Mr. ALLEN. Mr. President, on May 28 and 29, the Federal Energy Office conducted public hearings on the subject of the synthetic natural gas feedstock allocation. Should the present allocation system be changed now, basically to increase supplies of gas to the urban areas of the country, the threat to propane users throughout the State of Alabama and the Nation would be catastrophic.

One could, it seems to me, question the underlying philosophy which led the FEO to hold such hearings. Surely, the agency charged with the fair and equitable distribution of energy supplies throughout the economy is aware of the short- and long-run supply situation of LP-gas. Surely, the FEO is not insensitive to the millions of people dependent upon LP-gas fuels. Most of these users do not have alternate sources of fuel. Were the FEO to reverse the allocation program for LP-gas, the economic consequences in terms of benefiting urban gas users would be minimal and the adverse consequences for millions of rural customers would be dramatic and painful.

Fortunately, propane customers and the industry were ably represented at the FEO hearings. Mr. Arthur C. Kreutzer, executive vice president and general counsel of the National LP-Gas Association, struck a blow for protection of LP users in his testimony. Representing also the National Committee on Propane Allocation, Mr. Kreutzer laid bare the fallacies of the claims by the SNG industry as to the effect of using LP gases as feed-

stocks for SNG production. Mr. Kreutzer said toward the end of his remarks:

Proposals to use LP-gas as a feedstock in the manufacture of SNG to solve natural gas shortages reflects a lack of understanding of the overall picture: Three percent cannot supply the shortages of the other 97 percent. Any attempt to do so will destroy existing markets, many portions of which have few alternate fuels. Natural gas itself provides 20 times the energy provided by the LP-gas market. Obviously, a relatively small shortfall of natural gas could absorb the entire U.S. LP-gas supply.

Any allocation of SNG feedstock, beyond base period use, represents a radical departure from the underlying philosophy of the allocation program—protection of historical customers. It will constitute an open invitation to other new users that will be most difficult to withdraw. Industrials can be expected to pressure for similar treatment in an end run around present restrictions.

Mr. President, the fuel supply potential for millions of Americans is in jeopardy should the LP allocation program be scrapped or substantially modified as desired by SNG and natural gas representatives. As for the price of propane—which we recently had to deal with—the pressure on propane supply will create a related impact on the cost of propane at all levels in the distribution chain. The price can be expected to rise, both in those instances when it is now selling under ceilings, or when higher price source material is sought in the attempt to meet the new demand. I wholeheartedly agree with Mr. Kreutzer's concluding sentence:

The simple basic fact is that there is not enough propane for new SNG.

Accordingly the National LP-Gas Association, the National Committee on Propane Allocation—and I join in this recommendation—that no allocation of propane for SNG feedstock be created beyond the present base period allocation.

Mr. President, in order that all Senators will have the benefit of the data presented by the association, I ask unanimous consent that the complete statement, including the appended chart thereto entitled "Status of Current SNG Projects Using LP-Gas and NGL as Feedstock" be printed in the RECORD.

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

STATEMENT OF ARTHUR C. KREUTZER, EXECUTIVE VICE PRESIDENT, NATIONAL LP-GAS ASSOCIATION, AT THE FEDERAL ENERGY OFFICE PUBLIC HEARING ON SNYTHETIC NATURAL FEEDSTOCK ALLOCATION, MAY 28, 1974

I am Arthur C. Kreutzer, Executive Vice President and General Counsel of the National LP-Gas Association. This testimony is presented on behalf of that association and the National Committee on Propane Allocation. NLPGA is the national trade association of the LP-gas industry. It has within its membership of approximately 5000, producers, distributors, and dealers of propane, butane, and propane-butane mixes, as well as 41 affiliated states. The National Committee on Propane Allocation speaks for both NLPGA, and unaffiliated states. In presenting this statement we are primarily speaking for the reseller—or dealer level of the association and the industry. This statement is fully representative of LP-gas industry position at that level and also represents the posture of many producers. It is our fundamental position that supplies of propane are inadequate to furnish SNG feedstock without drastic damage to the propane consumer, and relatedly to the supplier of propane.

Propane is stored and transported as a liquid. It is used as a clean-burning gas. Its mobility makes use possible anywhere. It is portable fuel delivered by trucks, either in cylinders or in large quantities to a consumer's storage tank on his property.

The LP-gas industry's position in the American economy is significant. It supplies over 3% of the nation's energy needs. It ranks fourth in the nation's energy market. Of the total 23 billion gallons sold in 1973, over 12 billion gallons went to serve the over 13 million consumers supplied by the LP-gas dealer. The LP-gas operations contribute over $3 billion in annual sales to the total economy and the industry represents approximately a $7.5 billion segment of the nation's capital investment.

The marketing portion of the LP-gas business alone employs more than 86,000 people which means that well over 300,000 citizens are supported by this one industry. These figures do not include other businessmen, closely allied with the LP-gas industry, who obtain some part of their livelihood from it.

More than 200 oil and gas companies produce LP-gas at natural gas liquids extraction plants and oil refineries. Approximately 65% of the propane comes from natural gas extraction and 35% from refineries. Primary retailing is through marketers maintaining bulk storage facilities, supplemented by thousands of hardware and furniture dealers and other retailers.

Its physical assets comprise over 25,000 retail sales outlets, 8,000 bulk storage and distribution points, 70,00 miles of cross-country pipelines, over 4 billion gallons of primary storage, at least 25,000 transport and delivery trucks, 22,000 railroad tank cars and a fleet of 150 barges and tankers.

In millions of homes in suburban, small community and rural areas, LP-gas is used extensively for automatic cooking, water heating, home heating and air conditioning, clothes drying and incineration.

In the business of modern farming, LP-gas is used for crop drying, flame weeding, alfalfa weevil control, tobacco curing, poultry and pig brooding, defoliation, stock tank heating and frost protection. LP-gas powers tractors, trucks, pumps, standby generators and other implements.

Commercial establishments, such as motels, hotels, resorts, cafes and restaurants use LP-gas for cooking, water heating, space heating and other essential purposes. Industrial plants use LP-gas for brazing, soldering, ceramic firing, die casting, drop forging, and rubber vulcanizing, to mention but a few uses.

LP-gas engine fuel operates fork lift trucks and other industrial type vehicles in plants and factories, over-the-road trucks, city buses, taxi fleets, sanitation truck fleets and privately owned automobiles.

In the face of pressure for additional propane supplies, to replace natural gas shortages any allocation program should recognize that millions of farms and homes without alternate energy sources rely on propane. With respect to employment and jobs, there are thousands of small businessmen and their employees, not large in number per plant but a highly significant part of the nation's labor force when added together, whose economic well being is based on sufficient propane supplies for these historical consumers.

In a recent study performed for the FEA under the auspices of the Emergency Advisory Committee for Natural Gas, propane, butane, and ethane supply and demand were forecast from calendar 1974 through the first quarter of 1977. The projection, which included only the refined propane and butane requirements of SNG plants currently in operation, showed that with normal weather patterns, a combination of LP-gas and ethane supplies and current high inventories might be sufficient to meet demand through 1975 and possibly part of 1976. The study assumed that imports would increase from the 1972 level of 1.3 billion gallons (5% of total supply) to 3.3 billion gallons (11% of total supply) by 1976—no mean feat. It also assumed that no major new demands, such as for SNG feedstock for plants beyond those already operating, would be placed on the market. Even with these stringent assumptions, the Committee's Task Group was led to caution that:

"By 1977, surplus inventories of LP-gases will have been exhausted, domestic production of the subject products will have peaked, and the resultant reliance on imports will be increasing in order to satisfy the continued growth in LP-gas demand. Even with greatly expanded imports, which assumes the cooperation of foreign producers, by 1977 the shortfall of supply vis a vis demand would appear to require a significant reduction in consumption."

Utilities developing SNG plants certainly were aware of the developing propane shortfall. They were aware of prospective shortfalls in natural gas, and should have been equally aware of the consequent impact on propane, with over two-thirds of the propane then being derived from natural gas wells. In the face of this probable propane shortfall, commitments were apparently made with some hopeful expectation of propane availability for SNG feedstock. At an early date, in interruptible natural gas proceedings, the FPC found that propane was not a feasible alternative to natural gas. The forecast of a propane tightening supply appeared in other sources. As a later reflection, propane was the first petroleum product to be placed under allocation. This supply problem still persists, even though a temporary relaxation now appears. As a possible barometer of continuing tight supply, the Propane Futures Market has recently started an upward move.

It is in this supply environment that the SNG interests seek to enter the LP-gas market. These interests certainly qualify as a major new demand component; for example, Columbia LNG Corporation's recently completed plant at Green Springs, Ohio, will require 1.3 billion gallons of gas liquids annually—liquids which could otherwise be separated into roughly 75% LP-gas components and 25% other products. The 1 billion gallons of LP-gas "lost" to the LP-gas market due to the operation of this single plant (and this may be conservative due to the use of pure LP-gas as feedstock in some amount at this location) would represent 4% of the total LP-gas and ethane supply to be available in the U.S. in 1974.

But this is just one plant. To gain an overall perspective, it is possible to tabulate the NGL and LP-gas feedstock requirements of those plants which are now operating, those under construction, and those planned:

NGL and LP-gas feetstock requirements

Million gallons per year

Status:	
Operating	2,300
Under construction	797
Subtotal	3,097
Planned	1,932
Total	5,029

In terms of the total LP-gas and ethane supply projected for 1975 of 28 billion gallons, the 3 billion gallons SNG feedstock requirement for plants operating or under construction would represent eleven percent; if the 1976 forecast supply of 29 billion gallons and all SNG plant requirements—including those of planned plants—are used,

the figure becomes 17%. In contrast, the forecast demand included only .3 billion gallons for SNG plants, and even with this low figure, total LP-gas shortfalls excluding inventory drawdowns ranged from .5 billion in 1974 to 2 bilion in 1976. It is clear that the addition of even a small SNG load above that forecast will turn a situation which is troublesome in the short term into an immediate dire shortage condiion.

It should be noted that the "feedstock requirement" figures used above, which include natural gas liquids as well as pure propane, butane, ethane, and mixes, are not strictly comparable to the Task Group supply forecasts, which did not include NGL's directly. The forecast demand by utilities for SNG feedstocks included only propane and butant and therefore excluded, for example, the estimated 80% portion (1.1 billion gallons) of the Columbia LNG Corporation's feed at their Green Springs, Ohio SNG plant. However, the SNG interests argue that the remaining NGL and LP-gas feedstocks are incremental to what would otherwise be available to the LP-gas market. While it would be difficult to prove or disprove this statistically, their reasoning can be questioned:

(1) Suppose an SNG plant contracts for an NGL supply. The SNG plant, in its FEO argument, might argue that since they are using NGL, the feedstock is not coming from the supplies forecast in the Task Group study (which excluded NGL) and is therefore an incremental supply. But, if this causes, directly or through exchange cancellations, less LP-gas to be produced from historical fractionators, the feedstock is clearly not incremental to the forecast.

(2) Suppose an SNG plant contracts for "new" NGL as feedstock and argues that except for their efforts, it would not exist and therefore would not otherwise be available to the LP-gas market. But this is also misleading; the forecast included new production (which offsets loss of old production due to well shut-ins) in the U.S. and also included "new" liquids in the form of increased imports, as follows (given as increases from one year to the next):

[Million gallons]

1973 to 1974	+184
1974 to 1975	+460
1975 to 1976	+644
Total 1973 to 1976	+1,288

This purportedly "new" SNG feedstock sources may in fact be no more than a capture of a portion of the projected imports.

(3) It is known that some of the SNG plants' contracted feedstocks are to come from domestic sources (i.e. Consumers, NI-Gas, and Peoples Gas) while others are presently seeking to secure allocations for domestic LP-gas from the FEO (i.e. Columbia LNG's request for what we estimate as 613 million gallons). These supplies definitely are included in the forecast, and their use by SNG plants will worsen existing shortages.

(4) Even if the "new" gas they secure is truly incremental to the projected supply, it is dubious reasoning to assume they should be allowed as SNG feedstock. Only if no LP-gas shortages exist can it be said that the supplies are truly incremental U.S. supplies; otherwise the shortage is perpetuated. If the "new" volumes were not consumed in SNG plants, someone else would import them, supply them to the LP-gas market, and help relieve shortages.

The added strain of planned SNG plants as a demand component in the LP-gas market clearly must reduce or eliminate supplies available to existing users, regardless of whether the allocation petitions are made on a "current requirements" or a "case-by-case" basis. It is questionable whether the plants now in existence can contract for their full requirements without causing the same occurrence to a large degree. But let us assume the absurd: that allocations are made on a "current requirements basis." Hearing this, the seven proposed SNG plants whose plans have been deferred due to their inability to secure naphtha feedstocks, will change their plans to use LP-gas foodstocks, outbid non-SNG demand components for the LP-gas, and take away an additional 3.4 billion gallons. Thus of the total 29 billion gallons of supply available in 1976, SNG interests would use 8.4 billion gallons—28½%—compared to a percentage figure approaching zero in 1973.

The effect on the LP-gas market, as it existed in 1973, would be staggering. Over twenty-five thousand retail LP-gas distribution companies currently serve thirteen million homes, business, schools and government groups, including 1½ million farms (approximately one half of all U.S. farms), 4 million U.S. housing units using LPG for heating and 6 million units using LPG for cooking. Estimates can be made of the number of people these figures represent. Using the 1971 Bureau of the Census estimate of 3.2 people per housing unit and estimating the number of people served in other groups at 5.0 per group, a market serving nearly 50 million people is indicated. This consumer group is largely "rural" and is certainly less fortunate in terms of median income than the U.S. population as whole.

This is demonstrated in a breakdown of propane consumer classes as it appeared in the Oil & Gas Journal of September 10, 1973:

	Percent
Rural residential	24.6
Petrochemicals	24.5
Farm (incl. farm, residence)	20.3
Industrial & Commercial	16.5
Urban residential	12.4
Utility gas	1.7
Miscellaneous	7.9

To gauge the impact of SNG plants on these people, let us assume that the plants now in existence, under construction, and planned are allocated all the LP-gas as feedstock they are designed to use. Seventeen percent of the 50 million customers now served, or potentially 8½ million people, would have to locate other fuel sources, as a group underwriting huge conversion costs for the existing fuel systems. In many areas, this alternate fuel may only be wood; in many areas, there may be no alternate, due to unavailability or cost beyond their means. And those who remain as LP-gas consumers will pay sharply higher prices as their suppliers are forced to compete with SNG plants in a bidding war to secure the limited supplies of LP-gas available.

Certainly the SNG produced can supply some of the energy requirements of those who lose LP-gas as a fuel. But at what cost? To answer this, the efficiency of the SNG conversion process must be considered in terms of BTU's of input versus BTU content of the SNG output. While generalities cannot completely answer this question, they can indicate an order of magnitude. Suppose an SNG plant is built to serve 100,000 customers who formerly used propane, and that the propane these customers would have used provides the feedstock and fuel for the SNG plant. Since the feed cannot economically be converted entirely to methane, there is a loss of BTU heating value of approximately seven percent in the process. In addition, to maintain proper temperatures in the process, another seven percent must be burned as fuel. Thus, fourteen percent of the heating value is forever lost in the conversion. Of the 100,000 customers who were receiving their full BTU need from propane, the SNG produced would only supply the need of 86,000. It is hardly logical to go to the trouble of converting propane to SNG in order to serve fewer people. And the resulting SNG would certainly cost more per BTU than the propane it was made from. In addition to reimbursing the utilities for the heat value in the conversion process, those customers who convert to the new SNG would have to pay for entirely new investment, new marketing facilities, and a new distribution system. What the SNG interests are proposing is to replace an existing, completely developed marketing system with an entirely different, less efficient, and more costly system—which smacks of change for the sake of change.

Some of these utilities seeking propane feedstocks continue to expand their lines into areas now served with propane. With their line extensions they have been displacing propane use by consumers in some quantity. This transfer of consumers creates no energy saving, but a net loss. A propane SNG allocation will serve to provide the ammunition for further invasion.

A further argument against the use of LP-gas for SNG production lies in the future seen for SNG from light liquids. A scan of the current literature provides a glimpse of what industry experts as well as SNG interests themselves see in the relatively short term. R. L. Purvin, of Purvin & Lee, Inc., stated in the February, 1974 "Journal of Petroleum Technology" that SNG from LP-gas should be viewed as a short-term solution to gas utility shortages until processes are developed for manufacturing SNG from coal and low quality liquids. An article in the September, 1972 "Pipe Line and Gas Journal" reinforces this belief, and further suggests that the SNG plants fed with gas liquids, due to the preponderance of cost associated with feedstock relative to investment, can easily be abandoned or deactivated at the end of the short term when alternate processes (i.e. coal conversion) make them unnecessary. G. Long, Director of Research for Northern Illinois Gas (which is currently building an SNG plant which can use as feed naphtha, NGL, and LP-gases), calls conversion of liquids to SNG a "short-term stop-gap measure" and states that "the price of SNG (from liquids) is expected to remain significantly higher than all other types of gas supply long-term" ("Pipe Line Industry," October, 1973). D. E. Anderson of Consumers Power Company (which operates an SNG plant from NGL and LPG feedstocks) acknowledges the existing liquids shortage in a November, 1973 "Oil and Gas Journal" article, being quoted as saying that anyone starting to investigate a liquids-based SNG plant is already too late, because of the shortage of suitable feedstock supply, advising an immediate switch to coal-gasification plans. He states, "Don't build an SNG plant unless you have no other alternatives but prayer."

In these references, two facts become clear. Liquids are already in critically short supply; any further drain will only heighten the severity of the existing shortage. The second is that the SNG interests intended tenure in the liquids market is admittedly short-term, that there is no interest in remaining beyond the next six years. Hence allocating LP-gas to the SNG plants will not only injure present consumers seriously, but will eventually result in a flood of LP-gas on the market after many significant portions of that market have been destroyed through fuel starvation.

What are the alternates to the use of LP-gas and NGL as feedstocks? Two were previously mentioned. SNG from coal has been demonstrated to be feasible and commercial from a processing point of view; a coal gasification plant in South Africa has been producting 972 BTU (pipeline quality) gas for over a year, answering vital questions concerning reliability and catalyst strength and activity. In the U.S., the FPC predicts that one commercial plant will be operating by 1976, five by 1930, and sixteen by 1965. Unfortunately, coal gasification cannot solve the

short-term problem. The other feedstock possibility mentioned—low-quality liquids—have yet to be proven commercially feasible (these are liquids which are heavy in carbon content and are not satisfactory as feed for gasoline or distillate production).

It is necessary, then, to look within the range of products classified as "light liquids"—naphthas, pentane, propane, butane, and ethane, primarily. The shortage of the latter three have been discussed previously. Pentane does not exist in sufficient obtainable quantities for use as a sole feedstock. This leaves naphtha.

Expert opinion is available on the outlook for naphtha supplies in the short term. Bonner & Moore Associates, in a study performed for the AGA on feedstock availability, stated that over fifteen billion gallons annually of naphtha for U.S. SNG production could be absorbed from European and Caribbean refineries in 1980 and still leave them with a naphtha surplus. In the FPC hearings on the proposed TECON SNG plant, Pace Corporation supported this claim. Chem Systems International predicted a naphtha surplus of 8 billion gallons would exist in Western Europe in 1974, growing to a surplus of 11 billion gallons by 1980. Even if the Chem Systems forecast is overstated by 50%, the available naphtha would be sufficient to supply all plants operating, under construction, and planned using LP-gas feedstock, plus all plants planned using naphtha. In any case there appears to be more naphtha available than gas liquids.

Naphtha is, to a large extent, substitutable for LP-gas as a SNG feedstock, even in existing plants. Some of these were designed with acute foresight to use LP-gas and/or naphtha. Others would require the addition of feed preparation facilities and process modification, requiring significant expenditures in terms of their original investment. But the total investment in the modified plant would not be excessive relative to the cost of building an entire new plant; and it should be remembered that investment is a relatively insignificant portion of the SNG manufacturing cost. But even the increased investment may not be necessary in individual cases; if naphtha which has been hydrodesulphurized in a refinery is allocated to an SNG plant, only minor modifications would need be made.

There are further economies to using naphtha as opposed to gas liquids as a feedstock. Full-range naphtha would yield an approximate 5.2 MCF per barrel, compared to 3.9 for propane. But at present prices, naphtha costs only 17% more per barrel. Thus a savings of 12% is achieved in the highest SNG cost component, feedstock, by using naphtha as opposed to propane. These savings, in turn, can help pay for the higher initial cost of (or modification to) naphtha processing.

LP-gas and ethane currently supply only 3% of the total U.S. energy demand. Yet they are often suggested as a means of supplying shortfalls in other energy sources. The fact that this has to some degree occurred is one reason for the expected LP-gas shortage. Proposals to use LP-gas as a feedstock in the manufacture of SNG to solve natural gas shortages reflects a lack of understanding of the overall picture: three percent cannot supply the shorts of the other 97%. Any attempt to do so will destroy existing markets, many portions of which have few alternate fuels. Natural gas itself provides 20 times the energy provided by the LP-gas market. Obviously a relatively small shortfall of natural gas could absorb the entire U.S. L.P.-gas supply.

It might be argued that the SNG interests have committed $237 million to the construction of five LP-gas-fed SNG plants and plan to commit an additional $135 million for three more, thus necessitating an LP-gas allocation. But it can also be argued that, if the feedstock requirements are taken from residential and commercial LP-gas customers' supply, the cost in terms of loss in value of customer storage tanks alone could conservatively be estimated at over $500 million due to the five existing plants and over $300 million due to the three planned. And this does not include the sunken investment of in-place marketing facilities, distribution plants, transportation systems, and employees.

Rather than allocate propane to SNG plants on either a "current requirements" or a "case-by-case" basis, it would be better to forbid use of LP-gas in any SNG plant, existing or future. More total energy would be available to consumers, and at lower cost, than is now the case.

Any allocation for SNG feedstock, beyond base period use, represents a radical departure from the underlying philosophy of the allocation program—protection of historical customers. It will constitute an open invitation to other new users that will be most difficult to withdraw. Industrials can be expected to pressure for similar treatment in an end run around present restrictions.

Present consumers many times have no alternate fuel. All have invested in LP-gas equipment. SNG allocation will damage these consumers, both in obtaining their essential supply of fuel, and in their equipment investment.

It is equally unfair and discriminatory to require the LP-gas dealer to suffer economic loss in order to bail out the utility.

Taking propane from the consumer, generally "outside the gas mains", is simply robbing Peter for Paul. No new energy source is created. It creates rank discrimination to favor residents of the urban area (SNG supplied), as against the rural residents (propane supplied). The present residential 95% allocation subject to allocation fraction would necessarily be sharply reduced. Agricultural production supply will ultimately suffer, with consequent impact on food supply.

The pressure on propane supply will create a related impact on price—or cost of propane at all levels. It can be expected to rise, both in those instances when it is now selling under ceilings, or when higher price source material is sought on the attempt to meet the new demand.

The simple basic fact is that there is not enough propane for new SNG. We, accordingly, recommend that no allocation of propane for SNG feedstock be created beyond the present base period allocation.

STATUS OF CURRENT SNG PROJECTS USING LP-GAS AND NGL AS FEEDSTOCKS

[As listed by A. D. Little at a May 1974 AGA distribution conference]

Company and plant location	SNG output (MM CFCD)	Type of feedstock	Full feed requirement (MM gal/yr)	Amount of feed included in subcommittee study (MM gal/yr)	Comments
Plants now operating:					
Boston Gas Co., Everett, Mass	20	Propane	77	76	Feed probably from Venezuela.
Columbia LNG Corp., Green Springs, Ohio	250	NGL and LP-gas	1,334	151	Dome supplying 613 MM gal/yr, some of which is Shell domestic obtained on exchange; petitioning FEO for allocation of remainder of feed requirements.
Commonwealth Natural Gas Corp., Chesapeake, Va	30	Propane and butane	123	119	Supply originally scheduled to come from Libya through Tropigas.
Consumers Power Co., Marysville, Mich	200	NGL and LP-gas	766	0	Part of supply from Dome, part from Michigan fractionators.
Subtotal, plants operating	500		2,300	346	
Plants under construction: Northern Illinois Gas, Minooka, Ill.	166	NGL and LP-gas	797	0	Mapco supplying 300 MM gal/yr of LP-gas products and mines; can process heavy naphtha.
Subtotal, operating and in construction	666		3,097	346	
Plants planned:					
Northwest Natural, Portland, Oreg	100	NGL or naphtha	368	0	Plans deferred but not cancelled.
Southern Natural Gas, Escambia County, Ala	60	NGL	230	0	
Transco Energy, Delaware City, Pa	250	NGL	1,334	0	Plans deferred but not cancelled.
Subtotal, planned only	410		1,932	346	
Total operating, in construction, and planned	1,076		5,029	346	

A DOLLAR'S WORTH OF DEFENSE FOR EVERY DEFENSE DOLLAR SPENT

Mr. PERCY. Mr. President, if the Department of Defense is to get the job done—to maintain a solid national security posture at the lowest possible cost—DOD management must be reviewed regularly with the goal of achieving more efficient and economical operation.

My experience in a large technically oriented industrial organization has taught me that continued review and improvement in procedural, organizational and management policy is critical if the goals are to be achieved efficiently. Secretary of Defense Schlesinger deserves credit for the importance he attaches to this matter. I would like to supplement his efforts with some suggestions which I have concerning the management of research and development in the weapons acquisition process.

During the R. & D. phase, a military product is conceived, evaluated for cost and technical feasibility, developed,

tested, and refined. The goal of defense R. & D. is to provide a product which meets DOD specifications and which can be introduced into full production relatively problem-free at a cost we can afford in a reasonable time.

A necessary adjunct of the R. & D. phase is the maintenance and development of a broad base of scientific and technical inquiry and experimentation to seek technological breakthroughs and to avoid technological surprise by other major powers.

If R. & D. breaks down in any of its tasks, there can be large unanticipated costs or extensive delays. For instance, an overly optimistic assessment of a project's technical feasibility could lead us to sink money into an undertaking which is beyond our present scientific or engineering capabilities. Or, if a technical shortcoming were overlooked in the development phase, its appearance in the mass production process could cause large cost overruns. Technical problems are certainly more costly when encountered during the late stages of development and production.

Alternatively, an excessively conservative application of technology or a necessarily long development period can result in the production of weapons that are obsolescent or obsolete by the time they are deployed because of advances made by other nations. Therefore, weapons acquisition management must seek to improve the procedures and policies affecting research and early development.

Naturally, the realization of an efficient management system is not as simple as stating the need for it. I would suggest the importance of the following five guidelines for the management of defense R. & D.:

First. Most important, Congress and the DOD should recognize the intrinsic value of R. & D. and devote to it the attention and resources necessary to make it as effective as possible. Basic research—research not related to any specific weapons project—should be encouraged. Greater allocations of funds for self-directed, independent research and development by private contracting firms, and supporting for ongoing, basic research by universities and Government laboratories would broaden our range of militarily applicable knowledge. This would help insure that the United States would never be left unaware of new scientific possibilities in the military field.

In the design and engineering phases of weapons system development, the DOD has sought to solve management problems contributing to cost overruns and performance shortfalls.

In his recent defense R. & D. posture statement, Dr. Malcolm Currie, Director of Defense Research and Engineering, credited a rejuvenated Defense System Acquisition Review Council (DSARC) with being the key factor in improving the entire R. & D. program. This council conducts the milestone reviews of major projects and make the decision whether to continue to the next development step. Recognizing the critical importance of the council, the DOD has synchronized DSARC's reviews with test and evaluation reports from other agencies and has tried to further promote cooperation between this council and the Services. Hopefully, the DSARC or new lower-level groups with similar functions will be able to subject to review a greater percentage of all defense projects.

Testing and prototyping is also a critical factor in weapons development management. In the last 3 years, necessary refinements in testing and evaluation management have been achieved. The Office of the Deputy Director, test and evaluation, performs the important function of monitoring all T. & E. plans to make certain that the tests are adequate and that test results are accurate. The Army and Navy now have their own offices of testing and evaluation, and the Air Force will soon establish such an office.

Dr. Currie has suggested that there should be more multiservice testing to determine the applicability of a new system to the needs of more than one service. In addition, he has expressed a readiness to cooperate in the testing and evaluation of weapons systems developed by our European allies.

These are solid advances in our weapons development management. I hope that DOD will continue to make improvements its T. & E. program and will continue to be responsive to future test and evaluation problems.

Second. The DOD should continually review the work of the major sources of defense research in the Nation in order to promote better integration of effort among them. Several independent studies have recommended coordination of the work of research institutions. The most ambitious is a report issued by the Georgetown University Center for Strategic and International Studies Panel on Military R. & D. Management, chaired by Dr. Robert Kilmarx, which analyzes the four major research establishments in the country—the university, the private contractor, the Federal Contract Research Center, and the Government in-house laboratory. The report points out that in order to best use available scientific talent, DOD must eliminate undesirable duplication and assign to the research institution most qualified the primary responsibility for each research field.

Related to this overall review is the equally important necessity to periodically reexamine the in-house Government laboratory structure. The performance of the in-house laboratories has among the Nation's defense research establishments.

However, Dr. John S. Foster, Dr. Currie's predecessor, initiated technology coordinating papers last year with the objective of improving the management and coordination of in-house efforts to advance our technology base.

And now, Dr. Currie is conducting a review of the in-house laboratories. In his position statement to the Senate Armed Services Committee, he demonstrated sensitivity to the problems of the in-house laboratories as he pointed out that the portion of technology base resources allotted to these laboratories is getting larger while their capabilities may be diminishing. I hope that he will recommend revisions of those present civil service regulations and Government procedures which are incompatible with the flexibility necessary to scientific research. Across-service consolidation of some in-house laboratories along problem area lines might also be advisable in order to reduce unnecessary duplication of effort.

Third. The DOD should continue to devise new contracting policies with an emphasis on innovative technical competition among companies competing for a contract. This competition should be continued as far into development as cost feasibility permits.

In the past, some cost overruns have been caused by overly rigid schedules, inflexible designs, and fixed-price contracting. DOD has gradually changed to cost-plus-incentive contracting which permits a company to spend extra money, if necessary, to work out a technical problem. Additionally, I would like to see the Department consistently encourage the type of competition among companies which would allow each competitor to design his own system in response to a requested mission objective. The competitors would be reimbursed for cost, but would have to achieve relatively broad pre-set cost and performance plateaus. DOD has also begun to stress cost and performance parameters in guidelines called Concept Development Papers.

Other cost overruns have resulted from the tendency of contractors to deemphasize potential technical problems in design in order to win contracts. This was aggravated by an inclination to rush through the high-risk R. & D. stages and get on with the more profitable production stage. Monitoring the competitors for performance would make it impossible to hide technical shortcomings. Moreover, contractors who fail to achieve specified performance and cost landmarks could be eliminated as development progresses.

The advantage to this proposal is that greater technical competition will inspire the best possible performance by the competitors, will encourage creativity, and will afford DOD a number of alternatives.

Fourth. DOD should encourage the development of less complex systems, should divorce subsystem—engines, electronic equipment et cetera—development from major system development where possible, and give more attention in design and engineering to the possibility of future improvements when greater performance may be required.

One of the major problems in weapons acquisition is the progressively higher cost of new weapons systems. Studies comparing successive generations of weapons systems show that the price of a weapon system can be expected to exceed the price of the system it replaces by 250 to 350 percent. Inflation, at most, could only account for one-fourth of the increase.

Examination of these cost increases reveals that for the most part, successor systems have proved more expensive because unrealistically high performance

has been required from them. These high-performance requirements have led to the needless addition of complex subsystems, called "gold-plating," and to a deemphasis of cost considerations. The DOD is beginning to respond to this problem by encouraging a "high-low" mix of weapons. This approach to weapons acquisition calls for comparatively few very sophisicated weapons necessary for very intense battle situations, to be complemented by considerably more weapons of less complexity which would be sufficient for a lower-threat battle situation. For example, a fighter airplane fighting in friendly airspace and having the benefit of ground support may not need all the instrumentation required by an attack fighter flying over hostile territory.

So far, the Navy and the Air Force have been innovative in this high-low mix program. The Navy's fiscal year 1975 request for the sea control ship is a good illustration. This ship, which is relatively simple and austere, is designed to carry helicopters and short takeoff and landing aircraft, and will be able to protect convoys and logistics maintenance ships. As a platform ship, it economically supplements our aircraft carrier fleet. These high-low mix projects should be encouraged and I hope all of the services make the high-low formula a general rule in weapons acquisition policy.

I also hope that the DOD will maintain reasonable costs even in the "high" performance weapons of the high-low mix. In the past, performance requirements for major systems often pushed the state-of-the-art frontier too far, and actual advances in performance did not justify the immense additional cost. Also, because subsystems had no independent funding, their development was contingent on the development of a specific major system. This caused a situation in which a major system's development could be held up by problems in any one of a number of its subsystems, and where the opportunity to make advances in a given subsystem was lost if the major system did not call for it.

Fifth. DOD must guarantee that a commitment to research and development does not necessarily mean a commitment to production. In the past, the administrative decision to begin engineering development—the last stage of development—was at the same time interpreted as an authorization to ultimately go into production. We thus prematurely committed ourselves to produce a specific weapon when we knew neither the actual cost, which can be determined only after engineering development is completed, nor how the weapon would ultimately perform.

The DOD has fiscally and procedurally made an effort to decouple research and development from production. Their test and evaluation requirements and separate R. & D. funding address this matter. However, I want to urge a simultaneous psychological decoupling of R. & D. from production. Just because we have invested in the development of a weapons system should not necessarily mean we should spend the money to actually produce it. We must not allow ourselves to be compelled by the logic of "sunken costs." That type of reasoning only leads to escalating costs and inflexibility in our military posture.

A good example is this year's defense request for large sums of money for research and development in nuclear weapons. Secretary Schlesinger has indicated that this request is a response to the present Soviet military buildup. I hope that the DOD recognizes that the current situation could change, and that it might be advisable later on to turn off this R. & D. or to stop when we achieve the capability to produce the new weapons. In short, we should not be locked into a strategic policy which may not correspond to future needs simply because we are psychologically committed to produce a weapons system.

I believe that these five guidelines are essential to improved management of defense R. & D., in the interest of both national security and cost efficiency. The acceptance by DOD of the principles embodied in these guidelines, and DOD's initial efforts to implement these principles, give hope that we can achieve a higher level of actual defense preparedness with considerably less extravagance and waste.

More efficiently managed R. & D. would go a long way toward insuring a dollar's worth of defense for every defense dollar spent.

LETTER FROM T. DEWITT FITTS, JR.

Mr. McCLELLAN. Mr. President, I recently received a letter from a constituent, Mr. T. DeWitt Fitts, Jr., of Pine Bluff, Ark., which I would like to share with my colleagues.

Mr. Fitts is an articulate and eloquent spokesman for the viewpoint of the average American citizen—the silent majority who pay their taxes, obey the laws, and are the backbone of our society.

Mr. Fitts wrote to me with the request that he be allowed to address the Senate for 15 minutes so he could express his views in person. Of course, this is impossible under the rules of the Senate. Instead, I have received his permission to insert his letter into the RECORD.

I am convinced, Mr. President, that Mr. Fitts' views are worthy of study by the Members of this body and I commend his letter to the attention of the Senate.

Mr. President, I ask unanimous consent that Mr. Fitts' letter be printed in the RECORD.

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

PINE BLUFF, ARK.,
May 10, 1974.

Senator JOHN L. MCCLELLAN,
U.S. Senate, Washington, D.C.

DEAR SENATOR MCCLELLAN: Please forgive the tone of my letter. I am very upset.

Mr. McClellan, why is my tax money wasted in so many ways? Why, sir?

Why should I, a very little man of very modest means, be made to pay all this money into the curative of all our social ills.

To be specific Mr. McClellan, why is the Congress spending money I work so damn hard for so freely. You men are bleeding me to death. Every time I turn around you and your associates are removing a tax deduction. Today, your associate Mr. Mills of Arkansas tells me he is removing the following deductions:

(a) the use of part of my home for my office.

(b) the state tax on gasoline.

(c) the deduction of Business conventions expense.

(d) Nixon has decided to subsidize the housing industry.

Mr. McClellan hasn't the British experience with socialism taught you people a lesson. Are you public officials so smart that you can't see what we can see.

Permit me to cite some examples, Mr. McClellan.

(1) Why won't Congress work & live within its budget? You people expect me to so that I can pay the social security, and income tax. Who told you that Congress doesn't have to balance the budget. How is that fiscal responsibility? Tell me sir, how is it. Why do my people (creditors) expect me to live within my mean so I can pay them, and you expect me to live within my means so you people can close my little tax loopholes & get more of my money. Don't you people ever get enough of my money Mr. McClellan. Ever!

(2) Now you want a guaranteed income for all.

(3) Now you want a National Health Plan—govt. Bill, I will pay for for ever & ever & ever.

(4) Roll back on oil prices & excess profit tax.

(5) Wage & price freedom for labor union. Do they control all of my public officials. They seem to be able to strike any and all business. I have no control over my payroll. I can't fire anyone. When will some one with guts tell me that they will stand with me to fight their power despite their vote potential. They are a major part of the inflation spiral Senator. And you know it.

Senator McClellan, I would like to address the Senate for 15 minutes. I would appreciate the privilege to tell them what they are doing to me and my father and my friends. Senator McClellan, I can promise you, I would not embarrass you or me. I would let you talk with me & see my speech. It would be proper in all respects. Mr. McClellan, this is a honest request and I would ask that you consider it. Please.

I have enjoyed our chat, Mr. McClellan. I believe that if a man speaks his mind to the best of his ability and does what he must then all is right.

Would you be kind enough to give me a personal reply. You have written me before and your letters are always nice—but you give me standard political doubletalk. Just tell me like a man to another man.

Thank you sir,

T. DEWITT FITTS, Jr.

TRIBUTE TO PROF. PETER MARRONEY

Mr. GOLDWATER. Mr. President, on June 15 of this year, representatives of the State of Arizona, people from all over the region and the United States as a whole will salute the man who has been justifiably called "the father of theater in Arizona." That man is Prof. Peter Marroney.

Professor Marroney has been associated with the University of Arizona for over 35 years. Almost all of this time was spent in chairing the drama department. But his involvement with the theater goes back even further to 1936, when he received his B.A. in fine arts from the University of Oklahoma. From there, he went to the University of Iowa on an assistantship, and received his master's degree from Iowa in 1939.

It was also in 1939 that Peter Marroney joined the faculty of the University of Arizona as technical director in the drama department. Prior to that time, he had worked in theaters in Oregon, and during the interim summers was on the staff of the department of speech at the University of Iowa. In 1941, he was promoted to the position of acting head of the University of Arizona's Drama Department. After a stint in the U.S. Navy during World War II, he resumed the chairmanship and has continued in the position to the present time.

Recognition is not a new thing to Professor Marroney. Over the years, he has served the theater in many different areas—on community, educational, and professional levels. He has been honored as an outstanding educator and as Tucson's "Man of the Year."

In 1966, Gov. Sam Goddard appointed him to the Arizona Commission on the Arts and Humanities, and 2 years later, he was reappointed by Governor Williams.

In 1968, Marroney was also asked to join the President's Advisory Committee for the John F. Kennedy Center for the Performing Arts. In 1970, he was appointed the western chairman for the education committee of the JFK Center.

In 1973, Marroney was made a member of the Arizona Alliance for Arts Education, and was this year elected vice chairman of the alliance.

Mayor Lew Murphy of Tucson has been named the honorary chairman of the event—sponsored by Arizona's only professional theater, the Arizona Civic Theater—during which Professor Marroney will be given the Artistic Achievement Award for his outstanding dedication to the development of the arts.

It is with great pleasure that I introduce these remarks into the CONGRESSIONAL RECORD as tribute for Prof. Peter Marroney's undeniable and great contributions to theater, education, charity, and the arts in general, to the people of Arizona and the citizens of this country.

I ask unanimous consent that these remarks may be printed in the RECORD.

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

TRIBUTE TO PROF. PETER MARRONEY

(By Senator BARRY GOLDWATER)

Mr. President, on June 15th of this year, representatives of the State of Arizona, people from all over the region and the United States as a whole will salute the man who has been justifiably called "the father of theatre in Arizona". That man is Professor Peter Marroney.

Professor Marroney has been associated with the University of Arizona for over thirty-five years. Almost all of this time has been spent in chairing the Drama Department. But his involvement with the theatre goes back even further to 1936, when he received his B.A. in Fine Arts from the University of Oklahoma. From there, he went to the University of Iowa on an Assistantship, and received his Master's Degree from Iowa in 1939.

It was also in 1939 that Peter Marroney joined the faculty of the University of Arizona as Technical Director in the Drama Department. Prior to that time, he had worked in theatres in Oregon, and during the interim summers was on the staff of the Department of Speech at the University of Iowa. In 1941, he was promoted to the position of Acting Head of the University of Arizona's Drama Department. After a stint in the U.S. Navy during World War II, he resumed the chairmanship and has continued in the position to the present time.

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THE NEED FOR ECONOMIC LEADERSHIP

Mr. BENTSEN. Mr. President, the high standard of living we enjoy in this country has been built by hard work and initiative and it must be safeguarded and complemented by a high standard of economic leadership.

However, in recent years Government has too often failed to provide genuine economic leadership.

The American people are disturbed by this serious situation. As chairman of the Subcommittee on Economic Growth of the Joint Economic Committee, I have made the examination and improvement of the Government's role in economic development a chief priority of that subcommittee. On June 11, 12, and 20 we will ask Roy Ash, Herbert Stein, and William Simon what is being done by the administration to enhance our long-range capabilities.

Several months ago, a constructive dialog with the executive was initiated by the bipartisan leadership of the Senate on possible means of improving the Nation's economic foresight. I hope this continuing effort signals cooperation, and demonstrates the willingness of Congress to move forward.

In his recent address to the Nation, the President told the American people to work together to solve our economic problems. Yet those who are asked to support the economic decisions of this administration must understand the reasons behind those decisions, what the alternatives were, how the decisions were made, and who benefits the most by them. The American people deserve truthfulness and accountability from those in the executive branch whose economic decisions deeply affect the lives of all citizens.

I commend the President for having filled the vacancy left upon the resignation of former Secretary, George Shultz. Mr. Kenneth Rush, the President's new Counselor for Economic Policy, will be sailing into a choppy sea and we all hope for his success.

Mr. Rush assumes a post of high responsibility in our Government and I am gratified that he will appear before the Joint Economic Committee on June 18 to discuss his appointment and the state of the economy before Members of Congress and for the benefit of the American public. This must be an ongoing obligation.

Mr. Rush will of course have to prove himself under fire in his new job, but certainly his years at the State Department should have given him the international perspective which effective economic policymaking requires, today more than ever before.

Some observers have labeled Mr. Rush a diplomat and a "referee" assigned to silence the feuding among the economic policymakers in the White House family.

On the other hand, Mr. Rush has said he would not have taken the job if he was to be no more than an economic "traffic cop" to settle disagreements between administration officials. He describes his role as being President Nixon's "first spokesman" on economic affairs and active in the making as well as the coordinating of policy.

Based on the past performance of this administration's economic policymaking machinery, I question whether anyone can bring order out of the confused state to which Executive policymaking has fallen. We have heard before how important it is that we have a coherent, coordinated economic policy; how necessary it is to orchestrate domestic and international aspects of our economic programs; and how all this should be pulled together into a comprehensive package by a trusted man who has the President's ear.

Just 18 months ago, President Nixon promised us "better coordination in the formation and execution of policy" when he announced the appointment of Mr. Rush's predecessor as economic counselor, George Shultz. Like Mr. Rush, Shultz was to chair a streamlined Cabinet-level committee, whose job would be

to hammer out a coherent planning and decisionmaking process among the departments and agencies playing direct roles in the economy. Baptized the Council on Economic Policy, and touted as an economic counterpart to the National Security Council, the committee was to become the administration's economic nerve center, geared to insure efficient Government-wide input and coordination on economic issues.

But this experiment in systematic policy coordination was short lived. To activate the CEP, Shultz used a task force approach relying on the specialized machinery of the Council on International Policy, the Cost of Living Council, the Federal Reserve, Commerce, and the Treasury to put together the administration's trade package. However, for reasons that are obscure to me, the Council on Economic Policy was allowed to wither on the vine. If one picks up his telephone and dials to make contact with the administration's economic nerve center, he gets nothing but a dead line. In fact, the Council's Executive Director, Kenneth Dam, resigned and went back to the University of Chicago some months ago.

When Mr. Rush was recently asked by the editors of Business Week, "Will there be any other new economic policy machinery created as a result of your job?" he answered, "The new machinery will simply be my setting up a better method for receiving input and transmitting decisions." I sincerely hope that Mr. Rush's energies do not go the way of the Council on Economic Policy.

Since 1969, we have had four Treasury Secretaries, four budget managers, six wage and price controllers, five energy chiefs, two Chairmen of the Council of Economic Advisers, and now two economic czars. Rapid labor turnover is not the answer to economic instability.

We must formulate economic policies to insure greater continuity, coordination, and responsiveness to effectively meet the challenges we face. The improvement of our institutional machinery for systematic decisionmaking can be an important first step to better influence the growth of our economy.

SUBSTANTIAL PROGRESS MADE IN MARIANAS' STATUS NEGOTIATIONS

Mr. FONG. Mr. President, a most welcome announcement has been made concerning ongoing negotiations on the future political status of the Northern Mariana islands in the Trust Territory of the Pacific.

On May 15, the fourth round of future status negotiations between the United States and the Marianas Political Status Commission was begun on Saipan.

Two weeks later, on May 31, Ambassador F. Haydn Williams, the President's Personal Representative for Micronesian Status Negotiations, and Senator Edward DLG. Pangelinan, chairman of the Marianas Political Status Commission, issued a joint communique announcing further substantial progress toward an agreement on a commonwealth status for the Northern Marianas.

According to the communique, the United States and Marianas delegations affirmed the basic decisions reached in earlier sessions with respect to the future political relationship between the Northern Marianas and the United States which include the establishment of a commonwealth of the Northern Marianas under U.S. sovereignty with maximum internal self-government, including the right of the people to draft and adopt their own constitution and to establish local courts to administer local laws.

The communique further reported on progress made in negotiations concerning land, economic and financial assistance, transition, and the nature of the formal status agreement to be entered into.

The future status talks with the Marianas were first opened in December, 1972, in response to a longstanding request by the people of the Pacific Trust Territory's Marianas District for a close association with the United States separate from the rest of the Territory. During the second session of these talks in May 1973, preliminary agreement was reached on a commonwealth status as the eventual goal for the Marianas District.

In December 1973, the third session of negotiations produced further agreement in the areas of local self-government, taxation, tariffs, and citizenship status.

As one who has followed the development of the Trust Territory under U.S. administration, I am very pleased to note the progress of these negotiations. I hope these can be brought to a successful conclusion before too long, perhaps even by the end of this year.

The delegations participating in the negotiations have demonstrated a spirit of mutual understanding and cooperation which has made possible the encouraging progress achieved so far. I congratulate them for their good work and wish them well in their future deliberations.

Any agreement reached by the parties will be subject to the approval of the U.S. Congress and of the people of Northern Marianas. So that all may be apprised of the results of the latest negotiations, I ask unanimous consent to have the text of the joint communique of May 31 printed in full in the RECORD.

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

OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS,
Washington, D.C., May 31, 1974.

MARIANAS IV—FINAL COMMUNIQUE

The following is the text of the Joint Communique issued Saipan May 31, 1974 at the conclusion of Round Four of the Marianas Status Negotiations. The communique was signed by the President's Personal Representative for Micronesian Status Negotiations, Ambassador Franklin Haydn Williams, the Chairman of the Marianas Political Status Commission, Edward DLG Pangelinan and the Vice-Chairman, Vicente N. Santos:

Begin text:

"From May 15 to May 31, 1974, the Marianas Political Status Commission and the U.S. Delegation met for the Fourth Session of negotiations aimed at achieving the long held desire of the people of the Marianas Islands for political union between the present Mariana Islands District of the Trust Territory of the Pacific Islands and the United States.

The session consisted of several working meetings held on Saipan and public meetings held on Rota and Tinian. These entailed a continued and progressive discussion of matters raised in earlier rounds, including questions concerning the basic political nature of the proposed commonwealth relationship, land, economic and financial assistance, transition and the nature of the formal status agreement to be entered into. The public meetings offered an opportunity to discuss with many of the people of the Mariana Islands District the progress which has been achieved and the issues which remain to be resolved.

During these discussions the delegations affirmed the basic decisions reached in earlier sessions with respect to the future political relationship between the Northern Marianas and the United States which include the establishment of a commonwealth of the Northern Marianas under U.S. sovereignty with maximum internal self-government, including the right of the people to draft and adopt their own constitution and to establish local courts to administer local laws.

LAND

A summary of the tentative agreements reached on land requirements follows:

1. Farallon de Medinilla: This island consisting of 229 acres (93 hectares) will continue to be made available to the United States as a target area. Maximum safety precautions will be enforced by the United States.

2. Tanapag harbor area, approximately 197 acres (78 hectares) in the southern portion of the Tanapag Harbor area, now under military retention, will be made available for future contingency use by the United States, most of this land will be used by the United States for the development of an American Memorial Park which will be used as a recreation area by the people of the Marianas. Preliminary plans for the park call for cleared beaches, an amphitheatre, a family picnic area, an arboretum, a swimming pool and other athletic facilities in addition to a monument. Land in the Tanapag Harbor area not used for the memorial park or for military purposes will be made available to the future Government of the Northern Marianas for possible sub-lease for civilian harbor-related activities. There are no current plans for military use of this area. Subject to the limitations imposed by any future military use, the United States has agreed to permit maximum feasible joint use of any land and facilities which are developed for military purposes.

3. Isely Field area. Approximately 482 acres (193 hectares) south of and adjacent to the southern runway of Isely Field and within the south boundary road also will be made available for future contingency use by the U.S. forces. As at Tanapag Harbor, this land will be made available to the future government of the Northern Marianas for use or lease for industrial or agricultural purposes compatible with possible future military use.

4. Tinian. Approximately 17,475 acres (6,993 hectares) will be made available for the development of a joint service military base in accordance with the plans newly presented by the United States. These plans reduced the acreage required by approximately 1,200 acres (485 hectares) and eliminated the necessity for relocating San José Village. The United States will carefully reevaluate its military land needs in the area south and east of the northeastern portion of the proposed runway in order to make as much of this land as possible immediately available

to the government of the Northern Marianas under a land use arrangement for agricultural and other purposes compatible with planned military activities.

Joint use arrangements for both the new West Field and the rehabilitated San José Harbor will be under the civilian control of the Marianas Government except during times of national emergency, consistent with military requirements, land will be made available under a land use arrangement in the San José Harbor area for civilian harbor-oriented activities. In addition, there will be maximum civilian use of land within the base itself for agricultural, fishing, recreational and other purposes, including access through the base area to northern beaches compatible with respect to local community needs for public utility services. The U.S. offered to improve the road from San José Village to the Marpo Valley and north into the base area by the construction of a bypass road to the civilian air terminal and around the airbase. Opportunity will be provided for the development of a commercially operated ferry system between Saipan and Tinian and possibly Rota.

The United States indicated its intent to relinquish its use rights on all remaining military retention land in the Northern Marianas not covered by the new agreement—some 4,691 acres (1,898 hectares)—and to return them to the public domain at a time to be agreed but no later than the date when the formal status agreement becomes effective.

The two delegations discussed whether the land could be made available to the United States by lease or purchase and methods of determining fair market value. A Joint Land Committee has been appointed by the Marianas Political Status Commission and the President's Personal Representative to consider the exact details of specific requirements and means, procedures and terms for acquisition of land by the U.S. Government.

It was agreed that the consideration and development of appropriate safeguards in the area of eminent domain would be referred to the Joint Drafting Committee referred to below. The question of how to implement the prior agreement that the Marianas Government will have the authority to prohibit the alienation of land to persons not of Marianas descent was also referred to the Joint Drafting Committee. This committee will consider as well limitations on the amount of public lands which might be made available to or held by any one individual.

ECONOMICS AND FINANCE

A report by the Joint Ad Hoc Preparatory Committee on Transition established at the Third Negotiating Session last December was approved. The report outlined a proposed program of studies and events to take place between the time of the signing of a political status agreement and the establishment of a new government of the Northern Marianas under is own constitution. These studies will include those related to government organization and planning for the Marianas Constitutional Convention, research and planning for government reorganization and the initial legislative program, and research on U.S. Federal Programs and services. There would also be studies related to economic and social development planning, fiscal and revenue planning, physical planning and study of the impact of relocation of the capital of the Trust Territory. The events anticipated to take place include a political status education program and status plebiscite, a constitutional convention, a constitutional education program and constitutional referendum and finally the election of a new government.

A Joint Commission on Transition, consisting of representatives of the Marianas and the United States, will be established to provide continuing consultation and policy guidance on all matters related to the change in political status. To assist the commission, a Joint Secretariat consisting of six highly qualified professionals, is to be established to develop transition plans and schedules, conduct basic economic studies, arrange for the employment of experts and administer funds to be made available by the United States for these activities in the amount of $1.2 million.

The two delegations tentatively agreed on a initial 7-year program of U.S. financial assistance to begin following the installation of a new Government of the Northern Marianas in accordance with a popularly approved constitution. This could be as early as July 1976. Under this tentative agreement the U.S. will provide $13.5 million for each of these years in direct financial grants as follows: A grant of $8 million a year to help meet the cost of government operations; a grant of $1.5 million a year to the future Government of the Northern Marianas to be used for economic development loans, with $500 thousand a year of this amount to be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives; and a grant of $4 million a year for capital improvement projects of which at the Marianas Political Status Commission request, $500 thousand a year will be reserved for Rota and $500 thousand a year for Tinian because of the urgent development needs on those islands. U.S. assistance will be provided in constant 1975 dollars.

In addition, a wide range of services and assistance under regular U.S. Federal programs will be available. The United States estimates the value of federal services and assistance at $3 million a year. The total direct annual assistance is thus estimated at $16.5 million. This does not include potential additional income from military construction and a growing military presence and spending.

Federal funds will augment the commonwealth's other growing financial resources from internal taxes, anticipated rebates of U.S. Federal income taxes after the new status becomes effective and income from public lands. All of these resources would be directed toward assuring the economic development of the Northern Marianas, higher personal income and living standards for the people, capital improvements for social and economic growth, as well as improved public services.

COMMONWEALTH OF THE NORTHERN MARIANAS STATUS AGREEMENT

In the light of the progress achieved, both parties agreed to the establishment of a joint drafting committee whose members (1) will be charged with the preparation of a status agreement in keeping with the tentative agreements reached to date; and (2) the approval of their principals specific language for the provisions to be included in the agreement. Their draft will be presented to will have the authority to draft subject to the Marianas Political Status Commission and the United States at the next negotiating session. It was reaffirmed that any final agreement will have to be approved by the Marianas District Legislature, the people of the Mariana Islands District in a plebiscite, and by the United States Congress.

SEPARATE ADMINISTRATION

The final substantive item of discussion centered on the Marianas Political Status Commission's request for consideration of early transition to self-government and the possible separate administration of the Marianas District prior to the termination of the Trusteeship Agreement. The Commission shared its preliminary views with the United States delegation for the purpose of opening a dialogue on this important subject. The U.S. in turn promised to take the matter under advisement and both parties agreed that further study and consultation on this question should be carried forward prior to the next negotiating session.

The members of the Marianas Political Status Commission and the U.S. Delegation expressed appreciation for the warm hospitality extended to them by the people of Rota, Tinian and Saipan and for all the courtesies and cooperation received from the authorities of the TTPI Headquarters and the Marianas District Government.

No firm date was set for the next meeting but it is expected that it will take place in the early Fall. In the meantime, informal consultations will continue and technical, legal and drafting experts will be meeting in accordance with the agreements reached and recorded in this joint communique.

Date: May 31, 1974.

For the United States: Franklin Haydn Williams, The President's Personal Representative for Marianas Status Negotiations.

For the Marianas: Edward DLG Pangelinan, Chairman, Marianas Political Status Commission; and Vicente N. Santos, Co-Chairman, Marianas Political Status Commission.

SPECIAL FUNDS FOR MIDDLE EAST REFUGEES

Mr. KENNEDY. Mr. President, this past week I wrote to Secretary of State Henry A. Kissinger to express my concern over the financial situation faced by the United Nations Relief and Works Agency for Palestine Refugees in the Near East—UNRWA, and urged an immediate Presidential determination for a special emergency contribution to its current program.

As I indicated in my letter, the financial situation of UNRWA continues to deteriorate. Official estimates indicate that some $20 million are needed to give the agency minimum financial solvency, and that the deficit for 1974 alone is approximately $10 million. According to officials in UNRWA—and I believe this view is shared by officials in the Department of State—unless additional contributions from the international community are forthcoming within the very near future, UNRWA services, including the distribution of food rations and the education of young refugees, will be sharply curtailed.

Given the hopeful changes toward a lasting peace in the Middle East, our country and the international community should not lose sight of the continuing humanitarian needs among the refugees and the immediately important responsibilities of UNRWA in helping to meet these needs.

Mr. President, there is approximately $5,200,000 which is immediately available to help UNRWA in the contingency fund for humanitarian purposes authorized in Public Law 87-510. I urge an immediate Presidential determination to make these funds available as an emergency contribution to UNRWA.

With headquarters in Beirut, UNRWA operates in Lebanon, Syria, Jordan and the Israeli administered territories of Gaza and the West Bank. Some 1,600,000 refugees are currently registered and as-

sisted by UNRWA, and they need our continuing help.

Mr. President, I ask unanimous consent that excerpts from my letter to Secretary Kissinger be printed in the RECORD.

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

EXCERPTS FROM A LETTER TO SECRETARY OF STATE HENRY A. KISSINGER FROM SENATOR EDWARD M. KENNEDY, CHAIRMAN OF THE SUBCOMMITTEE ON REFUGEES

May 29, 1974.

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

DEAR MR. SECRETARY: I am writing to express by personal concern over the financial situation of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), and to urge your recommending an immediate Presidential determination for a special emergency contribution to this international humanitarian agency.

As you probably know, the financial situation of UNWRA continues to deteriorate. Official estimates indicate that some $20,000,000 are needed to give the agency minimum financial solvency, and that the deficit for 1974 alone is approximately $10,000,000. According to officials in UNRWA—and I believe this view is shared by officials in the Department of State—unless additional contributions from the international community are forthcoming within the very near future, UNRWA services, including the distribution of food rations and the education of young refugees, will be sharply curtailed.

I fully recognize that the question of UNRWA's mandate and future is a matter of growing discussion in many quarters, especially in light of the significant progress being made in the resolution of outstanding issues in the Middle East. But given these hopeful changes towards a lasting peace in the area, our own country and the international community should not lose sight of the continuing humanitarian needs among the refugees and the immediately important responsibilities of UNRWA in helping to meet these needs.

Over the years the United States has generously supported humanitarian programs among the refugees, and our government's contribution to UNRWA for the current fiscal year totals some $25,000,000 in cash and kind—or approximately forty percent of the agency's 1974 budget. I feel, however, that an additional modest contribution at this time would serve a useful purpose in our foreign policy, and that additional funds should be made available to UNRWA in the coming fiscal year.

In urging an immediate Presidential determination for a special emergency contribution to UNRWA, I understand from the Department's Office of Refugee and Migration Affairs that some $5,200,000 remains available for Fiscal Year 1974 in the contingency fund for humanitarian purposes authorized in Public Law 87-510, the Migration and Refugee Assistance Act of 1962. Hopefully, the bulk of these remaining funds can be designated for a special emergency contribution to UNRWA. . . .

Finally, Mr. Secretary, I would like to express my personal admiration and support for your extraordinary efforts in behalf of a peaceful resolution of outstanding issues in the Middle East, and I wish you success in your continuing diplomatic efforts to secure this end.

Many thanks for your consideration and I look forward to hearing from you soon. Best wishes.

Sincerely,

EDWARD M. KENNEDY,
Chairman, Subcommittee on Refugees.

CONSUMER LEGISLATION

Mr. McCLURE. Mr. President, in a few days we may commence debate on what will be the most far-reaching legislation facing this session of Congress. I refer to the misnamed Consumer Protection Act.

In fairness to all Senators, I hope it is possible to establish as a ground rule from the beginning, that there is not one single one of us who is not concerned about the consumer. We are consumers ourselves. All of our constituents are consumers. It would be unthinkable were we not concerned about problems that we all share.

However, from my initial study of the upcoming consumer legislation, it appears to me that it really is not in the best interests of consumers at all.

That indefinable phrase, "the American way of life," refers in part to a series of checks and balances that face all of us every day. The three branches of our Government embody this principle, and the economy also requires its own checks and balances. However, it appears to me that the consumer bill is yet another expression of desire to destroy our political and social constitution. There are a few persons in this country who feel that our constitutional government no longer is adequate to meet the problems of modern society. There are more people alien to our shores who support the efforts to destroy the freedoms so dearly bought and carefully protected under our Constitution. To these must be added the sincere and dedicated, but misguided, souls in the United States who seek to destroy restraints on the power of government as a means to attack some perceived evil in our society. This proposal, also, alters some of those very delicate relationships found in the marketplace which make the free enterprise system work.

I will not go into the details of the bill at this time. However, a few basic points need to be stressed. It is just as important to preserve the business climate in this country as it is to protect those who consume the products and use the services that business makes available. And it is just as important to the consumer as to any other group that this legislation not be passed in haste. We live in a time when many Americans are suspicious of government and when virtually all of them want to get government off their backs. About the last thing most Americans want is the creation of another new bureaucracy filled with people telling them what is in their own best interests.

For these reasons, all Senators need to become familiar with what is contained in this dangerous legislation with the innocent title. I think you will agree with me that it deserves a long, hard look and full debate when it reaches the Senate floor.

PART C, KENNEDY-BROOKE AMENDMENT—SPECIAL GRANTS FOR URBAN AND RURAL SCHOOLS SERVING AREAS WITH THE HIGHEST CONCENTRATIONS OF CHILDREN FROM LOW-INCOME FAMILIES

Mr. BROOKE. Mr. President, during the recent debates on the elementary and secondary education bill, the Senate included in title I of the Elementary and Secondary Education Act a revised part C—special grants for urban and rural schools serving areas with the highest concentrations of children from low-income families—of title I, ESEA.

As proposed now in the Senate education bill, those counties are eligible for additional title I funds which enroll either twice the State average percentage of children from low-income families—those from families with incomes of less than $3,000 and with incomes of above that level from AFDC—and/or those counties enrolling 10,000 such children—if that number accounted for at least 5 percent of the county's enrollment. No State may receive more than 12 percent of the total title I funds.

This new formula will have the effect of making available substantial additional grants to urban areas enrolling high numbers of low-income children and to extremely poor rural areas.

In addition, separate funding is provided at the level of $75 million. Thus, it should be stressed, part C will not diminish the funds received by any educational agency provided by the McClellan amendment adopted previously. This, then has the effect of providing additional title I funds to areas with especial needs.

I have now received from the Library of Congress statistics showing county and State allocations under part C as it was finally written into the education bill by the Kennedy-Brooke amendment, and I ask unanimous consent that they be printed in the RECORD.

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

County allocation under part C of title I, ESEA, as passed by the Senate

Alabama:	
Dallas	$69,788
Jefferson	282,577
Mobile	185,901
Montgomery	100,553
Total for Alabama	638,819
Alaska:	
Anchorage	82,781
Bethel	58,162
Siska	1,641
Wade Hampton	27,217
Total for Alaska	169,801
Arizona:	
Maricopa	390,866
Pima	150,913
Total for Arizona	541,779
Arkansas:	
Crittenden	59,429
Jefferson	61,287
Lee	31,332
Mississippi	57,293
Phillips	55,808
Pulaski	96,711
St. Francis	42,508
Saline	5,250
Total for Arkansas	409,617
California:	
Alameda	538,530
Contra Costa	246,637

Fresno	$374,650
Kern	228,325
Los Angeles	4,228,433
Orange	396,173
Riverside	281,972
Sacramento	395,461
San Bernardino	410,365
San Diego	589,374
San Francisco	365,351
San Joaquin	193,944
Santa Clara	413,151
Tulare	176,950
Ventura	160,683
Total for California	8,999,999
Colorado:	
Adams	83,124
Arapahoe	39,233
Clear Creek	905
Denver	349,738
Douglas	2,301
El Paso	119,019
Gilpin	57
Jackson	75
Jefferson	48,739
Pitkin	604
Pueblo	84,765
Weld	68,789
Total for Colorado	797,350
Connecticut:	
Fairfield	445,126
Hartford	564,788
New Haven	558,263
Total for Connecticut	1,568,177
District of Columbia	1,138,262
Florida:	
Broward	181,027
Dade	482,738
Duval	319,089
Escambia	134,940
Hillsborough	240,611
Orange	147,066
Palm Beach	140,750
Pinellas	135,319
Polk	123,066
Total for Florida	1,904,607
Georgia:	
Bibb	82,491
Burke	29,459
Chatham	100,542
Clayton	14,716
Cobb	31,916
De Kalb	62,726
Dougherty	53,113
Fulton	259,733
Lauren	28,433
Lowndes	31,943
Muscogee	83,045
Richmond	69,827
Total for Georgia	847,945
Hawaii:	
Honolulu	410,037
Total for Hawaii	410,037
Idaho:	
Ada	28,765
Bannock	15,872
Bear Lake	657
Benewah	1,105
Bingham	11,341
Blaine	699
Bonneville	12,571
Canyon	19,871
Caribou	993
Clark	56
Franklin	1,063
Kootenai	11,774
Latah	3,090
Lewis	154
Twin Falls	$16,067
Valley	587
Total for Idaho	124,665
Illinois:	
Boone	4,702
Cook	5,895,742
De Kalb	11,547
Du Page	79,322
Grundy	5,839
Kane	65,041
Kendall	4,440
La Salle	28,453
Livingston	11,482
McHenry	32,980
Monroe	4,265
Piatt	4,330
Putnam	1,290
St. Clair	461,325
Tazewell	34,751
Wabash	3,084
Woodford	6,167
Total for Illinois	6,654,760
Indiana:	
Adams	5,501
Allen	78,689
Blackford	2,823
Carroll	2,605
Cass	8,179
Clay	5,082
Clinton	6,175
De Kalb	6,630
Delaware	35,410
Dubois	4,372
Elkhart	26,685
Fountain	4,208
Greene	5,537
Hamilton	11,239
Hancock	5,647
Harrison	4,608
Hendricks	7,978
Howard	17,322
Huntington	5,392
Jasper	4,900
Johnson	10,328
Kosciusko	9,144
Lake	271,896
Madison	34,372
Marion	288,890
Miami	9,344
Monroe	11,512
Montgomery	7,341
Morgan	8,506
Noble	6,776
Owen	2,678
Porter	16,958
St. Joseph	73,024
Scott	4,098
Tippecanoe	16,849
Tipton	3,443
Vanderburgh	51,457
Vigo	37,796
Warrick	4,627
Wells	4,390
White	4,517
Total for Indiana	1,126,927
Iowa:	
Black Hawk	65,340
Boone	5,686
Buena Vista	5,039
Cedar	4,209
Dubuque	37,577
Henry	4,270
Johnson	12,850
Linn	53,341
Mills	2,428
O'Brien	4,270
Polk	126,249
Pottawattamie	43,870
Scott	68,760
Shelby	3,076
Story	9,207
Wapello	24,991
Warren	7,103
Washington	$3,804
Winnebago	2,712
Woodbury	42,575
Total for Iowa	527,356
Kansas:	
Barber	1,186
Clark	549
Cloud	2,832
Edwards	443
Gray	920
Harper	1,398
Johnson	37,648
McPherson	5,168
Montgomery	20,780
Norton	1,292
Pratt	1,735
Rice	2,354
Saline	41,029
Sedgwick	198,471
Shawnee	58,729
Smith	1,080
Thomas	1,505
Trego	602
Wyandotte	160,699
Total for Kansas	538,418
Kentucky:	
Bell	32,104
Boone	6,108
Christian	34,735
Clay	36,711
Fayette	45,821
Floyd	30,654
Harlan	41,099
Jefferson	231,350
Kenton	34,439
Knox	34,234
Pike	50,710
Total for Kentucky	557,694
Louisiana:	
Caddo	182,576
East Baton Rouge	149,501
Jefferson	113,764
Orleans	602,037
St. Landry	149,379
Total for Louisiana	1,197,257
Maine:	
Aroostook	63,371
Cumberland	70,397
Total for Maine	133,768
Maryland:	
Baltimore	140,583
Carroll	18,795
Harford	36,302
Howard	14,056
Montgomery	115,346
Prince Georges	215,831
Baltimore City	1,294,735
Total for Maryland	1,835,648
Massachusetts:	
Bristol	282,992
Essex	341,810
Hampden	308,948
Middlesex	552,795
Suffolk	954,166
Worcester	305,375
Total for Massachusetts	2,746,086
Michigan:	
Genesee	418,961
Ingham	205,621
Kent	320,564
Macomb	248,923
Oakland	416,403
Saginaw	232,060
Wayne	3,176,309
Total for Michigan	5,018,842

County allocation under part C of title I, ESEA, as passed by the Senate—Continued

Minnesota:	
Anoka	$64,423
Dakota	46,625
Freeborn	12,050
Goodhue	10,822
Hennepin	607,822
Lake	4,866
McLeod	8,597
Olmsted	22,339
Ramsey	275,905
St. Louis	104,768
Stearns	60,182
Total for Minnesota	1,218,401
Mississippi:	
Bolivar	72,025
Coahoma	64,964
Harrison	51,105
Hinds	126,375
Holmes	43,485
Leflore	50,146
Sunflower	56,795
Washington	67,386
Total for Mississippi	532,281
Missouri:	
Butler	32,846
Clay	18,543
Dunklin	35,962
Franklin	9,161
Greene	37,971
Jackson	216,589
Jefferson	22,085
Lafayette	3,474
New Madrid	34,651
Osage	1,652
Pemiscot	44,254
Platte	4,768
St. Charles	13,911
St. Louis	145,976
Worth	579
St. Louis City	481,136
Total for Missouri	1,083,556
Montana:	
Big Horn	10,927
Cascade	33,074
Custer	2,869
Daniels	274
Dawson	1,992
Flathead	14,929
Gallatin	4,605
Glacier	14,582
Golden Valley	91
Lincoln	4,477
Missoula	21,489
Sheridan	1,535
Silver Bow	13,997
Yellowstone	35,998
Total for Montana	160,893
Nebraska:	
Adams	6,352
Cedar	17,838
Colfax	2,105
Deuel	351
Douglas	173,710
Gosper	332
Hall	12,908
Harlan	923
Knox	13,942
Lancaster	32,814
Madison	6,168
Nemaha	1,625
Perkins	720
Saline	2,179
Sarpy	18,706
Scotts Bluff	15,825
Seward	2,567
Washington	2,770
Total for Nebraska	311,854
Nevada:	
Clark	$88,607
Douglas	1,141
Elko	2,986
Nye	1,065
Washoe	24,477
White Pine	2,625
Total for Nevada	120,901
New Hampshire:	
Hillsborough	69,783
Rockingham	55,110
Total for New Hampshire	124,893
New Jersey:	
Bergen	248,337
Camden	694,228
Essex	1,562,296
Hudson	751,408
Mercer	292,855
Middlesex	323,361
Monmouth	392,808
Morris	103,179
Passaic	479,570
Somerset	72,672
Union	280,218
Total for New Jersey	5,200,931
New Mexico:	
Bernalillo	153,722
Los Alamos	718
McKinley	69,342
San Juan	64,281
Total for New Mexico	288,063
New York:	
Bronx	2,122,151
Erie	431,017
Genesee	9,163
Hamilton	658
Kings	3,166,391
Monroe	271,475
Nassau	341,503
New York	1,222,005
Onondaga	144,636
Putnam	9,344
Queens	633,046
Suffolk	375,303
Westchester	294,047
Wyoming	6,259
Total for New York	8,999,999
North Carolina:	
Catawba	12,237
Columbus	53,042
Cumberland	111,378
Durham	54,482
Edgecombe	57,164
Forsyth	77,630
Guilford	77,545
Halifax	65,379
Lincoln	5,519
Mecklenburg	115,683
Nash	50,220
Pitt	67,764
Robeson	96,233
Wake	75,174
Wayne	60,199
Total for North Carolina	979,648
North Dakota:	
Burleigh	10,136
Cass	17,722
Grand Forks	13,279
Logan	786
Rolette	15,124
Slope	417
Traill	1,283
Ward	16,439
Total for North Dakota	75,186
Ohio:	
Ashland	$7,486
Auglaize	5,447
Champaign	6,677
Cuyahoga	989,634
Darke	10,209
Defiance	8,259
Delaware	7,363
Erie	17,783
Franklin	355,358
Fulton	4,727
Geauga	11,211
Hamilton	400,184
Hancock	13,091
Henry	4,288
Huron	10,754
Knox	8,856
Lake	37,007
Lucas	193,362
Mahoning	116,203
Medina	11,404
Mercer	5,553
Miami	19,505
Montgomery	210,266
Portage	22,879
Preble	7,556
Putnam	5,482
Sandusky	13,583
Seneca	13,337
Shelby	5,904
Stark	92,077
Summit	202,359
Union	4,832
Wayne	18,521
Williams	6,203
Wood	16,096
Total for Ohio	2,863,455
Oklahoma:	
Comanche	54,506
Muskogee	38,273
Oklahoma	190,552
Tulsa	141,767
Total for Oklahoma	425,098
Oregon:	
Clackamas	69,173
Lane	112,405
Marion	89,503
Multnomah	316,487
Total for Oregon	587,568
Pennsylvania:	
Allegheny	1,072,612
Cumberland	34,249
Delaware	284,095
Montgomery	157,466
Philadelphia	3,135,363
Union	6,669
Total for Pennsylvania	4,690,454
Rhode Island:	
Providence	416,528
Total for Rhode Island	416,528
South Carolina:	
Charleston	158,495
Florence	71,843
Greenville	72,457
Orangeburg	77,707
Richland	99,114
Sumter	69,526
Total for South Carolina	549,141
South Dakota:	
Brown	11,916
Charles Mix	13,723
Minnehaha	32,501
Pennington	30,124
Shannon	21,060
Stanley	238
Todd	13,232
Total for South Dakota	122,792

Tennessee:	
Davidson	$120,186
Fayette	38,682
Hamilton	93,104
Knox	93,766
Shelby	360,259
Sullivan	39,253
Total for Tennessee	745,250
Texas:	
Armstrong	188
Bell	45,590
Bexar	465,537
Cameron	194,330
Clay	1,253
Dallas	401,695
El Paso	192,074
Galveston	68,949
Gray	5,201
Harris	611,285
Hartley	595
Hidalgo	277,599
Hutchinson	4,825
Jefferson	109,683
Johnson	8,664
Lubbock	72,302
McLennan	66,082
Moore	2,757
Nueces	141,518
Ochiltree	1,551
Randall	8,194
Tararnt	198,905
Travis	81,968
Webb	94,690
Winkler	1,567
Total for Texas	3,057,004
Utah:	
Davis	19,028
Kane	245
Morgan	735
Piute	276
Rich	199
Salt Lake	183,785
San Juan	32,452
Utah	46,115
Weber	51,446
Total for Utah	334,264
Vermont:	
Chittenden	42,918
Total for Vermont	42,918
Virginia:	
Fairfax	98,792
Henrico	23,125
Pittsylvania	45,519
Chesapeake City	56,968
Colonial Heights City	3,119
Fairfax City	2,806
Falls Church City	1,150
Hampton City	74,342
Newport News City	100,866
Norfolk City	291,287
Portsmouth City	123,660
Radford City	802
Richmond City	215,446
Roanoke City	53,012
Salem City	2,544
Virginia Beach City	94,035
Waynesboro City	3,625
Total for Virginia	1,191,098
Washington:	
King	553,094
Pierce	263,053
Snohomish	159,071
Spokane	165,307
Yakima	178,608
Total for Washington	1,319,134
West Virginia:	
Cabell	$40,866
Fayette	43,432
Hancock	6,699
Kanawha	101,765
Logan	40,975
McDowell	67,144
Mingo	52,134
Raleigh	44,027
Total for West Virginia	397,042
Wisconsin:	
Brown	62,817
Dane	122,328
Dodge	14,415
Door	5,598
Green Lake	4,034
Lincoln	6,546
Milwaukee	742,784
Ozaukee	11,704
Racine	106,701
St. Croix	11,131
Sauk	11,638
Washington	20,079
Waukesha	55,213
Total for Wisconsin	1,174,988
Wyoming:	
Campbell	3,437
Carbon	3,264
Fremont	16,971
Hot Springs	1,189
Laramie	23,630
Natrona	19,717
Sublette	757
Sweetwater	4,562
Teton	1,167
Uinta	1,816
Weston	2,075
Total for Wyoming	78,585

UNITED NATIONS CHARTER OF ECONOMIC RIGHTS AND DUTIES

Mr. BENTSEN. Mr. President, we have heard a great deal in recent months about the increasing economic interdependence of the nations of the world. Secretary Kissinger, in particular, has repeatedly reminded us of the need for better means of cooperation among nations in handling worldwide commodity shortages, monetary stresses, and inflationary pressures, if we are not to fall into the trap of trade wars or succumb to self-defeating retaliatory practices.

I certainly subscribe to this viewpoint, as does just about anyone who believes that America's economy will grow healthier in a cooperative atmosphere of stable and open trade relations with the rest of the world than in a hostile one of tariff barriers and trade restraints.

Yet I believe we may be slower in recognizing that "interdependence" is, by its very nature, a two-way street, and that achieving the cooperation and stability we seek will require some sacrifices and changes of habit on our own part. We tend to assume too easily that what is right for the United States must be right for the rest of the world.

The fact is that each nation defines the aims of cooperation in terms of its own self-interest and seeks stability in a system which maximizes its own returns. We face a long and very difficult period of negotiations with the other nations of the world in which our definitions and theirs will have to be balanced and sorted out.

And in the course of this give-and-take we are obviously going to have to pay more attention than we have in the past to what others mean by "cooperation" and "stability." Not surprisingly, some definitions now being advanced elsewhere in the world presuppose radical changes in the way we Americans—both official and private—do business abroad.

In this connection, I ask unanimous consent to print in the RECORD an address recently given by the Ambassador of Mexico to the United States, His Excellency Jose Juan de Olloqui, before the American Management Association in New York City. Ambassador Olloqui's excellent speech, in addition to providing a useful summary of major economic problems facing the world community, places the "interdependence" theme within the framework of demands for greater social justice throughout the world.

Mexico, of course, has been at the forefront of efforts to reshape our system of economic relations so as to harmonize free enterprise principles with social justice goals, and Mexico is the sponsor of a draft Charter of Economic Rights and Duties at the United Nations which would lay the foundation for this reformed system. Ambassador Olloqui explains the Mexican proposal and argues forcefully in support of such a Charter.

I commend Ambassador Olloqui's speech to my colleagues for their careful study.

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

ADDRESS BY HIS EXCELLENCY JOSE JUAN DE OLLOQUI BEFORE THE AMERICAN MANAGEMENT ASSOCIATION

The world economy is in a special situation which has never before existed in such a particular complex form. We are facing today scarcities of food, scarcities of mineral resources, a crisis of energetics and a volatile and unstable international monetary system.

Some people argue that the present situation will have an effect on the world pattern of trade and investment which will increase uncertainty, and that as countries begin to feel the effect of higher prices of imports upon their balance of payments they will become more and more protectionist and economic warfare could result.

I suggest that as an example of what could happen we go back a few months ago: on June 27, 1973 the United States announced a temporary embargo on all exports of soybeans. Five days later it replaced the embargo with an export licensing system that effectively reduced U.S. sales abroad. At the same time, it imposed export restraints on iron and steel scrap. Before the summer was over, Japan was forced to limit its purchases of U.S. timber from the Pacific northwest, and the U.S. Department of Agriculture initiated steps to limit exports of some chemical fertilizers.

On October 17, the Arab nations announced a series of cutbacks in the production of crude oil and a total embargo on exports of oil to the United States.

On November 24, 1973, representatives from sixteen East and Central African countries, meeting in Dar-es-Salaam, called for economic sanctions against the United States, Great Britain, France, West Germany, Japan,

and Brazil unless their countries ceased their support of the Government of South Africa. Specifically mentioned among potential sanctions was an embargo on the exports of raw materials to these countries.

Inflationary pressures have been felt worldwide. The U.S. has just experienced a two digit inflation rate last month, and this is simply average as regards Western Hemisphere developed countries.

While the price of oil went up 350 per cent in 12 months, the prices of wheat and nitrogen fertilizer have also nearly tripled in a comparable period. The worldwide inflation problem did not begin with oil, and it will not end with oil. Other items will increase in cost either because of the inflationary psychology, because of monopoly or oligopoly power, or simply because of a real scarcity.

Several producers of primary goods are talking of creating cartels in order to restrict export supplies and raise prices. Such are the cases of coffee, bananas and several minerals.

All of the short term problems of scarcity noted above have been further complicated by the collapse of the Bretton Woods monetary system and a tendency within the international community to desregard the rules of the General Agreement on Trade and Tariffs whenever self-interest so dictates. Monetary uncertainities have led not only to flights from currency to currency, but also in some instances to flights from currency to commodities, pressing prices ever upward.

It should be noted that the United States is dependent on imports for more than half of its supplies of nine of sixteen critical minerals and metals. Apart from this you must remember that the U.S. imports 100% of all the natural rubber and coffee it consumes. Futhermore, in the May 1973 issue of the American Economic Review, professors Fisher and Ridker conclude that "The United States economy undoubtedly will become somewhat more dependent on mineral, fuel, and certain other raw material imports".

I believe, therefore, that two facts standout from the present world situation: a greater dependency or interrelation among nations and an imminent danger of economic warfare headed by strong protectionist policies.

I am not an alarmist, rather I am an optimist, and I believe that out of adversity sometimes comes vision.

The leaders of the world today face a unique challenge and it affords a great opportunity. We have the means and we have the adequate forums to implement the solution, for example, this very year we have the Law of the Sea Conference, the World Food Conference, the Population Conference, the Monetary Reform (Group of 20), the Tokyo Round of Trade Negotiations (GATT), among others.

Therefore we must enter these negotiations with the clear intention of finding viable solutions. In these negotiations we must remember the changes in world relations that have occurred, such as the new concept of international power; the emerging world scarcities; the changing needs for external development cooperation; the emergence of China; the new bargaining potential of Developing Countries and, very important, the importance attached to the concept of equality and justice.

As we enter these negotiations let us remember that if they are going to be effective we must all sit as equals around the negotiating table and that the proposition to negotiate so as to maximize the gains must be tempered by a sense of justice. We are all dependent on one another, in different degrees. We recognize interdependence, we reject intervention.

Negotiations have talked about equality, and justice for many years, but never have they implemented it in a manner that provides economic benefits for developing countries.

At the Tokyo Round negotiations we must keep in mind that it serves no purpose to reduce tariffs if on the other hand non-tariff barriers are increased.

It is important to elaborate studies so as to provide us with criteria, but there is also a point of saturation at which studies are made not for their implementation but for the sake of studies. I believe we already have enough studies. What we need is action, and not more studies, not a program of action, but action itself.

We must not allow the powerful nations to revert the old ways of thinking; we must prevent the implantation of neo-colonialism in any of its forms.

We must promote new and dynamic concepts of trade, investment, credit. We must search for new formulas to our old problems.

However, this search must be done by all, together, for the possibility exists that the more powerful nations will get together on a solution and leave out the developing nations. This would constitute a terrible mistake, notably because in some cases developing countries are the suppliers of raw materials, or potential suppliers, but also because without the participation and cooperation of developing countries no global agreement can ever be a success for any considerable length of time, especially in view of the fast changes taking place in relations among nations.

Mexico is actively participating in all of these negotiations: in the world monetary reform Mexico's Secretary of the Treasury is a member of the Group of the Twenty (20) who are drafting the reform; the Secretary of the World Population Conference is a Mexican, we are also participating in the Tokyo Round and in all preparatory negotiations in GATT as well as in every other major conference. My country firmly believes in the necessity for change, and we believe it can be done through mutual understanding. We therefore not only promote change but we participate in it.

Irrefutable evidence of this is the Charter of Economic Rights and Duties of the States proposed by the President of Mexico at the III UNCTAD. This Charter is the equivalent as regards nations, to the Universal Declaration of Human Rights. Some of the principles contemplated in the Charter are the following:

Full respect to the right of every nation to adopt the economic structure which it deems appropriate;

No economic pressures to hamper the political sovereignty of any State:

Full respect for local laws by foreign investment;

Abolition of discrimination on exports from non-industrialized countries;

Economic advantages to be granted in inverse relation to the stage of development;

Agreements to guarantee the stability and equitable price of basic products, and

Ample and pertinent transmission of technological and scientifical knowledge at lesser cost and more expeditious to backward countries.

When the Charter of Economic Rights and Duties was conceived, the developed nations of the world contemplated it as a mechanism to benefit exclusively the developing countries, and they only sought in the Charter the aspects of justice and equity. I believe that the events in the past year have proven the need for a more stable international economic system, which the Charter will provide. This implies that there are economic benefits derived from the Charter, since stability as you, my dear friends know, as astute investors, promotes investment growth, trade and development. Consequently, we want to create the necessary frame of reference to provide not only the elements that will assure equity and justice in economic matters, but also provide the necessary stability for a growth in which both developing and developed countries will share. Therefore, I believe that the Charter of Economic Rights and Duties is just as important to the developed nations as for the developing countries.

The lack of this Charter has given rise to the present world-wide economic emergency, which culminated in the call by the United Nations of its Sixth Special Session of the General Assembly, which is the first devoted to economic matters.

The issues that are being discussed by the Assembly are not new. They have been building up for years. What is new is the sense of urgency. We are confronted now with the most serious problems which must be dealt with, in cooperation, as a community of nations. The members of the United Nations will have to decide whether they are willing to act collectively in a manner which will insure that the organizations works effectively in the long-term interest of all.

The main theme of the Assembly is to secure the optimum use of the world's natural resources with the basic objective of securing better conditions of social justice throughout the world.

This is a formidable undertaking, considering the selfish interests of the many groups which comprise the organization, but I am optimistic about its ultimate accomplishments.

The Foreign Minister of France Michel Jobert approached the problems before the Assembly by calling for the concerted establishment of a fair and stable economic order as put forth in the draft Charter of Economic Rights and Duties of States submitted by the President of Mexico.

Out of great crises come also great opportunities for creating a better world. Some of the Addresses at the United Nations have constituted noble declarations of intentions. Let us hope that the machinery to carry out those intentions is established.

The most obvious problem-areas which require a united effort for their solution are:

1. The cycle of raw materials shortages and surpluses.
2. Sudden unexpected swings in prices.
3. Obstacles to trade.
4. Monetary instability.

What we are trying to accomplish through the Charter of Economic Rights and Duties of States and related agreements, is a fair and stable economic order, propitious to the development of trade and investment. It will be in a sense the infrastructure required for private enterprise to expand and flourish. In the measure that standards of living are raised throughout the world, greater volumes of trade which require greater production, could be maintained for the benefit of all.

It is evident that we face an important challenge, one which we can solve to our mutual benefit, but one which requires new formulas, full participation and, above all, a sense of dignity for all mankind from which we can draw a new spirit, akin to the Spirit of Tlatelolco, of justice and equality.

To conclude, let me summarize by saying that the era in which one country, or a group of countries, would adopt measures for their sole benefit without regard to the consequences for the rest of the world, must give way to another era in which the welfare of all mankind must be considered. Selfish countries are being warned by the recent

events, beware the countries that do not pay heed to history.

PROGRESS REPORT ON ETHNIC STUDIES PROGRAM AND ADVISORY COUNCIL

Mr. SCHWEIKER. Mr. President, one item to be considered during the House-Senate conference on H.R. 69, the education bill, is the Senate-passed 4-year extension of the Ethnic Heritage Studies Programs Act, section 111 of the Senate version, S. 1539.

I am proud to have been the sponsor of this important ethnic studies legislation and the extension amendment, and am grateful for the active support I have received from my Senate colleagues in approving the program and the initial funding for fiscal year 1974. It is vitally important that the program be extended. The program has attracted widespread national attention, interest, and enthusiasm and I am most hopeful that the conference committee will approve the Senate measure.

I would like to report to my colleagues on progress of the program to date. The Office of Education recently reported to me that in the 6 months since appropriations were first granted last December 1973, more than 4,000 requests for information and 900 actual grant applications were received from "every section of the country." Interest has been balanced between educational institutions "at every educational level" and community and ethnic groups. In short, there has been an enormous grassroots interest in the Ethnic Heritage Studies Program Act which has demonstrated public approval of extension of the program.

At the conclusion of these remarks, I ask unanimous consent to have printed in the RECORD the May 23, 1974, report to me from Commissioner of Education, John Ottina, outlining details concerning implementation of the act.

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

(See exhibit 1.)

Mr. SCHWEIKER. Mr. President, another area of concern to me, and to many supporters of the ethnic studies legislation, has been the failure of the Department of Health, Education, and Welfare, to implement the appointment of the National Advisory Council on Ethnic Heritage Studies called for in the original act.

I recently protested the inaction on this appointment to HEW Secretary Caspar W. Weinberger. He expressed concern over the original June 30, 1974, expiration date for the ethnic studies program, but has pledged to "proceed expeditiously" with appointment of the National Advisory Council as soon as the program extension is approved by Congress. Because the Senate has already approved such an extension, the Secretary reports that his staff is already gathering data on proposed Council members in anticipation of concurring action by the full Congress.

It is interesting to note the widespread national interest in the National Advisory Council as well as the ethnic studies grant program. The Secretary reports a "large number of nominees proposed by many interested organizations and individuals" for the National Advisory Council.

I ask unanimous consent also to have printed at the conclusion of these remarks Secretary Weinberger's May 31, 1974, report to me on the status of the National Advisory Council.

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

(See exhibit 2.)

Mr. SCHWEIKER. Mr. President, with a 4-year extension of the Ethnic Heritage Studies Program Act, participating ethnic and minority groups, educational institutions, and program planners can continue their work to develop meaningful programs to help make ethnicity an important positive force for mutual understanding and mutual cooperation between all people in communities throughout America.

I am gratified by the enthusiastic response this program has received throughout America, and strongly urge Congress to approve its extension in the education bill.

EXHIBIT 1

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
OFFICE OF EDUCATION,
Washington, D.C., May 23, 1974.

Hon. RICHARD S. SCHWEIKER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR SCHWEIKER: Thank you for your letter of May 8 concerning Title IX of the Elementary and Secondary Education Act (Ethnic Heritage Studies). I am pleased to have the opportunity to respond to the questions posed in your letter.

1. Since the appropriation was enacted in December 1973, the Office of Education has received approximately 4,000 requests for information, both written and telephonic. In addition, over 12,000 application forms and program materials have been distributed to prospective applicant institutions and organizations throughout the United States.

2. The closing date for receipt of applications for the FY 1974 program was May 17. As of May 22, 840 applications for grants had been received. We anticipate that the final count will reach approximately 900.

3. Our records indicate that thus far 47 of the 50 major ethnic and minority groups as listed in the Encyclopedia Britannica "Maker of America" have made inquiries to the Office of Education concerning Title IX.

4. Institutions and organizations in every section of the country and at every educational level have made inquiries concerning the program, including organizations and groups in Guam, the Virgin Islands, Puerto Rico, American Samoa, and the Trust Territory of the Pacific Islands.

5. While we do not yet have all the applications in hand, a preliminary screening of those thus far received indicate that between 20–25 percent of the applicants are community and ethnic groups. As interpreted by the Office of General Counsel, an ethnic or community organization need not have educational ties with any other educational institution or agency in order to qualify as an eligible applicant under Section 902. Such ethnic and community groups are eligible in their own right as long as they can demonstrate that the organization or group has an educational purpose.

6. In January 1974, the Office of Education formally established the Ethnic Heritage Studies Branch to administer the program. This Branch was placed in the Division of International Education where there is substantial expertise and experience in intercultural learning. The Acting Chief of the Ethnic Heritage Studies Branch is Dr. John A. Carpenter.

7. The Office of Education intends to obligate by June 30 the full amount of $2.375 million appropriated for the program.

8. The Office of Education has engaged in extensive and continuing efforts to insure effective communication and cooperation with ethnic and community groups. A preliminary master mailing list of ethnic groups throughout the country has been developed and over 5,000 fact sheets, applications, and guidelines have already been provided to ethnic groups and chapters. Several meetings have been held with editors of ethnic newspapers and key officials of national ethnic organizations in order to more efficiently disseminate information concerning the program. In addition, published regulations require that each applicant must consult with an advisory council in the planning and carrying out of the program and that the advisory council membership shall have representation from each of the ethnic groups with which the porgram is concerned. Finally, when projects are selected for funding, the Office of Education plans to convene a conference of project directors where this requirement will be among the aspects emphasized.

Questions 9 and 10 of your letter are under study by the Office of Education based on the incoming flow of applications. As soon as the current program cycle is completed and grants have been awarded, the experience we have gained will place us in a better position to provide a detailed response.

Sincerely,

JOHN OTTINA,
U.S. Commissioner of Education.

EXHIBIT 2

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., May 31, 1974.

Hon. RICHARD S. SCHWEIKER,
U.S. Senate, Washington, D.C.

DEAR SENATOR SCHWEIKER: Thank you for your letter of May 8 regarding the National Advisory Council on Ethnic Heritage Studies.

As you know, there was a delay of some year and a half between the mandate and the Congressional appropriation of funds to support the ethnic heritage studies programs. Now the authorization expires June 30, 1974. The brief period remaining is too short, if the program is not going to be extended, to satisfy all the requirements under the Federal Advisory Committee Act for balanced membership, public notice and preparation of such an advisory committee for its meetings and functional performance.

It is our intention to carry out all these advisory committee statutory requirements in appointment of the Council should the Congress pass legislation extending the Ethnic Heritage Studies Program. As it appears that the Congress may extend the program, I have already instructed my staff to begin consideration of the data concerning the large number of nominees proposed by many interested organizations and individuals. A slate of candidates is being readied for my review, and should the Congress

extend the program, I will be prepared to proceed expeditiously with appointment of the Council.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

COMPREHENSIVE NUCLEAR TEST BAN TREATY

Mr. HART. Mr. President, later this month, President Nixon will travel to Moscow. The question of arms controls will be on the agenda.

In light of that strong possibility, I urge the Senate to take prompt action on Senate Resolution 67, which supports a complete ban on all nuclear testing.

The resolution, cosponsored by more than 30 Senators, asks the President to suspend all underground nuclear testing as long as the Soviet Union refrains from such tests, and to seek a permanent comprehensive nuclear test ban treaty.

While underground testing is permitted by the partial test ban treaty signed in 1963, we did agree at that time to actively pursue a total ban. I think time has come to make good on that commitment.

The approach of passing a Senate resolution and the recommendation that tests be suspended are founded on historical precedent.

Senate approval of resolution supporting the concept of a non-proliferation treaty was helpful in securing international agreement to such a treaty.

In seeking the partial test ban treaty, President Kennedy first announced a suspension of tests as long as the Soviet Union did not test.

In asking for prompt action on this resolution, I want to emphasize why I think it is important to pass the resolution before the President goes to Moscow.

Those of us who say Congress should take more of a lead in affairs of state should welcome this opportunity to advise the President on a matter of critical importance.

Those of us who say the business of Government can continue while possible impeachment proceedings are under investigation should welcome this opportunity to demonstrate that belief and to strengthen the President's position in negotiations.

Further, hardliners in both Washington and in Moscow oppose a comprehensive test ban treaty or favor only a threshold agreement, which would permit nuclear underground tests of less than a defined limit.

The Senate should make clear it prefers a no-threshold treaty, for these reasons:

The threshold might be so high as to be meaningless in terms of slowing the arms race.

A threshold treaty might not be tight enough to encourage nonnuclear nations from seeking a nuclear capability.

A threshold treaty might encourage the major powers to develop nuclear tactical weapons on the mistaken belief that such weapons could be used without escalating the conflict into all-out nuclear war.

A threshold treaty might detract attention from securing what should be the ultimate goal—a total ban.

In a world two-thirds poor, in a world in which tens of millions of people face starvation, in a world which still spends more than $200 billion a year on weapons, the need to redirect talent and money from bombs to people should be evident to all.

It would be in the great tradition of this Nation to take the first step in redirecting the resources of the world toward helping those in need.

It would be appropriate and responsible for the Senate to advise and give direction to a President on this question.

And if, indeed, we can direct the resources of the world toward easing hunger and poverty, we will do more to secure a peaceful future for our children then we can by building still more bombs.

LABOR-MANAGEMENT RELATIONS IN THE PUBLIC SECTOR

Mr. TOWER. Mr. President, an excellent editorial appeared in today's Wall Street Journal concerning labor-management relations in the public sector. The editorial noted a recent decision by a New York trial judge, Burton B. Roberts, that the leaders of the New York City fireman's union could be criminally prosecuted for allegedly faking a strike vote that resulted in a partial strike of city fireman last fall.

Justice Roberts recognized the unique conditions with respect to vital public services that exist in labor-management relations in the public sector. The extent of collective bargaining rights in the public sector guaranteed to employees must be not only balanced against the interests of their employers, but also must be balanced against the interests of the general public. The editorial notes that this overriding interest of the public has a basis in common law.

I urge my colleagues to give careful consideration to this issue The approval of a Federal collective bargaining statute for public employees regulated under the authority of either the National Labor Relations Board or by a new Federal independent regulatory agency modeled after the NLRB ranks perhaps only second to the repeal of section 14 (b) in the game plan of the so-called veto proof Congress.

As the editorial so properly states, labor-management relations in the public sector should be approached by a careful understanding and recognition of the problems and concerns that beset public employees throughout the country. This can only be translated into good public policy if it is accomplished through local bargaining with the participation of public employees, public officials, and an interested citizenry. Improvements in the delivery of public services and in the job security of millions of public employees cannot be obtained if the process is to be subject to a Federal regulatory structure that is inherently incapable of taking into consideration the varying needs of the public which differ from community to community.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

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

PUBLIC EMPLOYEES AND THE PUBLIC

In a show of firmness that was overdue, a New York judge recently cracked down on three leaders of New York's Uniformed Firefighters Association who allegedly faked a strike vote that brought about a brief, partial strike of firemen in the city last fall.

Trial Court Judge Burton B. Roberts held that the three were liable to criminal prosecution for public endangerment, which means that if convicted they could go to jail or pay heavy personal fines. That's tougher than the usual penalties for an illegal strike but Justice Roberts commented that "when human lives are placed in immediate peril by the strike of a vital government service, the stakes are higher and so should be the penalties."

However, the question that underlies this and similar cases goes far beyond a simple equation of crime and punishment. The nation now has some 15 million government employes, representing over 20% of the work force as a result of rapid growth in the public sector over the last decade. The services they provide—police and fire protection, education, garbage collection, mass transit—often are indeed vital. Labor-management relations in this sphere are in some disarray.

One thing that all types of governments have traditionally had in common has been a low tolerance for unionization and strikes by their own employes. In the U.S., the federal government and most states have laws that prohibit government employe strikes and apply sanctions of various types against unions that conduct them.

Nonetheless public employe unionization has risen sharply over the last decade, particularly since President Kennedy permitted limited federal negotiation with such unions in 1962. And sanctions or not, the number of public employe strikes has risen substantially as well.

There would be ample grounds for arguing that this trend should be countered with tougher public employe antistrike laws and penalties. That view has a base in common law. Justice Roberts, for example, made it clear that his court is not tolerant of union actions in which "people's safety, lives and homes are held for ransom." It could be further argued that a growing tolerance of illegal strikes does ever more damage to respect for the law. And finally it is possible that public employes emboldened by their successes in collective bargaining, will become increasingly interested in public policy generally as it affects schools, police work and other branches of government, and will end up dictating to the public they are supposed to serve.

Those are all good reasons for a stronger enforcement of antistrike laws for public employes. But the discussion cannot end there. A nation that expects its public servants to perform well must treat them fairly. And if it is to deny them the right it accords other workers to withdraw their labor it must find some way to deal with their legitimate grievances and aspirations. A free society cannot afford to be beaten over

the head by its public servants but it can't afford to beat *them* over the head either.

At one time in our history, so it would seem, it was enough for public servants to have superior job security, a measure of status and the psychic rewards of public service. But relatively speaking, those rewards today are less attractive. Keeping up with inflation has become more important.

One obvious answer—one which applies to any number of other problems—is to kill inflation. The clamor for higher pay, and the willingness to go to extraordinary lengths to acquire it, is almost certain to abate if inflation can be brought under control.

Similarly, it should be a goal of public policy, to maintain some parity between the compensation of the public employes and that of private employes in similar ocupations, neither overpaying nor underpaying public workers. That, of course, is an oversimplification of a complex equation but it can serve as a general objective.

Beyond that, public employes should be encouraged by public officials to participate in the making of public policy, rather than having to fight their way in the door through their unions. Teachers, after all, know a great deal about the problems of the classroom. Policemen know a great deal about the problems of controlling crime. Firemen know a lot about reducing fire risks. Too often, public officials have been too concerned with exercising power and not enough concerned with listening to the legitimate problems of those they direct.

Public employe strikes reflect alienation of workers who traditionally have identified themselves with the public welfare. That is not something to be taken lightly. They should be treated firmly where laws are violated but that is only the beginning of a solution.

SUMMER YOUTH EMPLOYMENT

Mr. JACKSON. Mr. President, every summer as school ends a flood of young people all across the Nation begin looking for summer jobs. These young people are seeking employment in order to earn needed money to assist in meeting their necessary educational and personal expenses, and to fill their summer months with rewarding and productive labor. Every summer thousands of these young people are frustrated because there are never enough job opportunities for everyone.

I am very proud of young Americans who want to work hard and to help earn their own way with high school or college expenses, and I believe that both government and private enterprise should do all that is possible to help young people who simply want an opportunity to work.

I am extremely pleased that in many communities business groups, often in conjunction with youth organizing committees, have formed national and local youth employment programs.

I believe that this effort of private business and young people to help increase summer youth employment is highly commendable and should be strongly encouraged.

I am particularly proud of one such coalition of young people and private businessmen in the State of Washington. The Youth Employment Service in Spokane, Wash., is working very hard to locate jobs for young people. I speak for myself along with Senator MAGNUSON and Congressman FOLEY in strongly endorsing and praising these efforts in behalf of youth employment by YES and other similar groups.

In this regard, YES has designated the week of June 9 through 15 as "Hire a Kid Week." During this week activities are planned to emphasize the need for youth summer employment.

We hope that the support of the Spokane community for YES's program will be strong and that it will serve as an example to communities across the Nation that such programs are both necessary and worthy of public support.

GOLDEN ANNIVERSARY OF THE CLARKE-McNARY ACT

Mr. HATFIELD. Mr. President, 50 years ago today President Calvin Coolidge signed the most significant environmental act of its day. It was the Clarke-McNary Act which had resulted from a Select Committee on Reforestation of this body under the chairmanship of the then senior Senator from Oregon, Charles L. McNary. His colleagues on the committee were other well-known Senate figures and included George Moses of New Hampshire, James Couzens of Michigan, Duncan Fletcher of Florida, and Pat Harrison of Mississippi. Their committee was charged by the Senate "to investigate problems relating to reforestation with a view to establishing a comprehensive national policy for lands chiefly suited for timber production in order to insure a perpetual supply of timber for the use and necessities of citizens of the United States."

After holding 24 hearings in 16 States and the District of Columbia, the committee concluded that Congress should attack the Nation's forest problem by:

First. Extending public forest ownerships in areas where special public responsibilities were involved, like protection of the watersheds of navigable rivers and also where natural difficulties, costs and hazards attending reforestation make it impracticable as a private effort; and

Second. Reduction of the risks and handicaps of private timber growing to furnish the greatest possible incentive to commercial reforestation.

These Senators were joined in their endeavor by Representative John W. Clarke, a forestry enthusiast from upstate New York. The legislation was conceived, supported, and guided through the Congress by two pioneer American foresters, E. T. Allen of the Western Forestry and Conservation Association of Portland, Oreg., and Col. W. B. Greeley, chief of the U.S. Forest Service.

The Clarke-McNary Act firmly established the three-way cooperation of the Federal Government, the States, and the private forest owners in preventing and controlling forest fires. The beneficial environmental record hung up thereunder is both worth noting and exulting about for in 1924 we burned over 28,800,000 acres of our forest lands nationwide. Through the strong impetus of the Clarke-McNary Act which helped build strong forestry departments, we now burn over less than one-tenth of the terrible losses of a half century ago. Every State has a State forestry department now, as well as a citizen organization devoted to keeping it green by forest fire prevention. It has been the State foresters who have successfully translated the Clarke-McNary principle of cooperation into action by tooling up to do the job of preventing and controlling the demon fire. Through 1972 the Clarke-McNary Act has brought organized protection to 1,283,132,000 acres of forest and range lands. Today 91 percent of all our lands which need systematic protection, have it.

The smoke run out of the woods by Clarke-McNary cooperation has had another significant effect upon our environment. Once protection against forest fire became effective so that forest owners had some assurance their property would not be subject to loss from fire, they were encouraged to speed up reforestation by planting new trees where the old ones had been harvested. Up through 1925 there had only been 1,600,000 acres reforested by planting in our entire history. Now we reforest more than that each year and it is increasing constantly.

The Clarke-McNary Act also stimulated reforestation by another provision, too. That was its authorization of helping the States provide trees and seeds for reforestation. This was the way many States got started in the tree nursery business of growing trees for reforestation at cost for farmers and other landowners.

So much of today's preoccupation with the environment implies that no one had ever previously done much about it. The wise forestry leaders like Senator McNary and his colleagues, Congressman Clarke, Colonel Greeley, and E. T. Allen a half century ago gave this Nation its Clarke-McNary Act which has not only been the prime mover in freeing the forests of the Nation of smoke, but has stimulated the greening up of rural America by reforestation. Has any law done more for our environment?

Mr. President, as a Senator from Oregon, the Nation's No. 1 forest State, I feel particularly privileged to honor and commemorate today the genius of the handful of men who gave us the constructive environmental blueprint of the Clarke-McNary Act 50 years ago. Its environmental accomplishments speak for themselves—an America safer from the ravage of forest fires and greener from reforestation.

On this golden anniversary of the Clarke-McNary Act, I invite all my colleagues in the Senate and citizens everywhere to honor the 20,000 professional foresters in Federal, State, and private employ for what they are doing to create a better environment through forestry on the forested third of our country. They are protecting and managing our forest lands so we will always have the environ-

mental advantages of trees. Their renewability guarantees them as our principal source of building, packaging, and communication materials, as well as the other multiple benefits of well-managed forests—water, wildlife, scenery, and recreation.

INCREASED MOBILITY FOR THE HANDICAPPED

Mr. HART. Mr. President, last year Senator PERCY and I introduced a series of bills (S. 1911–1913) to make jobs available to the handicapped and to eliminate transit and architectural barriers to their mobility. The bills would accomplish this through tax incentives to prospective employers, by allowing tax deductions for extraordinary transportation expenses of the handicapped employee, and by assuring that all buildings constructed or renovated with Federal funds be fully accessible.

Not only did we hope to focus attention on the need for action on the Federal level to correct society's failure to allow the handicapped to be self-sufficient, but by example to encourage active concern at other levels of Government and in private life. All this seemed a rather ambitious undertaking on which we were making little noticeable progress. Now comes a letter from a young lady of 10 years who has made the case for the very real and very human needs of the handicapped more persuasively and succinctly than I would venture either Senator PERCY or I could. Therefore, I ask unanimous consent that the letter from Miss Kristi Heft be printed in the RECORD.

In addition to my hope that Congress might be moved to further commitment to the handicapped, I am also asking the new HEW Office of the Handicapped, created by the Rehabilitation Act of 1973, if accessibility to public places could be a special interest of their informational clearinghouse.

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

WEST BLOOMFIELD, MICH., *April 29, 1974.*

Senator PHILIP HART,
U.S. Senate,
Washington, D.C.

DEAR SIR: During my spring vacation I made a trip to Toronto, Canada. I undertook a survey of the facilities for the handicapped enroute. Although some strides have been made in Michigan in the handicapped area, they amount to nothing compared to the advances in Canada. I am only ten years old, but I have been interested in this for more than three years because my grandmother has multiple sclerosis and I must accompany her in places where my grandfather cannot go. Do you know what it is like not to be able to get through a doorway? To have to stop because the curbs are too high? To have a table too high or too low? Or to go to Somerset Mall in Troy, Michigan, and have a theater down an untold number of steps? Or to have owners of those in charge not wanting you around because it might hurt business or make patrons feel funny? We have been through all this but it is in the restroom area I must accompany, and it is bad.

May I have your help in furthering my project to make this known to officials who can do something about it? I have the U.S. Document "Design for All Americans", but if you can't get the local officials interested, what good is it?

Sincerely,

KRISTI A. HEFT.

NATO PLANS TO PROTECT AFRICAN CAPE ROUTE

Mr. CRANSTON. Mr. President, recently several distinguished newspapers have carried reports detailing allegations that the North Atlantic Treaty Organization has drawn up secret plans for the air and naval defense of sea routes around southern Africa. A report prepared for the United Nations Decolonization Committee has raised the point that such secret contingency planning could turn into an American and NATO commitment to defend the white minority regimes of southern Africa against both internal and external threats. These are very serious allegations, Mr. President, and I intend to investigate them further. I ask unanimous consent that the following articles be printed in the RECORD.

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

[From the Observer, May 18, 1974]

NATO PLANS TO PROTECT AFRICAN CAPE ROUTE

(By Andrew Wilson and Sue Masterman)

THE HAGUE.—The head of the NATO Press service admitted to THE OBSERVER in a telephone call from Brussels yesterday that the NATO Supreme Commander, Atlantic, Admiral Ralph Cousins, had received secret authorisation to study possible operations in the Southern African area.

The allegation that SACLANT had been given a secret directive to conduct contingency planning in the area was made in a United Nations commissioned report leaked earlier in the week to Parliamentary circles here. The report says the study is intended to prepare the way for the setting up of a "counter-intervention" force in the area with South African co-operation; but NATO vigorously denies this.

According to the NATO Press chief, authorisation for the study of SACLANT was given in October 1972, because of concern at the possibility that the Soviet Union could interfere with oil supplies for Europe and America round the Cape.

Asked why the existence of the directive had been kept secret, he said: "It is a purely military matter, and thus one we do not normally talk about."

The United Nations report—commissioned for the General Assembly's decolonisation committee, and, until its adoption, still technically a "draft"—has already increased the threat of a crisis in the Dutch Coalition Cabinet, where Socialist members are committed to making defence cuts.

The report was written by three American professors: Sean Gervasi, an economist formerly at Oxford; Lawrence Bowman, of Connecticut University; and Ellen Frey-Wouters, of the City University of New York. It says the directive to SACLANT came as a triumph for a largely British pressure group that had been working on behalf of the white regimes in Southern Africa since the 1960s; and that one of the principal figures was the former Chancellor of the Duchy of Lancaster, Mr. Geoffrey Rippon.

From 1970 the British Government began to press its allies for an extension of NATO. Members of the Government were aware of the opposition to the idea among their allies. . . . They therefore proceeded to press for various *ad hoc* arrangements. In this, they seem to have had some support from the Nixon Administration.

In the spring of 1972, the supporters of defence co-operation with the white regimes scored their first important success. The Military Committee of the North Atlantic Assembly appointed a sub-committee to examine the "Soviet maritime threat."

The report says the purpose of establishing the committee was to bring the "threat" to the Cape route into the open; and the appointment as its *rapporteur* of the right-wing British MP Mr. Patrick Wall was part of an attempt to commit NATO to the policies recommended by Mr. Rippon.

It says that in a draft working paper in June 1972, raising the question of "NATO being outflanked to the south," Mr. Wall was making a barely-veiled argument for a naval alliance with South Africa. "It bears repeating that this could not have been accidental. One can only deduce that the results which Mr. Wall produced were those which were intended by those who secured his appointment."

According to the report, the draft working paper prepared by Mr. Wall's sub-committee had to be toned down, for political reasons, by the NATO Assembly's Military Committee.

After the committee approved the report the discussion continued in the full Assembly in Bonn, with the result that the Assembly approved "Recommendation 22." This urged the North Atlantic Council to give SACLANT authority to plan for the protection of the Cape routes.

The UN report says the recommendation caused considerable disquiet in a number of European countries.

It goes on: "Western Governments have been very sensitive about this and have gone out of their way to deny that any thing has actually happened.

"It is now clear that this is not true. The 1972 deliberations of the Assembly . . . were the prelude to an official decision to move towards defence planning with the white regimes. The decision was taken at a Ministerial session in Brussels when the Defence Planning Committee of NATO issued a classified communique in response to Recommendation 22. The communique gave SACLANT authority to plan for contingencies 'outside the NATO area'."

[From the New York Post]

NATO TO AID WHITE AFRICA?

(By Michael J. Berlin)

American and NATO military officials are actively engaged in secret contingency planning that could turn into a commitment to defend the white minority regimes of southern Africa against both internal and external threats, according to a report prepared for the UN's decolonization committee by three American academies.

On the official level, the commitment has reached a point where the NATO defense ministers in a communique—issued last June in Brussels, but still classified as secret—authorized the Supreme Allied Commander in the Atlantic region (SACLANT) to plan for contingencies "outside the NATO area."

NOT ENOUGH FORCES

SACLANT, headed by American Admiral Ralph W. Cousins and based in Norfolk, Va., has already begun gathering information on bases that might be required in the southern African area, the needed reconnaissance and communications facilities, shipping lanes, traffic density and the "oceanographic situation."

So far, The Post learned from an informant, SACLANT has reached the conclusion that NATO itself does not have sufficient forces to deal with that area. And the corollary to this is that a defense arrangement involving the white minority regimes of southern Africa, South Africa in particular, is required.

Ostensibly, the NATO purpose is to protect the shipping route between the Persian Gulf and Europe, used to transport much of the West's oil, from a potential Soviet naval threat.

This route, a SACLANT spokesman admited to The Post in a telephone interview from Norfolk, is an "area of concern" for NATO. But the spokesman insisted that NATO activities remain "bound" to its authorized area—north of the Tropic of Cancer—and he added that "SACLANT has no plans for the air and naval defense of South Africa."

Technically, of course, the denial is accurate. The plans SACLANT is formulating officially involve not the defense of South Africa, but the sea route around its Cape of Good Hope.

But the report prepared for the UN committee says that defense of the sea route would be impossible without "active cooperation, at several levels, with the defense forces of Portugal and South Africa."

The UN report, prepared by Sean Gervasi, a fulltime UN consultant, with the collaboration of Prof. L. W. Bowman of the University of Connecticut and Prof. Ellen Frey-Wouters of CUNY, goes on to make the argument that although the importance of the sea lanes around southern Africa is real "the threat to the Cape route is minimal."

The report says that the real motivation of the NATO planners was hinted at in the NATO Assembly action that set the SACLANT contingency planning in motion—to "relieve pressure on * * *."

The authors of the UN report quote an unnamed NATO official, who was involved in the action that set SACLANT in motion, as saying that the contingency planning was designed to make it possible "to go to the aid of our potential allies in southern Africa if the need should arise."

The debate over protection of sea routes, the UN report says, is a "smokescreen" designed to hide from the public of the Western nations an evolving alliance designed to sustain the rule of a South African government that practices the racist system of apartheid, repugnant to majority public opinion in most NATO nations.

Several Western nations, the U.S. included, have moved quietly and individually in the last few years to bolster the military capacities of the southern African white regimes against internal pressures from "liberation movements," which the West has seen as extensions of Soviet and Chinese influence. The UN report details the flow of American (as well as British and French) military items to the Portuguese colonies, including large quantities of the defoliants the U.S. used with such devastating effect in South Vietnam.

EXCHANGE DATA

The Post learned that the U.S. and South Africa have already begun informally, through the U.S. Naval Attache there, to exchange intelligence information on Soviet ship movements in the Indian Ocean area.

All this stemmed from a National Security Council decision, coordinated with NATO early in 1970, to bolster positions against Soviet influence all along the shores of the Indian Ocean.

But the current contingency planning undertaken by SACLANT could lead far beyond that—by building an infrastructure of military relationships and a rationale to expand them into direct U.S. military involvement.

The recent Portuguese coup, which leaves the future of the Portuguese territories of Angola and Mozambique—buffers between South Africa and black Africa—very much in doubt, has spotlighted the inherent long-term instability of what had been termed the "white redoubt" of southern Africa.

[From the Times of London]

NATO LEAK SHOWS PLAN TO PROTECT SOUTH AFRICA

THE HAGUE, May 19.—The Nato command in the southern Atlantic (Saclant) received authorization in October 1972 to draft a study of possible operations in the southern African area. The fact was confirmed by a Nato spokesman in Brussels after the leak of a draft working paper to the United Nations decolonization committee.

The initiative for Saclant's authorization, according to the draft report, came after pressure from a British contingent.

The report claims that the authorization to Saclant was given under "smoke screen" motives for protecting the tanker transport routes around the Cape of Good Hope from possible Soviet naval interference. It was, the draft report claimed, an excuse to draw up plans for the protection of the white minority regimes in southern Africa in order to secure supplies of minerals, in particular heavy metals, from those areas for Nato member countries.

The draft working report has been drawn up by an American Oxford graduate and former lecturer, Mr. Sean Gervasi, an economist, who is now working as an adviser for the Tanzanian Government. He was assisted by two American professors. The United Nations secretariat have hastened to point out that the draft report was not exactly what the United Nation commission for decolonization had commissioned from Mr. Gervasi.

[From the Guardian]

NATO ROW OVER CAPE DEFENCES

(By Patrick Keatley)

Four NATO Governments—Denmark, Norway, Holland, and Canada—are unhappy about the confidential instruction issued at a ministerial meeting in Brussels in June last year which has led to the preparation of a secret contingency plan for air and naval defences of the sea routes around the southern tip of Africa. The row has come to light as a result of the activities of a Dutch parliamentary committee which has been investigating NATO policies with a view to recommending cuts in defence expenditure.

There was no comment from the Foreign Office last night and in Washington the Defence Department has flatly denied that a contingency plan exists.

However detailed evidence has been compiled in a 275-page report prepared for a UN committee by the American authority on southern African affairs, Dr. Sean Gervasi, who taught at Oxford. He was in Holland last week.

The gist of the study is that the Supreme Allied Commander, Atlantic. Admiral Ralph Cousins of the US Navy, was asked to implement the directive, and that he has ordered his staff to prepare plans on how the NATO forces could protect the sea lanes around the Cape of Good Hope in an emergency.

[From the Sunday London Times, May 19, 1974]

NATO'S SECRET PLAN FOR CAPE

(By Peter Watson)

Secret plans for the air and naval defense of sea routes around southern Africa have been drawn up by the North Atlantic Treaty Organisation. The Supreme Allied Commander in the Atlantic, US Admiral Ralph W. Cousins, has made the contingency plans at his headquarters in Norfolk, Virginia, on instructions from a classified communique issued by a ministerial meeting of Nato's defence committee held in Brussels last June.

The plans are the first official sign that Nato may be willing to extend its activities beyond the Tropic of Cancer.

The plans, according to the ministerial communique, are to counter the "Soviet maritime threat," particularly to the West's oil from the Persian Gulf. They are supposed to exist on paper only and refer to such things as traffic density in the sea lanes around the Cape, reconnaissance capabilities from local airports, communications facilities in the area and oceanographic details.

Joint manoeuvres are ruled out and no non-Nato governments are to be consulted. "No action is to be implied by the drawing up of the plans," according to the communique.

These moves are disclosed in an as yet unpublished report by an American consultant to the UN Special Committee on Decolonisation. The consultant, Sean Gervasi, an American political economist who has taught at Oxford and the London School of Economics, was commissioned by Salim Saleem, the Tanzanian Ambassador to the UN and chairman of the UN Special Committee in August, to produce a report on Portugal, the Western powers and Southern Africa.

The report was completed in March and Mr. Saleem said in New York yesterday that the report is now being considered by the special committee. They might present it to the full UN Assembly. He said he felt that "some" of the report would have to be published.

However, says Mr. Gervasi in his report, other Nato studies in connection with the plans show that defence of the Cape sea routes is "impossible without the active cooperation, at several levels, with the defence forces of Portugal and South Africa."

He says South Africa has the only detailed maps for 3,500 miles of coastline in the area and has been making these available to Nato via the Simonstown agreement with Britain. (The agreement was unilaterally extended by South Africa last week, more bases being made available to Britain.)

South Africa, the US and Britain have been co-ordinating communications equipment in the past few months. The US and South Africa have already begun to exchange information on Soviet ship movements in the Indian Ocean.

Inevitably, says Mr. Gervasi, innovations like the cooperation over counter-insurgency training with the Portuguese raises the question as to whether one of the contingency plans included in Nato's researches is an internal situation threatening to the right regimes in the area.

Last week, the British Foreign Office offered "no comment" on the plans. The Pentagon denied their existence.

A spokesman for Admiral Cousins admitted that the Cape routes were "an area of concern" for Nato but insisted that Nato activities remain bound to the authorised area, north of the Tropic of Cancer.

But Mr. Harry de Vreiss, official spokesman of Nato in Brussels, conceded that most of Mr. Gervasi's disclosures are correct. When asked why the plans were kept secret, he replied: "It was seen as an internal military affair which should not give rise to misunderstanding."

However, he contributed to that misunderstanding when he added that the conditions under which the Nato forces would be

mobilised included not just "war," but "crisis" as well. He would not elaborate on what "crisis" meant.

INTERNATIONAL ENVIRONMENTAL SYMPOSIUM

Mr. JACKSON. Mr. President, an estimated 5 million people will discover the Pacific Northwest and visit Spokane, Wash.—the site of Expo '74 before it closes next November.

This is the first international symposium ever held on the subject of maintaining a quality environment.

Thousands have already visited the Expo site and the first discussions on the environment have already been held.

It was my good fortune to visit the fair on May 19 and address a symposium on the environment at Gonzaga University.

My message on that occasion was simply this. At the heart of the environmental problem we face is how to deal with the basic resource—land. Land is the premise on which we make all moves, and unless we get that house in order we cannot do all of the other things we need to do to maintain a quality environment logically and reasonably.

I am proud that the Senate has taken prompt and early action to provide national land-use legislation. Hopefully House action on this measure will come before the end of this Congress.

Because of the importance of bringing about a broad understanding of this issue I ask unanimous consent that my remarks on land use delivered on that occasion be included in the RECORD at this point.

In addition I ask unanimous consent that my remarks published recently in Passages magazine on the subject of Expo '74 be printed in the RECORD.

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

REMARKS BY SENATOR HENRY M. JACKSON

It is altogether fitting that the first international exposition with the environment as its theme is being held here in the Pacific Northwest. Certainly nowhere on this continent is there a more impressive environment than ours. And nowhere on this continent are these citizens more sensitive to the necessity of protecting environment quality. Statutes such as Washington's Shorelines Management Act, its State Environmental Policy Act, and Oregon's Land Use Law, attest to our environmental concerns. Initiatives such as the rehabilitation of Lake Washington and the Willamette River in Oregon demonstrate this region's commitment to back legislation with strong action.

It was, as you know, the signing of the National Environmental Policy Act on January 1, 1970, that ushered in a new era of national environmental consciousness. This Act had three major purposes:

It provided a mandate to all Federal agencies to protect the quality of our environment.

It created a Council on Environmental Quality to insure that the mandate is carried out.

It established a set of "action forcing" administrative procedures which require an environmental impact statement on any proposed major Federal action which would adversely affect the environment.

As the author of that Act, I take pride in its proven strength. However, if we are truly to protect our environment, we cannot rest on past legislative achievements.

To meet the environmental mandate which NEPA provides requires more than case-by-case decisionmaking—no matter how balanced it is, no matter how environmentally sound it is. We must have decision-making which is based on planning. Before we can make specific decisions on various uses of any resource, particularly a finite resource, we must know all of the competing demands on that resource—economic, social, and environmental—and we must attempt to balance those demands. This can only be done by planning.

No finite resource is more important from an environmental standpoint than our LAND. On no other resource are the demands more severe. To preserve the environmental quality of land we must plan its use.

As Chairman of the Senate Interior and Insular Affairs Committee, I have devoted a great deal of time to land use questions. Since 1964, my Committee has approved and the Congress has enacted legislation to set aside over 14 million acres of land and water for the use and enjoyment of all Americans.

These were "National" land use policy decisions. They were made in the belief that the dedication of a part of America's land base for recreational, scenic, historic, cultural, and wilderness purposes is a high priority national goal.

Important as these past decisions are to our national well-being, they fall short of what is required to meet the emerging national land use crisis.

Let no one be mistaken, we are faced with a national land use crisis. Our advanced technology, our growing economy, and our expanding and more mobile population are placing truly unprecedented demands on our land base. We simply are not making any more land; yet, we are demanding more and more of it to house, feed, school, transport, and supply the material and recreational needs of our people.

To meet this land use crisis—to reverse the tide of environmental deterioration, urban blight, and suburban sprawl, and to provide for the timely siting of critically needed development—we must wisely plan the land's use.

We can delay no longer. The pressures upon our land are nearly overwhelming.

Over the next 30 years, the pressures upon our finite land resource will result in the dedication of an additional 18 million acres or 28 thousand square miles of undeveloped land to urban use.

This urban sprawl will consume an area equal to all the urbanized land within our major cities, the equivalent of the total area of New Hampshire, Vermont, Massachusetts and Rhode Island.

Each decade, new urban growth will consume an area greater than the entire state of New Jersey.

Vast areas of land are required to meet plans for industrial expansion. In the next two decades, one industry alone—the electrical power industry—will need three million acres of new rights-of-way for additional high voltage transmission lines and more than 140,000 acres of potential prime industrial sites for over two hundred new major generating stations, and will require immense acreages of land to be disturbed by strip mining for coal.

In summary, by present projections—between now and the year 2000—we must build again all that we have built before. We must build as many homes, schools, airports, and hospitals in the next three decades as we built in the previous three centuries.

Our nation's economy and environment can no longer bear the burden of the chaotic, ad hoc, case-by-case, crisis-to-crisis, land use decisionmaking which all levels of government have indulged in the past. We can no longer countenance a situation in which many critical land use decisions are the exclusive province of those whose interests are selfish, short-term and private. In the future, in the face of immense pressures on our limited land resources—these land use decisions must be long-term and public.

The Federal government can and must assist the states and localities to reform their institutions and procedures in order to improve their land use decisionmaking. Federal financial assistance is, of course, most critically needed. State and local government, confronted with the funding demands of programs to solve immediate problems, are seldom able to segregate sufficient funds to conduct planning—even when such planning could result in avoidance of numerous future problems. But—let me be frank with you—federal assistance is also needed to provide much needed political muscle. Without federal legislation requiring reforms and offering funds to do so, most states could not move the necessary enabling legislation. Numerous governors have told me privately how much they are counting on federal legislation to place them in a stronger position with their own legislatures. Otherwise, it takes a crisis—a Santa Barbara oil spill, a threat of a refinery on the Maine coastline, massive destruction of scarce open space in Hawaii—to precipitate state action. In my view, state action should be taken before the crisis, not in panicked reaction to it.

With this in mind, I have introduced and fought for a National Land Use Policy Act. My bill was first introduced in 1970. It has been reported by the Senate Interior Committee three times and has twice passed the Senate by wide margins, most recently on June 21 of last year.

My bill would—

Encourage the states, which have the police power and the basic constitutional authority for planning and management of non-federal lands, to take the initiative in developing state land use programs;

Provide $800 million in grant funds to the states for staffing, data gathering and analysis, and development of the land use programs;

Encourage passage of the necessary state enabling legislation to insure implementation of the state land use programs;

Direct federal agencies to comply with approved state land use programs; and

Put the federal "house" in order by providing for interagency coordination of federal programs which have significant land use impacts.

The bill does not ask the states to do master planning and state-wide zoning, rather it encourages the states to focus on five categories of critical areas and uses.

Perhaps, one of the strongest commonly held beliefs concerning government is that local zoning is the last bastion of truly democratic government. For 90 percent of zoning decisions this belief is accurate. But for a critical 10 per cent of the decisions—those decisions which impact way beyond the jurisdiction of the local zoning board—the belief is myth. These critical decisions may result in the crowding of others' schools, jamming of others' roads, polluting of others' streams, and adding to the tax burden of others. Yet those other people can neither participate in the decisions or vote for the zoning officials who make those decisions. The State governments elected by these people must serve as their representatives.

How the states implement their programs is a decision for the states to make. Most states will likely reassert the authority of local government to fully plan and control land uses. The states would review the localities actions to insure they accord with state guidelines devised to safeguard the boundaries of those localities.

It is my hope that this very reasonable, widely supported measure will soon be enacted into law. However, the House action

on the bill has been slowed by last minute scare tactics. These tactics are being employed by ideological fringe groups and those few representatives of industry who have long practiced the bending of land use controls to the public's detriment, but to their own financial benefit. These few still contend that social and environmental change cannot or should not be consciously planned or given direction. They make dire predictions of ruin—destruction of property values, surrender of local control, socialism—should the laws of the free market be amended, no matter how slightly, by the laws of society. They argue that public planning and implementation of policies to protect the public interest and the environment somehow invade constitutionally protected rights. They make these arguments in the face of the opinion of the many constitutional scholars and the Department of Justice officials who have stated that property rights are fully protected in the bill's language.

The scare tactics include cries that land use decisions will no longer be made by state and local officials but by civil servants in distant Washington. The opposite is true. The Land Use Policy and Planning Assistance Act is the nation's best and probably last chance to preserve and to invigorate state and local land use decisionmaking and to insure that basic property rights are not infringed by faceless Washington bureaucrats, far removed from the sites of land use problems.

The Act is an affirmation of states rights. It is a statement of belief that, if urged and aided, state and local government, working together can provide a better design for tomorrow—a design which embodies all legitimate values and goals, local, regional, and national.

If state and local governments do not accept this challenge and do not implement this bill, the only solution will be the usual solution for national problems: Federal control. No one wants national zoning; but unfortunately I believe that, if we turn our backs on the opportunity and shirk our responsibility to improve land use decisionmaking now, by the end of this decade in an unthinking response in a crisis atmosphere we will mandate federal zoning.

We must begin to plan for our land today for it is truly our most valuable resource. It is our most valuable resource because, first, it is finite. Gone are the days when one could move ever westward in search of new land—a new and better place to live, to work and to play. Second, not only is land finite, but unlike air, water, and many minerals and materials, land too often cannot be "recycled". Mountains carved by strip mines, wetlands dredged and filled, or streams channelized frequently cannot be returned to their former use or beauty. Land selected for parks may bar needed housing for years to come. Land prematurely chosen for housing may be uniquely suited for the siting of a desperately needed airport. Land committed without planning to a use today, be it social, economic, or environmental, may be unable to support uses which our children will find preferable in the future.

The message is clear: To protect our land and both the environment and economy it sustains we must carefully plan its use. We must improve our land use decisionmaking, institutions, and procedures so as to leave a better legacy to future generations of Americans than the unsightly, unproductive, and unrewarding land resource we are shaping today.

I will be very interested to see whether the participants in the environmental symposia come to share my belief that proper environmental protection requires effective, citizen-based land use planning and management. How many international expositions truly study the themes they espouse? I am delighted that EXPO '74, true to its environmental theme, will house the Environmental Symposium Series.

Thus, it gives me great pleasure to introduce the National Chairperson of the Expo '74 Environmental Symposium Series, Doctor Edward B. Lindeman. In 1970, after 27 years in the aerospace industry, Dr. Lindeman became President of Whitworth College here in Spokane. Dr. Lindeman's credentials as a concerned environmentalist are impeccable. Not only has he been a moving force behind these symposia, but he is also serving on the Governor's Task Force on "Alternatives for Washington"—a task force of 150 persons charged with the task of exploring alternative futures for the State of Washington over the next 15 years.

THE ENVIRONMENT OF EXPO '74

(By Senator Henry M. Jackson)

Between May and November of this year, an estimated five million people will discover the Pacific Northwest. They will be attracted to this remarkable land by Expo '74—the first international exposition ever held on the environment.

The central theme on Expo is "Celebrating Tomorrow's Fresh, New Environment," and the purpose of the Spokane World's Fair is to offer to people throughout the world a program for the improvement of man's physical environment.

The exposition will demonstrate how the air, water and land can be used to benefit man without pollution. Exhibitors include Russia, the Republic of China, Japan, Mexico, Australia, Korea, Iran and several European nations, among the many foreign participants; and the United States and several state, institutional and industrial pavilions are expected to attract much attention.

Planning for this great enterprise began in early 1970, and construction on the 100-acre exposition site in downtown Spokane started in the fall of 1972.

The site, including Havermale and Cannon Islands and the north and south banks of the cold and clear Spokane River, is crowned by the spectacular Spokane River Falls, a splashing attraction usually found only in remote Alpine areas.

Most of the Expo visitors are expected to ride a gondola that will whisk them down the Spokane River gorge and across the face of the falls.

It won't be quite like tumbling over Niagara Falls in a barrel, but it will be an exciting trip over crashing water.

Spokane is 290 miles east of Seattle, and ninety-five miles south of the Canadian province of British Columbia. The Rockies begin only a short drive east of Spokane, on the way through Idaho and into Montana.

Expo is a contagious community fever that has caught the support and excitement of Congress and foreign governments. Congress last year approved $11 million for the event, including some $5 million for construction of the U.S. Pavilion which will be located on a four-acre site. Within the Pavilion, the visitor will be able to walk from the theatre area, through a central courtyard, en route to the multi-media Environmental Action Center—all under the pavilion's huge translucent roof.

The purpose of the U.S. Pavilion, expressed in film, garden and exhibits, is to present environmental and ecological issues for public scrutiny, and suggest alternatives to help maintain a quality environment.

The Japanese will demonstrate a model of a pollution-free, industrial complex and an innovative city traffic system.

Pollution control and ecological safeguards are topics of serious discussion in the Soviet Union, and Russian representatives say their exhibit will feature the Soviet approach to these problems.

The theme of the Republic of China (Taiwan) Pavilion is expressed in six Chinese characters—cheng-teh, li-yun, hou shong: One must with perfect virtue serve the reasonable requirements of the people and enrich their lives.

The people of Washington are solidly behind Spokane's ambitious undertaking. They remember fondly the glowing success of the Seattle World's Fair of 1962—a jewel in the great succession of world expositions during the early sixties. The Seattle fair was the only World's Fair, to that point in time, to end in the black. Good management and a good show paid off. The visitors loved it.

Washington's state legislature actually topped the federal government, by approving an $11.9 million exhibit for Expo '74, including a 2700-seat opera house and a gallery to show major American landscape art dating back to colonial times. Originals by John Audubon, Andrew Wyeth, Charles Russell and others will draw the crowds.

Industry will play a major role in the success of Expo.

A Ford Motor Company spokesman has declared: "We hope our exhibit at Spokane will portray some exciting new concepts in recreation vehicles and their utilization by the growing numbers of people who want to travel and live outdoors."

General Motors displays could range from a full-scale Lunar Rover and the General Motors Experimental Safety Vehicle, to latest advances in gasoline-powered and electric cars and operating cutaways of automobiles and engines.

A permanent outdoor theater to serve as a setting for concerts, musical and dramatic events and public ceremonies is being developed by Boeing. It will adjoin the Soviet and European pavilions on the quiet eastern frontage of Havermale Island. The Smithsonian Institute, with its huge 1976 Bicentennial festival scheduled on the Mall in Washington, D.C., will establish a miniature of the '76 national show of Spokane. The Institute's four acre riverfront park on the north shore is expected to come up with some of the most popular events of the six-month run.

Geared to the cultural and ethnic origins of the Pacific Northwest, the Smithsonian Theme Park ("The Northwest: A Gift of the Earth"), will provide a continuously changing program. One day, American Indians will present a show or activity—part of the ongoing Expo series of self-proposed and directed American Indian events. On another day, perhaps the Northwest's Scandinavian population will be featured displaying their culture. It is the first time that the Smithsonian has participated in a World's Fair.

There will be a feast of some of the world's greatest entertainers.

Already booked into the Fair are the Los Angeles Philharmonic, Cleveland Philharmonic, Van Cliburn, Isaac Stern, Edward Villella of the New York City Ballet, Roberta Peters, the Carpenters, Gordon Lightfoot, Liberace, Disney on Parade, the King Family, Joffrey Ballet and more.

With people from all over the world expected to converge on Spokane for Expo '74, the community is making final preparations to accommodate the influx. A downtown program of beautification has paid off, giving a pleasant, tree-shaded appearance to the city center.

The big fair has also provided an object lesson in conservation.

Spokane's first families are actually a colony of yellow-bellied marmots—small furry animals somewhat larger than their woodchuck cousins who have lived on the fair site for longer than man.

When construction was announced, Maurice Vial, Spokane architect and member of the Spokane chapter of the Audubon Society, expressed concern for the safety of the resident marmots in a letter to King F. Cole, President of Expo '74. "These animals saw the pioneers arrive," Vial said. "Since they

were the original residents, I felt they deserve special consideration."

Because of Vial's concern, the animals are being relocated to new homes along a rock bluff west of the city. At the end of the Fair, they will be returned to their island homes to become permanent caretakers of Spokane's new city park, as the World's Fair grounds are slated to become.

Area youth are getting an ecological object lesson, forming search parties for abandoned automobile hulks destinued for the scrap pile. The Goal of The Expo '74 Youth Task Force, "Operation Carcase," is to remove all abandoned automobiles from the Spokane area and to recycle them through the scrap-metals market. It is a clean-up activity so visitors to the city of 200,000 will view an environment unspoiled by the litter of rusting automobile bodies. In the first few weeks, more than 500 unsightly automobile hulks were identified for removal by the primarily high school-age search party.

The exposition will, in a major way, be an environmental event in itself. The area, once a tangle of railroad tracks and derelict buildings, will become a massive redevelopment and rehabilitation project which will restore the river and surrounding terrain to its former natural beauty. With thousands of trees to be planted, and the many areas of grassy walkways and quiet pools to be installed, the site of the world's first environmental exposition will be both dazzlingly beautiful and tranquil.

Spokane is gearing up for the visitors. Expo has established its lodging and information services: Hospitality Services, P.O. Box 1974, Spokane, Washington 99210, (509) 456–1974. Accommodations within 100 miles of Spokane are being categorized and listed, and reservations are now being accepted. Information on Northwest touring is also available, as well as a comprehensive entertainment guide for Expo's duration.

Local universities are helping out, too, with hostel programs at Gonzaga, Whitworth, Eastern Washington State College, Fort Wright and Washington State University.

In the area of eastern Washington, campgrounds, state parks, national parks and resorts abound. Visitors to Washington find three exciting National Parks—Mount Rainier, Olympic and North Cascades. No other state has an Alpine collection.

As an integral part of the fair, the world's leading environmentalists and scientists will converge on Spokane for a series of international conferences opening May 1, 1974, and continuing throughout the fair. The conferences will be on energy, population, conservation, pollution, natural resource management, land use and health and social interests. The National Science Foundation has been assisting the program.

The people of the Pacific Northwest know and care about the environment in which they live. Ecology and the environment have been important there for years. They used to call it conservation. It was conservationists who helped block off great pristine areas of the Northwest. They have protected fish and wildlife, and they have made as much as they could of the forests and beaches available to all the people. They have succeeded in some cases and they have failed in others. People of the state of Washington are proud of their area and of their way of life. They think that visitors from other states and countries will learn much about the environment—from the Spokane Expo and the great sprawling land that surrounds it.

Mr. JACKSON. And finally as a way of emphasizing the price in both the Northwest and in Expo which has characterized the effort by our people to emphasize the need to preserve the beauty of nature. Mrs. John J. Bell of Oak Harbor, Wash., wrote a letter to me recently in which, she included a song lyric she had written to help the city of Spokane tell the world about Expo '74.

I ask unanimous consent that Mrs. Bell's letter and lyrics be included at this point.

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

OAK HARBOR, WASH.,
April 14, 1974.

DEAR MR. BING CROSBY: First, let me thank you for the delightful reply you sent us to the get well card I sent.

Spokane claims you for its own. Spokane is having a Fair. I don't think they have a song for it. So I wrote this lyric:

The FAIR-est words
You've ever heard
Are spoken in Spokane,
They're asking you
To come and view
New wonders if you can.
You'll sigh your sighs
And realize
Your dreams could all come true.
So join our song
And come along,
Spokane's in love with you!

This is a better song than Seattle had for its Fair. It could catch on and sell the '74 Fair, put Spokane on the map and do a lot of good.

I used to live in Spokane, and I want to give Spokane these song words. I have not copyrighted them. I ask no profit for myself. I only ask someone pass them to the proper authorities. Maybe your agent would think you should sing this song as a promo for the Fair in your home town.

You receive so much mail you can't possibly read it all so perhaps this letter will never come to your attention. So I'll send copies of it to various officials, media, and Gonzaga University. As one former resident of Spokane to another, I had to reach out to you and ask if you could pass this song along to someone who can help Spokane with it. Can someone help?

Thank you for your kind consideration.

Sincerely yours,

MRS. JOHN J. BELL.

CLOSER COOPERATION WITH EUROPEAN ALLIES IN MILITARY RESEARCH AND DEVELOPMENT

Mr. McINTYRE. Mr. President, in my continuing efforts to publicize the advantages to be realized by closer cooperation with our allies in research and development, I have just received a report from the General Accounting Office, dated June 4, 1974, No. B–167034. The title of the report is "Benefits and Drawbacks of U.S. Participation in Military Cooperative Research and Development Programs with Allied Countries."

It is very satisfying to learn from reading this report that the independent study by the General Accounting Office arrives at the same conclusion, that there are substantial benefits to be derived from such cooperation.

I request unanimous consent that this report be printed in the RECORD at the conclusion of my remarks.

The report also recommends that the Department of Defense prepare an annual formal summary of international cooperative activity to be submitted to the Congress each year with the budget and that the summary should identify all significant programs and indicate their estimated cost, development categories, and benefits. The Director of Defense Research and Engineering, in his letter of August 21, 1973 to the General Accounting Office, concurs with this recommendation. A copy of his letter appears as appendix III in the subject report.

I would also like to call the attention of my colleagues to pages 120 through 123 of committee report No. 93–884 on the fiscal year 1975 military procurement bill, which expresses the committee position in support of greater cooperation with our allies in areas of mutual interest.

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

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C.

To the President of the Senate and the Speaker of the House of Representatives.

We are reporting on the benefits and drawbacks of participating in international cooperative research and development programs.

We made our review pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

We are sending copies of this report to the Director, Office of Management and Budget; the Secretary of Defense; and the Secretaries of the Army, Navy, and Air Force.

R. F. KELLER,
Acting Comptroller General of the United States.

BENEFITS AND DRAWBACKS OF U.S. PARTICIPATION IN MILITARY COOPERATIVE RESEARCH AND DEVELOPMENT PROGRAMS WITH ALLIED COUNTRIES, DEPARTMENT OF DEFENSE, B–167034

DIGEST: WHY THE SURVEY WAS MADE

GAO studied cooperative military research and development by the United States and one or more allied countries to determine the extent of U.S. participation; assess benefits, and identify problems.

Basic information

The Department of Defense (DOD participates in cooperative military research and development programs with allied countries to strengthen military alliances and use free world resources more effectively.

DOD's former Director of Defense Research and Engineering estimated that U.S. allies spend about $3 billion annually for military research and development and that about $1 billion of this amount is in areas where the United States is conducting military research and development.

DOD policy is to restrict cooperation to programs which will satisfy a military need and which will provide the United States with full design and production rights. Programs not adversely affecting the U.S. balance of payments are preferred.

FINDINGS AND CONCLUSIONS

Extent of DOD participation

As of September 30, 1973, there were 21 ongoing programs with a total U.S. investment of $172.1 million. There were another eight ongoing small programs for which the extent of U.S. investment could not be determined because agency records were incomplete. In addition, GAO identified 15 programs that had been terminated; U.S. investment in these ranged from $30,000 to about $523.7 million (See pp. 7 and 8.)

Descriptions and particulars of ongoing and past programs appear in appendixes I and II.

International cooperative research and development is only partially visible in military budgets. Large programs identified as cooperative programs are commingled with all other research and development programs. Small programs, particularly in basic research and exploratory development, are not broken out of broader budget-reporting elements and are not visible as international programs.

There is no single place where all international cooperative activity is summarized. (See p. 8.)

Advantages of international participation

By pooling economic and technical resources, allied nations can obtain needed equipment and technology at a lower cost and can have access to unique geographical features of other countries.

Primary incentives for participating in international cooperative research and development may be economic. By teaming up with other countries who share in the development cost, DOD can provide its forces with equipment it needs at a lower cost.

The side-looking airborne radar and the fuel cell research programs are two examples. On the radar program, Germany is contributing $12 million, 50 percent of the total cost. On the fuel cell research program, the savings to the United States, represented by the United Kingdom's share, is $379,200. (See pp. 10 and 11.)

DOD is looking to foreign scientific talent and technical expertise to fill gaps in U.S. research and development. In such areas as armored vehicles, shallow-water acoustic research, and forward area air defense, European technological ability is regarded as being equal to or better than that of the United States.

By entering into cooperative programs in one of these areas, DOD can avoid costly duplication. By cooperating with the Federal Republic of Germany in the shallow-water research programs, for example, DOD is getting valuable information not otherwise available because the Navy has concentrated on deep-water acoustical research. (See pp. 11 to 14.)

Often, DOD must develop a piece of equipment that will operate in all types of environmental and geographical conditions. Participation in international cooperative programs may provide the United States with access to unique geographical features not otherwise available. Two such programs are polar cap III and the Azores fixed acoustic range. (See pp. 14 and 15.)

Problems of cooperative research and development

A number of formidable problems, such as those listed below, must be resolved before an international cooperative research and development program can start.

Adverse balance-of-payments effects. (See pp. 16 to 19.)

Increased unemployment. (See pp. 19 to 21.)

Differences in military equipment requirements. (See pp. 21 and 22.)

Differences in coproduction policies. (See p. 22.)

Differences in national standards. (See pp. 23 and 24.)

Military security restrictions. (See p. 24.)

Lack of resources. (See p. 25.)

Reluctance to cooperate. (See pp. 25 and 26.)

Other methods of capitalizing on foreign developments

DOD can achieve its goals for international cooperative research and development through three other methods, each having benefits and drawbacks.

Interdependent research and development offers cost, technical, and standardization benefits. In an interdependent research and development agreement, all research and development is funded unilaterally and done by one nation with the end product available to all partners under a licensing agreement. However, interdependent research and development is subject to the same problems as those of cooperative programs. (See pp. 27 and 28.)

Licensing for production of existing foreign equipment in the United States is a means by which DOD can (1) pay a part of the development cost through royalties, (2) put the equipment in service sooner than if duplicate unilateral development were undertaken, and (3) reduce risk because performance is known. Paying royalties, however, would adversely affect the U.S. balance of payments. (See pp. 28 to 30.)

Purchasing foreign-made equipment is not attractive because of the significant adverse effect on the U.S. balance of payments and employment base. (See p. 30.)

Conclusions

The future for international cooperative research and development appears much more promising for basic research and exploratory development programs than for engineering development programs. The obstacles confronting engineering development programs are many and formidable. GAO believes, therefore that successful engineering development programs, especially those involving the development of major weapon systems, are likely to be few. The obstacles confronting basic research and exploratory development programs appear to be far fewer.

Because DOD can realize favorable cost and technical results, it should continue to emphasize licensing U.S. production of existing foreign equipment which will meet firm U.S. requirements. Obstacles to this licensing do not seem to be insurmountable.

All significant international cooperative research and development programs should be individually identified and summarized as a whole so that they can be fully recognized and properly evaluated. (See pp. 34 and 35.)

RECOMMENDATION

DOD should prepare a formal, annual summary of international cooperative programs and submit it to the Congress with the budget. The summary should identify all significant programs and indicate the estimated cost, development category, and benefits of each. (See p. 35.)

AGENCY ACTIONS AND UNRESOLVED ISSUES

DOD agrees with this recommendation. (Sec. app. III.)

MATTERS FOR CONSIDERATION BY THE CONGRESS

During budgetary hearings in recent years, Congressmen have raised questions concerning the progress, problems, and value of major international cooperative programs. They also have expressed interest in having DOD take advantage of foreign research and development.

This report should therefore be useful to the Congress in its deliberations on international cooperative research and development programs.

CHAPTER 1: INTRODUCTION

Department of Defense (DOD) policies regulating international cooperative research and development provide for maximum coordination of U.S. technical objectives and programs with those of our allies. The purpose is to strengthen military alliances and to better use free world technical and economic resources made available for military purposes.

In international cooperative research and development programs, the United States and one or more of its allies join together to fulfill a common requirement, sharing cost and effort in predetermined ratios with each participant receiving full rights to the program results. These programs are also called joint international research and development programs.

A responsible DOD official stated that the international cooperative research and development policies also extend to programs in which the United States acquires design rights to foreign equipment. These are called interdependent research and development programs and are defined in greater detail on pages 27 and 28.

The policies provide for U.S. participation in cooperative research and development only when it is in the overall best interests of the United States. The principal goals contained in DOD Directive 3100.3 are as follows:

1. To make the best equipment available to the United States and its allies as quickly as possible.

2. To increase the effectiveness of the scientific and technical resources of the United States and its allies, especially by eliminating unnecessary and wasteful duplicated effort.

3. To standardize equipment as much as possible.

4. To create closer military ties among the allies.

The policies restrict cooperation to those programs which satisfy a military need and provide the United States with design and production rights equivalent to those secured from domestic sources. Moreover, preference is to be given to programs not adversely affecting the U.S. balance of payments.

DOD policies on international cooperative research and development agree with the President's national policy pronouncements. In his February 9, 1972, report to the Congress, the President outlined the basic principles of the new American foreign policy. In emphasizing partnership and cooperation in research and development, the President stated:

"The unprecedented advances in science and technology have created a new dimension of international life. The global community faces a series of urgent problems and opportunities which transcend all geographic and ideological borders. It is the distinguishing characteristic of these issues that their solution requires international cooperation on the broadest scale."

The Secretary of Defense, in his annual report on the fiscal year 1973 budget, stressed the need for partnership and burden sharing with our allies as part of an overall strategy of "realistic deterrence."

The Congress too has shown a keen interest in international cooperative effort. During budgetary hearings in recent years, Congressmen have questioned the value of international cooperative programs and have expressed interest in having DOD take advantage of foreign research and development.

CHAPTER 2: DOD INVOLVEMET IN INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT

Since September 1963, when present policies came into being, DOD has initiated international cooperative programs in all four categories of research and development. The first three categories—research, exploratory development, and advanced development—deal with advancing technology. The fourth category—engineering development—deals with the development of equipment meeting specific operating requirements and incorporating the latest technological advances.

Some international cooperative programs have been multilateral; however, most have been bilateral. Nearly all the programs have been with other members of the North Atlantic Treaty Organization (NATO).

EXTENT OF INVOLVEMENT

As of September 30, 1973, there were 29 ongoing international cooperative programs involving the United States and 12 other countries. Details about each program appear in appendix I. The table below summarizes 21 of the programs.

Research and development category	Number of programs	U.S. investment (millions)
Engineering development	5	$116.8
Advanced development	8	51.1
Exploratory development	4	1.1
Basic research	2	.6
Other [1]	2	2.5
Total	[2] 21	172.1

[1] The category was not clearly defined for these 2 programs.
[2] The 8 ongoing programs not included were relatively small programs in the basic research and exploratory development categories.

Existing agency records generally do not identify international cooperative programs started and ended before September 1973. By various means we were able to identify 15 past programs. The U.S. investment in these programs ranged from $30,000 for an exploratory development program to $523.7 million for an engineering development program. Details about each program appear in appendix II.

VISIBILITY IN MILITARY BUDGETS

International cooperative research and development is not fully visible in military budgets. Large programs, which generally are identified as international cooperative programs, are commingled with all other research and development programs. Small programs, particularly those in basic research and exploratory development, are not broken out of broader budget-reporting elements and thus are not visible as international programs. Moreover, there is no single place where all international cooperative activity is summarized.

TRENDS

Because we could not identify all past programs—particularly small ones—we could not demonstrate trends. Available data showed only that overall DOD participation in international cooperative programs had been relatively low compared to the total DOD research and development budget.

Opinion expressed by DOD officials varied and did not clearly indicate trends. An official responsible for international research and development programs in the Office of the Director of Defense Research and Engineering said that top-level interest since 1970 had shifted from cooperative research and development (joint programs) to licensing foreign equipment.

The official attributed this shift to the lack of success with international cooperative research and development programs in the past. He said, however, that international cooperative research and development would continue at the low level and that cooperative programs would be started from time to time.

Navy and Air Force officials responsible for international research and development programs felt international cooperative research and development as a whole was likely to increase. The responsible Air Force and Army officials felt there might be a future trend away from major weapons and toward small items of equipment, components, and exploratory-type development.

Although past participation has been minimal, there are indications that there is future potential for increased international cooperative research and development. The cost and complexity of equipment continue to increase, military budgets may be stabilized or cut, foreign policy is inclining more toward international cooperation, and much effort is being duplicated among allies. The Director, Defense Research and Engineering, estimates that our allies are spending about $3 billion yearly for research and development and that, of this amount, about $1 billion is in areas in which the United States is also conducting military research and development. In 1971 NATO headquarters made a requirements review and compiled a list of areas for future cooperation.

Therefore, it appears all the more important to weigh the advantages and disadvantages of international cooperative research and development and find the best ways to capitalize on the capabilities and efforts of our allies.

CHAPTER 3: ADVANTAGES OF INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT

Bilateral and multilateral international cooperative research and development programs offer many advantages over unilateral programs. By pooling economic and technical resources, nations can obtain needed equipment and technology at lower costs and can have access to technical advances and unique geographical features in other nations. Cooperative research and development, if successful on a large scale, may be a means of reducing duplicated equipment and technology among allies and standardizing equipment.

Limited DOD experience has demonstrated the benefits which can accrue from international cooperative research and development.

COST BENEFITS

A primary incentive for becoming involved in a bilateral or multilateral international cooperative program may be economic gain. By teaming up with other countries who share in the development cost, DOD can provide its operational forces with equipment they need at a lower cost.

Potential savings are greater for engineering development programs than for programs in other categories because engineering development generally requires large expenditures of economic resources. Examples of cost benefits expected for an engineering development program and an exploratory development program follow.

SIDE-LOOKING AIRBORNE RADAR

The Air Force expects to reduce its development costs 50 percent by cooperating with the Federal Republic of Germany for advanced and engineering development of a side-looking airborne reconnaissance radar system. (Both countries have a requirement for such a system, and an Air Force official said the United States would have developed the system on its own anyway because of its need.) All the work is being done in the United States, and the cost is being shared equally. Air Force officials indicated that Germany was buying technology and that it was not technically capable of sharing the work.

In November 1973, an Air Force official said the current development program was to be completed in January 1974. The Air Force official said Germany would be invited to participate on the same terms in a follow-on program to incorporate the newest technological advances in the radar system. A better overall system is expected as a result of this work.

The official said about $24 million would have been spent on the program by January 1974. The United States and Germany will each bear half the costs. Besides realizing a cost savings of $12 million, the United States is benefiting from the employment and balance-of-payments standpoint because all work is being done in the United States.

FUEL CELLS

The Army expects to gain economically as well as technologically by cooperating with the United Kingdom in exploratory development on fuel cells. A fuel cell generates direct electrical current through the cold chemical reaction between oxygen and hydrogen. The objective of the work is to form a basis for developing efficient, advanced, low-cost electrical power sources. The work has been divided equally, with each country funding its share. Each country has full rights to the results of the work. Potential savings to the United States, as represented by the United Kingdom's share, is $379,200 over a 4-year period.

TECHNICAL BENEFITS

DOD is looking to foreign scientific talent and technical expertise to fill gaps in U.S. research and development. In certain areas, such as forward area air defense, armored vehicles, sonars, metals research, and shallow-water acoustic research, European technological ability is regarded as being equal to or better than our own.

By entering into an international cooperative research and development program in one of these areas, DOD can avoid costly duplication. Examples follow.

SHALLOW-WATER ACOUSTIC RESEARCH PROGRAM

The Navy's shallow-water acoustic research program with the Federal Republic of Germany and the Netherlands is concerned with gathering basic hydroacoustic data, exploring environmental acoustics of the Baltic Sea, and testing sound propagation in selected areas of the western Baltic Sea. The objective of this program is to expand the U.S. shallow-water research data bank.

The United States has concentrated mainly on deep-water acoustic research and has only one shallow-water range in operation today. Although considerable data and knowledge of shallow-water acoustics has been acquired from this range, the data has been obtained from only one area. By cooperating, the Navy is able to capitalize on important foreign research. The Navy is also attempting to obtain similar agreements with allies in other parts of the world.

PLANAR ARRAY SONAR

The Navy has concentrated on increasing the capability of its *AN/SQS–26* surface ship sonar system while foregoing unilateral development of a new type of surface ship sonar called the planar array sonar, which differs in operational concept from the existing system.

Although the Navy had an advanced-development requirement for a planar array sonar, it did not elect to proceed on a unilateral development program because of insufficient resources. The United Kingdom was doing advanced development work in the planar array area prior to the agreement to cooperate. To capitalize on the United Kingdom's efforts, the Navy entered into a bilateral advanced-development cooperative program. By doing so, the Navy will obtain rights to designs, concepts, and data needed but not otherwise available. Project officials estimate that the U.S. contribution will be about 25 percent of the cost of the whole program.

The Navy's AN/SQS–26 improvement program and the planar array advanced-development program are both expected to result in greatly improved sonar range and detection capabilities.

ACCESS TO DIFFERENT GEOGRAPHICAL AREAS

The benefits of participating in an international cooperative research and development program cannot be measured in economic and technical terms alone. Often, DOD must develop a piece of equipment that will operate in all types of environmental and geographical conditions. Participation in international cooperative programs may permit the United States to exploit unique geographical features not otherwise available. Two such international cooperative programs are polar cap III and the Azores fixed acoustic range.

POLAR CAP III

The Air Force and Canada are engaged in this bilateral cooperative research and development program. Basically, the pro-

gram involves testing over-the-horizon radar at a Canadian site near the North Pole. The tests are to determine the effects of the aurora borealis on the radar's operation. Test data will be used to determine the feasibility of locating over-the-horizon radars in the Arctic regions.

The United States is realizing several benefits from this program because Canada is contributing to the cost of the program and providing the testing site. Otherwise, the site might not be available or the United States would have to pay the full cost of the program in addition to renting the site.

AZORES FIXED ACOUSTIC RANGE

The United States, along with seven other nations, has entered into a multilateral international cooperative research and development program to establish the Azores fixed acoustic range. This facility is for conducting fixed underwater communications experiments.

It is an established fact that voice communication through water is difficult. The Navy wanted to develop data for such a communication system, using the most adverse conditions as a basis and thereby establishing the parameter within which the system would have to operate. The Azores area had the environmental and geographical conditions most desired. As a result, the Navy has gained access to an area that the United States might otherwise have had to rent, or worse, have been denied access to.

CHAPTER 4: PROBLEMS OF INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT

Initiating and participating in an international cooperative research and development program is not easy because of various formidable obstacles. Pooling economic and technical resources, a characteristic of cooperative programs, opens the way for the Nation's balance of payments to be adversely affected or its employment base eroded. Moreover, differences among nations' requirements, policies, standards, national security, capabilities, and attitudes are wide and generally irreconcilable. These obstacles not only prevent programs from starting but they also influence the nature and outcome of programs which do start.

BALANCE OF PAYMENTS

International cooperative research and development programs, if indiscriminately undertaken, can adversely affect the balance-of-payments situation—dollars will leave the country. DOD policy provides that preference be given to those programs in which adverse balance-of-payments effects can be minimized or avoided. Some of our allies also appear to take this view regarding their own balance of payments. Thus, balance-of-payments considerations have become a crucial negotiating point in determining cost- and effort-sharing arrangements on cooperative programs and could be an obstacle to starting programs.

Balance-of-payments problems may be minimized to some extent through the offset technique. This involves allocating cost and effort in such a manner that currency outflows balance the inflows. This method was used on two programs. On the NATO Seasparrow ship defense missile program, for example, cost sharing was based on the ratio of each country's projected quantitative requirements. Work was to be allocated, to the extent possible, according to the cost ratio so that adverse balance-of-payments effects would be minimal for all participants. The sharing arrangements included formulas for readjusting development costs to provide for quantity changes.

The prime contractor, an American firm, was to allocate the work by awarding subcontracts to firms in each of the participating countries. A maximum deviation of plus or minus 25 percent from a zero U.S. balance of payments was permitted. In this case, the impact on the balance of payments will not be known until the program is completed.

Balance-of-payments problems can be avoided by dividing the research and development work among participating countries, with each country funding its own work. The final product—experimental results or design and production rights—is fully available to each participant without exchanging funds. It is clear that this type of sharing arrangement will not affect the balance of payments. This was the type of sharing arrangement agreed to for 9 of the 29 ongoing DOD programs. Moreover, this method could be applied to any of the four categories of research and development.

Permissible imbalance

A special foreign policy agreement between the United States and Canada provides for cooperation in research and development and establishes the policies governing the United States-Canadian development-sharing program. The program is to help provide for integrated common defense of the North American Continent and a wider defense mobilization base.

Under this program, the United States pays at least 25 percent of the cost and all work is done in Canada. As of September 30, 1973, DOD had seven cooperative programs under this agreement. For the most part, cost sharing was about 50–50. The total U.S. share for the seven programs was $24.4 million. Since all work is done in Canada, there is an imbalance in favor of Canada; however, the need to provide for a common defense is believed to override U.S. balance-of-payments policies in this case.

Fluctuating currencies

Fluctuations in international monetary exchange rates can cause a redistribution of real burdens and benefits and can affect the balance of payments on programs in which participants exchange funds. So far, the United States has probably benefited from such fluctuations.

An example is the Javelot forward air defense missile system project between the United States and France. The United States agreed to pay 50 percent of France's development cost. In May 1972, France informally expressed concern about the effects of the U.S. dollar devaluation on the cooperative project. France was apparently concerned because the exchange rate change increased its share of the funding. France apparently had no intention of pushing the point at that time, but it did ask if future U.S. payments for the Javelot project could be increased to adjust for the 8.5-percent devaluation. An Army official told us the sharing arrangements had not changed.

We found no indication that fluctuating exchange rates had been a significant obstacle to successful international cooperative research and development. However, future cooperative agreements may have to provide for adjusting the funding arrangements whenever participants' exchange rates fluctuate.

FEAR OF ERODING THE NATIONAL EMPLOYMENT BASE

Because much of the research and development work for the cooperative programs is done outside the United States, it could be argued that such programs lead to substantial U.S. unemployment, assuming that the expenditure of Federal funds is directly related to the creation of jobs. If cost-sharing arrangements permit an adverse balance of payments, unemployment in the United States could result. If cost-sharing arrangements have no effect on the balance of payments, employment would not be affected. Employment is not affected when work is split among participating countries with each country paying only for its own work.

To minimize the erosion of the national employment base, DOD follows a policy of (1) giving preference to cooperative research and development programs not involving coproduction and (2) obtaining full design and production rights on all cooperative programs so that production may be carried out fully within the United States. As discussed later in this report (see p. 22), DOD generally cannot get engineering development-type cooperative programs started unless it agrees to coproduce.

Under coproduction agreements the participants each produce some component of the weapon system. On the NATO Seasparrow program, for example, the United States produces the missile and major portions of the fire control and launcher subsystems and assembles the total system; Norway produces the computer; Denmark produces the pedestal for the launcher; and the remaining countries produce other portions of the system.

Buy American

Various measures, including the Buy American Act (41 U.S.C. 10a), have been adopted to protect the domestic employment base. The Buy American Act is concerned primarily with restricting the acquisition of foreign goods and supplies. DOD has applied similar restrictions to purchases of foreign services. Our report to the Congress entitled "Coordinated Consideration Needed of Buy National Procurement Program Policies," dated December 9, 1971, discusses the Buy American policies in greater detail.

Contrary to what might be supposed, the Buy American restrictions do not preclude all DOD purchases abroad. If the foreign content of an end-item is less than 50 percent of its value, it is considered a domestic end-item and no restrictions apply; moreover, the Secretary of Defense is permitted to waive the restrictions if national security considerations require it. Because DOD does not keep records which identify programs not started because of Buy American restrictions, we could not determine whether the Buy American restrictions had been an obstacle to international cooperative research and development.

Department of Defense Appropriation Act

The fiscal year 1973 Department of Defense Appropriation Act (Public Law 92–570) bars DOD from spending research and development dollars abroad when a United States company can do the same work at a lower cost. A responsible DOD official said his office had reviewed past and ongoing programs to see what effect this would have had on cooperative research and development. He concluded that there would have been no effect.

DIFFERENCES IN MILITARY EQUIPMENT REQUIREMENTS

According to a contractor study,[1] nations' inability to harmonize their requirements is a major obstacle to international cooperative research and development.

For example, the United States may require sophisticated multirole equipment for its wider, global responsibilities, whereas our allies may need austere single-purpose equipment for their local scenarios.

Harmonizing requirements appears to be a problem solely in engineering development programs, for which there are specific performance parameters. To agree on mutual requirements for a cooperative development

[1] "The Potential For Anglo-American Cooperation in the Field of Transportation Technology," by Allied Systems Limited, London, England, dated June 1971. This study was contracted for and funded jointly by the U.S. Department of Transportation and the United Kingdom's Ministry of Transport. The study included a detailed analysis of joint defense research and development programs within NATO.

program, each potential participant must make compromises in individual requirements. This can cause a problem. If a compromise is not possible, then a cooperative program is not initiated, and the potential participants go their separate ways, each involved in costly development programs.

Because records were not readily available on cooperative programs considered but not started, we could not determine the extent that candidate programs were rejected because of nations' inability to harmonize requirements. We did, however, find some examples. One prospective program where harmonizing was a problem was the mechanized infantry combat vehicle program. According to an Army document, the interested countries could not, for example, agree on whether the vehicle would have a swimming or a fording capability. Therefore, the United Kingdom, France, the Federal Republic of Germany, and the United States each developed a vehicle to meet its own specific requirements.

In the case of the main battle tank (MBT–70) program, a bilateral engineering development effort involving the United States and the Federal Republic of Germany, harmonizing was a problem before and after the program started. Therefore, the cooperative agreement provided for a degree of commonality with each country having a different version, the U.S. version being more sophisticated. As development proceeded, several amendments were made to the cooperative agreement, each change resulting in less commonality. Finally, the United States pulled out of the cooperative program, and 2 years later the U.S. program was terminated under claims that the MBT–70 was overly sophisticated and unnecessarily complex.

To meet its requirement for a main battle tank, the Federal Republic of Germany used developments generated in the joint program to develop the Leopard II, which is far less complex than the MBT–70. Germany is planning to sell the tank to several European countries. The U.S. Army still plans to develop a sophisticated main battle tank.

DIFFERENCE IN COPRODUCTION POLICIES

Differences in coproduction policies are also a major obstacle to international cooperative research and development. To the allies, cooperative research and development goes hand in hand with cooperative production. In European cooperative programs, development and production costs and markets are shared. As indicated earlier, DOD prefers not to combine coproduction with codevelopment because of domestic employment considerations.

In the past the United States, for the most part, has not been able to get a cooperative program started on engineering development involving large systems unless coproduction has been part of the agreement. This was true of Project Mallard, the XJ–99 vertical takeoff engine, the NATO Seasparrow, and the NATO hydrofoil fast patrol boat.

DIFFERENCES IN NATIONAL STANDARDS

The United States uses the English system of weights and measures, whereas our allies and most other countries in the world use the metric system. Moreover, there are differences in national standards for materials such as sheet metal, plate, wire, and electronic components. Likewise, standards for engineering drawings differ. These differences can pose intricate problems for international cooperative development programs.

When a system's components are developed by countries having different standards, interoperability problems may occur. Components developed according to one standard may not interface with components developed by another nation according to a different standard. This caused major problems on the MBT–70 program, one of which involved thread fasteners produced under different standards. It was finally agreed that, in producing the fasteners, the United States would use the inch standard and Germany the metric; both countries would use the metric standard for parts that were to interface.

If DOD accepts equipment wholly or partially made up of components and parts made to metric standards, it might be confronted with a costly support and maintenance problem. Spare parts and bits and pieces, such as screws and wires, might have to be produced in the United States in uneconomical lots according to the metric system or purchased abroad. Standardized English system tools and testing equipment, moreover, might not be capable of testing and repairing metric system hardware, and thus additional support for metric hardware might be required.

Officials responsible for the NATO hydrofoil fast patrol boat program stated that the participants were having problems deciding on whether to use the metric system, the English system, or both. This took several months to resolve. Finally they decided to use a mixture of the two. This was partly because some of the already developed components were made according to the metric system and some according to the English system.

We believe that mixing metric with English standards in developing equipment might lead to additional problems if the equipment is to be wholly produced by each of the participants. U.S. manufacturers geared to the English system would have difficulty producing components designed according to the metric system. Moreover, components might be costly to maintain and support.

Differences in standards appear to be a problem only in engineering development programs, in which military hardware is being developed for service use.

Differences in standards might be a lesser problem if and when the United States converts to the metric system. Plans are being made for voluntary conversion to the metric system. There are also several bills now being considered in the Congress (for example, H.R. 11035). The proposed conversion would take place over a 10-year period.

DIFFICULTY ASSOCIATED WITH MILITARY SECURITY

Military security restrictions may limit international cooperative research and development among the allies in certain defense areas. Within the United States, participation in an international cooperative research and development program in the defense area must operate within military security limits and national disclosure policies. As a result, the United States has refused to disclose information on various national developments to its allies. This has brought reciprocal action from the allies in areas of interest to the United States.

The United States is reluctant to share technical and scientific knowledge of strategic weapons, such as those involved in undersea warfare. The United States has been involved in a national development effort for a new, highly sophisticated, wire-guided torpedo. A responsible project official stated that one European country requested information on this developmental effort but was refused because of security restrictions. In apparent retaliation, the United States was refused information on torpedo developments by that country.

AVAILABILITY OF RESOURCES

Only a few nations have the economic and technological capabilities to unilaterally develop today's costly weapon systems. Participation in an international cooperative program offers the only opportunity for small nations with limited resources to increase their technological base and develop needed hardware. Norway, for example, wants to advance its military research and development capability but cannot bear the costs and risks alone. Norway thus views bilateral and multilateral cooperative development programs as a necessity to achieve its goals. Large nations, however, may not want to cooperate with the small nations that may not have anything to offer.

Although the lack of technological expertise may not preclude a nation's participation, a shortage of money will. This can apply to large as well as small countries. Two examples of this exist in the NATO Seasparrow and the NATO hydrofoil programs. In both programs many interested nations did not participate because they lacked money. More specifically, a study showed that Portugal was interested in the Seasparrow program but did not participate because of budgetary problems. We were informed that the United Kingdom and Canada failed to participate in the hydrofoil program because of several reasons, of which budgetary problems was one.

WILLINGNESS TO COOPERATE

The United States and its allies appear to have different motives for participating in international cooperative research and development programs. To the United States, such programs are a means of reducing development costs, achieving standardization avoiding costly duplication, and exploiting the benefits its foreign allies have to offer. The allies view such programs as a means of avoiding an unsupportable cost burden and increasing their sales and profits. Eliminating duplication and achieving standardization are not as important as they are to the United States.

Independent [1] and in-house [2] studies conclude that nations' willingness to participate in an intangible factor inhibiting international cooperative research and development. It is the consensus of these studies that the European community views cooperative programs as a necessity to be able to afford large, expensive programs. In contrast, the United States views cooperative programs as a desirable goal but not a necessity. Thus, European countries are felt to be more willing to cooperate.

The reluctance to cooperate is sometimes attributable to the "not wanted here" syndrome or the "not invented here" syndrome. Both follow the same basic theme. No matter what foreigners develop, it is not considered by some as good as ours. Likewise, we do not want to depend on a foreign supplier—we need a domestic source of supply. These syndromes have been, and continue to be, a big problem although there has been some improvement in recent years, according to DOD officials. They said that exposure to foreign equipment will help to further alleviate the situation.

CHAPTER 5: OTHER METHODS OF CAPITALIZING ON FOREIGN DEVELOPMENTS

Some DOD goals for international cooperative programs can be achieved by obtaining equipment developed by foreign countries. The three most apparent methods of obtaining this equipment are:

1. Independent research and development programs.

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[1] "The Potential For Anglo-American Cooperation in the Field of Transportation Technology," by Allied Systems Limited, London, England, dated June 1971. This study was contracted for and funded jointly by the U.S. Department of Transportation and the United Kingdom's Ministry of Transport. The study included a detailed analysis of joint defense research and development programs within NATO.

[2] "An Assignment of NATO Naval Research and Development," staff study, dated November 8, 1967, by the Office of Naval Research.

2. Licensing agreements with foreign developers.

3. Direct procurement of foreign hardware.

Each of these methods can be considered a form of cooperative research and development in the sense that the United States benefits technically and pays only part of the development cost. The three methods differ from joint international programs in that the United States has no control over development, does not share in the development work, and pays the development costs indirectly. The benefits and drawbacks of each method are discussed below.

INTERDEPENDENT RESEARCH AND DEVELOPMENT

Interdependent specialization among allies in military research and development appears to be economically attractive. In an interdependent research and development agreement, all research and development work is unilaterally funded and done by one nation, with the end product available to all partners under a licensing agreement. Thus, wasteful duplication of research and development among allies is eliminated and each country obtains more for the resources it spends. Also, having one nation fulfill management responsibilities allows the program to proceed faster and more cheaply. Under the license, each country pays for only part of the research and development costs. The success of interdependent research and development, however, apparently hinges on overcoming various formidable obstacles.

As discussed in chapter 4, harmonizing differences in requirements and differences in national standards is a major obstacle to successful cooperative development. If nations cannot harmonize requirements for cooperative research and development programs, we do not see why they would harmonize requirements for interdependent research and development. Moreover, differences in national standards would still exist under interdependent research and development. Although interoperability problems might not be a factor because one country would be developing all the components of a system, there might be problems when a nation tried to manufacture a system designed under different standards.

Finally, no military services, especially those of the United States, would rely exclusively on foreigners for developing crucial equipment.

LICENSING AGREEMENTS WITH FOREIGN DEVELOPERS

Licensing is a means of establishing a domestic source for a piece of foreign hardware. Under licensing agreements, foreign developers provide the data package, patent rights, technical assistance, and whatever else is needed to enable the domestic source to produce the desired hardware. In return, the domestic source compensates the foreign developer through royalties or a license fee.

The difference between interdependent research and development agreements and licensing agreements is that under the latter there is no attempt at harmonizing requirements when the program starts. The country developing the equipment designs it for its own needs and apparently it is only a matter of chance that the equipment meets U.S. needs. Under an interdependent arrangement, the two countries harmonize their requirements before development starts.

Licensing foreign equipment has many of the advantages and some of the disadvantages which face international cooperative research and development programs. The obstacles to success, however, are not nearly as great.

By obtaining production rights to existing foreign equipment, a country pays only part of the development costs and puts the equipment in use sooner than if unilateral duplicate development were undertaken. Since the equipment already exists, performance is known and normal developmental risks can be avoided. Moreover, U.S. technicians can learn the foreign technologies incorporated in the foreign equipment by producing the equipment.

The former Secretary of Defense and the former Director of Defense Research and Engineering began to promote the licensing of foreign equipment in 1970. U.S. corporations reacted to this new environment by taking the initiative and obtaining licensing agreements for production of several complex foreign weapon systems. Most notable are the French Exocet antishipping missile, the British Rapier, the French Crotale air defense missile system, the French-German Roland air defense missile system, and the Italian 76 mm Oto Melara automatic gun.

Regarding the U.S. Army's low-altitude forward area air defense system requirement, the Army is evaluating the Crotale, Rapier, and Roland. Pictures of these systems appear at the end of this chapter. The Crotale is operational, the Rapier is in production, Roland I is being readied for production, and Roland II is in advanced development. By contrast, the United States does not have a system in development in this same category. The Army estimates that developing such a system on its own would take 8 years and cost about $250 million to $500 million. Through licensing, the system can be made available now at a fraction of this cost.

A responsible DOD official stated that foreign licensing would expand the U.S. employment base. He explained that mass production involving greater numbers of workers could be undertaken sooner and that funds which normally would have been applied to a unilateral development program would be applied to other developmental efforts.

Adverse effects on the balance of payments, military resistance to using foreign equipment, and differences in standards appear to be the main obstacles to licensing foreign equipment. Since the United States is buying the rights to produce without any inflow of funds to offset the outflow, it follows that the balance of payments will be affected to some extent; the military services, in some cases may be unwilling to accept foreign equipment; and, although differences in national standards may not be an interoperability problem as they are in cooperative research and development, they could become a problem when U.S. firms geared to the English system try to produce something designed to metric standards. The degree to which these problems would be tolerated would apparently depend on the benefits to be received in technical, economic, and availability terms.

DIRECT PROCUREMENT OF FOREIGN HARDWARE

Direct procurement of foreign hardware offers advantages similar to those of licensing agreements. These advantages include eliminating costly duplication, achieving standardization, and introducing new equipment more quickly. Likewise, the United States could take advantage of lower unit costs for foreign items.

Although direct foreign procurement offers some attractive advantages, there are inherent disadvantages which we believe would preclude using this method to any great extent. The balance of payments would be adversely affected, the domestic employment base would be eroded, and the military services would have to rely exclusively on a foreign supplier for spare-parts support.

CHAPTER 6: CONCLUSIONS, RECOMMENDATION, AND AGENCY COMMENTS

CONCLUSIONS

The future for international cooperative research and development appears much more promising for basic research and exploratory development programs than for engineering development programs.

The obstacles confronting acceptance of candidate engineering development programs are many and formidable. The wide differences between the United States and its allies in requirements, policies, capabilities, attitudes, standards, and security are not controllable by DOD and generally are not reconcilable.

We believe, therefore, that successful engineering development programs, especially those involving the development of major weapon systems, are likely to be few. When special circumstances permit, as with the side-looking radar and the Seasparrow missile system, engineering development of major systems may take place.

Without many engineering development programs and widespread participation or acceptance, a major goal of cooperative research and development—eliminating wasteful duplication of equipment among allies—will not be met to any appreciable extent. The benefits of standardization, therefore, will also be negligible.

The future for international cooperative research and development appears much more promising for programs in the earlier stages of development, especially in basic research and exploratory development. Adverse balance-of-payments effects can be avoided by using proper cost- and work-sharing arrangements. Concern about adverse effects on the employment base, moreover, may be insignificant since few resources generally are used in such efforts. Other obstacles, for the most part, are not deterring factors since the end product is information or equipment concepts rather than military hardware. We therefore believe the potential for cooperation is greater for research and exploratory development programs.

We also believe the current DOD emphasis on licensing existing foreign equipment is desirable because of the favorable cost and technical results that can be achieved. Obstacles to this licensing do not seem to be insurmountable. There is no need to harmonize requirements. Manufacturing the equipment according to different standards may pose some problems, but the interoperability of components designed by two or more countries with different standards will not.

Because of current national concern over military involvement with foreign powers, we believe international military activity should be fully visible. To this extent, all significant international cooperative research and development programs should be individually identified and summarized as a whole so that all activity will be visible and can be properly evaluated. At present this is not done.

RECOMMENDATION

We recommend that DOD prepare an annual formal summary of international cooperative activity to be submitted to the Congress with the budget. The summary should identify all significant programs and indicate their estimated cost, development category, and benefits.

AGENCY COMMENTS

DOD agreed with our findings and concurred with our recommendation. (See app. III.)

CHAPTER 7: SCOPE OF REVIEW

In the light of attention being given to international military cooperation and in the absence of prior GAO reviews in the area, we made this study to determine the degree of U.S. involvement in international cooperative research and development, assess the benefits, and identify the problems.

We analyzed policy directives, instructions, cooperative agreements, development plans, requirement documents, memorandums, technical reports, trip reports, pertinent articles, contract files, and related study reports.

We did our work primarily within the Of-

fice of the Chief of Naval Operations; Headquarters, Army Materiel Command; Headquarters, Air Force Systems Command; and various subordinate developing activities and project offices. We also talked to responsible officials at the Office of the Director of Defense Research and Engineering and at Headquarters, Departments of the Army, Navy, and Air Force. We did not visit overseas or U.S. locations where international cooperative research and development programs were being carried out.

Information in the report concerning individual programs was generally obtained from headquarters groups and in many instances from program officials. We did not make a detailed review of individual projects.

APPENDIX I

ONGOING INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT PROGRAMS, SEPT. 30, 1973

Program title	Effective starting date	Estimated completion date	Foreign participants	Military service	U.S. share of research and development costs: Amount	Percent
Engineering development:						
NATO hydrofoil fast patrol ship [1]	([2])	June 1975	Federal Republic of Germany, Italy	Navy	$75,000,000	71.0
NATO Seasparrow surface missile system [1]	June 1968	February 1976	Belgium, the Netherlands, Italy, Norway, Denmark	do	$29,314,000	83.6
Side-looking airborne radar improvement program [3]	December 1968	January 1974	Federal Republic of Germany	Air Force	$12,000,000	50.0
Band IV headset for CRC-13 radio relay set [1]	March 1971	February 1979	Canada	Army	$1,500,000 [4]	[4] 50.0
Meteorological research, development, test, and evaluation rocket vehicle and associated equipment.	August 1966	June 1974	do	do	$1,109,387	42.1
Advanced development:						
Reliable acoustic path sonar	March 1972	March 1977	France	Navy	([5])	[4] 20.0
Planar array sonar	September 1968	January 1976	United Kingdom	do	([5])	[4] 25.0
Polar cap III [6]	March 1972	December 1974	Canada	Air Force	$8,000,000	[4] 89.0
Javelot weapon system	April 1971	April 1976	France	Army	$1,351,000	50.0
Aircraft air-cushion landing system	May 1971	November 1975	Canada	Air Force	$6,900,000	55.2
Tactical aircraft guidance system	December 1968	January 1974	do	Army	$14,070,000	60.0
Recording radiation monitor and automatic radiation alarm system	December 1971	May 1971	do	do	$225,000 [4]	[4] 50.0
Individual (personal) radiation dosimeter and radar	May 1973	May 1975	United Kingdom	do	$300,000	50.0
Exploratory development:						
Plasma research	September 1966	June 1974	Italy	Air Force	$179,000	31.0
Analytic photogrammetry	February 1965	Continuing	do	do	$221,700	60.0
Gas and aerosol cloud diffusion studies	August 1967	January 1974	Norway	Army	$100,000	39.0
Fuel cell research	November 1968	November 1974	United Kingdom	do	$640,000	63.0
Chemical agent alarms	March 1971	July 1974	do	do	([7])	
Lightweight steel armor and aluminum alloy	July 1971	September 1974	do	do	27 man-years [8]	50.0
Fragmenting mechanisms in naturally fragmenting materials.	do	July 1974	Australia	do	6 man-years [8]	50.0
Basic research:						
Deep diving research	October 1970	Continuing	United Kingdom	Navy	([9])	([9])
Shallow-water acoustic research	June 1972	do	The Netherlands, Federal Republic of Germany.	do	([9])	([9])
Aluminum alloy research	July 1968	December 1975	Italy	Army	$468,333	59.0
Improved photochromic materials	June 1971	September 1974	Greece	do	3 man-years [8]	50.0
Helicopter dynamics	December 1971	December 1974	France	do	12 man-years [8 9]	50.0
Transient radiation effects on electronics as relating to leopard tank.	August 1971	January 1975	Federal Republic of Germany	do	([10])	([10])
Room temperature injection luminescence in wide band gap semiconductors.	December 1971	March 1974	Canada	Air Force	$70,000	50.0
Other:						
Thrust-measuring system [11]	Fiscal year 1970	June 1974	do	do	$504,500	50.0
Azores fixed acoustics range [12]	June 1968	Continuing	France, Italy, Canada, Federal Republic of Germany, United Kingdom, the Netherlands, Portugal.	Navy	$2,000,000	67.0

[1] The program agreement provides for followon coproduction.
[2] Contracts were awarded in November 1971. Italy, Germany, and the United States signed the memorandum of understanding on Nov. 23, 1972.
[3] The United States is doing all the work and the Federal Republic of Germany is providing 50 percent of the funding.
[4] Estimated by responsible service official.
[5] Individual funding levels are classified; however, total U.S. share for both programs amounts to approximately $20,200,000.
[6] The United States-Canadian defense development sharing program, which is explained on p. 17, does not include this program.
[7] Program work is being done by the United Kingdom; the United States is furnishing data and components.
[8] Work was divided equally between participants with each participating country funding its respective effort. U.S. costs could not be determined because the programs are tasks of larger programs. Likewise, budgets costs are buried within broader program elements appearing in military budgets.
[9] Indeterminable, since there is no separate budget line item for this project. Program documentation did not reveal the extent of U.S. funding.
[10] Project office officials stated the Federal Republic of Germany was providing total funding for the program and all work was being done in the United States.
[11] This program involves component improvement.
[12] Program does not involve development of hardware. The project consists of 2 phases: Constructing the range and conducting experiments using R.D.T. & E. funds.

APPENDIX II

PARTIAL LIST OF PAST INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT PROGRAMS TERMINATED BY SEPT. 30, 1973

Program title	Foreign participants	Estimated U.S. investment	Outcome
Engineering development:			
Main battle tank (MBT-70)	Federal Republic of Germany	$523,700,000	Engineering development was terminated before completed due to severe development problems.
Mallard	United Kingdom, Australia, Canada	34,000,000	The program was terminated during development. The United States pulled out of the program because of interservice incompatibilities.
Miniature inertial navigation system	Federal Republic of Germany	4,783,000	Engineering development was completed in 1970. The system was not introduced into the U.S. Fleet because of reliability problems.
Air transportable maintenance shop [1]	Canada	388,630	The program was completed. 2 check test shops were procured and outfitted. The check test was completed in June 1971, and the shop was classified "standard A" on Mar. 30, 1972.
XM-571 articulated utility carrier [1]	Canada	14,065,705	The program was completed and the vehicle was classified "standard B" on July 27, 1971. The Army procured 46 vehicles but does not plan any additional procurements.
Advanced development:			
XJ-99 VTOL engine	United Kingdom	[2] 30,000,000	Advanced development was completed in 1971; however, there was no application for the engine.
Rocket components for meteorological data-sounding system.	Canada	552,713	The program was completed March 1973. Concepts were proven feasible.
Exploratory development:			
Ceramic armor materials [1]	Canada	133,000	The program was completed. A new agreement for a development-sharing project on ceramic armor materials is not contemplated. Canada decided not to propose a new agreement because there was no net advantage for Canada.
Improved Shenitt-Gordon dispersion-strengthened nickel chromium alloys.	Canada	30,000	The program was completed in April 1973, and the objectives were met.
Highfield superconducting magnets for magnetohydrodynamic generators.	Canada		([3]) The program was completed in April 1973, and the objectives were met.

Footnotes at end of table.

APPENDIX II—Continued

PARTIAL LIST OF PAST INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT PROGRAMS TERMINATED BY SEPT. 30, 1973—Continued

Program title	Foreign participants	Estimated U.S. investment	Outcome
Basic research:			
Fragmentation effects of mortar shells	Norway	$50,000	The program was terminated in December 1971.
High acceleration effects on man	United Kingdom	(2)	The program was completed in August 1972 and the objectives were met.
Other:			
Type AN/ARA–59 direction finder [1 4]	Canada	[5] 150,000	The program was completed in March 1971.
Rotary-wing aircraft cold-weather tests [4]	Canada	(3)	There was testing in Canada, using United States supplied and operated OH–58A aircraft with Canadian forces support. The program was terminated in November 1971.
Snow testing of munitions [6]	Norway	(3)	The United States provided materiel, data, and technical assistance. No exchange of funds was involved. Testing was completed during the winter of 1971–72.

[1] Entered into under the United States-Canadian defense development-sharing program.
[2] Estimated by program official.
[3] Documentation provided did not disclose the cost of equipment and services supplied by the United States.
[4] Product-component improvement funding.
[5] Actual investment.
[6] Management support funding.

APPENDIX III

DIRECTOR OF DEFENSE,
RESEARCH AND ENGINEERING,
Washington, D.C., August 21, 1973.

Mr. HAROLD H. RUBIN,
Deputy Director,
U.S. General Accounting Office,
Washington, D.C.

DEAR MR. RUBIN: The Department of Defense has reviewed your draft report on "Involvement in International Cooperative Research and Development—Benefits and Drawbacks" and is in essential agreement with its contents. Attached are specific recommended changes with appropriate comments and justification which will serve to clarify or amplify statements made in the report.[1]

There is no mention in the report of the many coordinating group activities and the technical centers associated with NATO. These activities do contribute to technical information exchange and the initiation of cooperative efforts and have led to specific bilateral and multilateral cooperative development projects. The NATO Conference of National Armament Directors (CNAD), its Defense Research and Armament Groups, the NATO Science Committee and the Advisory Group of Aerospace Research and Development (AGARD) are examples of these coordinating bodies which continuously provide a working mechanism for cooperation. The SHAPE Technical Center (STC) and the Senior Allied Commander, Atlantic (SACLANT) ASW Research Center are jointly funded and staffed research activities which support NATO military organizations' scientific and technical matters. Both of these activities contribute to the furtherance of international cooperative research and development and provide an excellent forum for considering specific cooperative development projects.

The Department of Defense is also engaged in bilateral technical information exchange with our Allies which has been formalized by government-to-government Data Exchange Agreements. These bilateral agreements have been concluded with many countries and cover a wide spectrum of technical military subjects. These information exchanges have led to joint development or production programs as well as to direct sales of U.S. military equipment.

(The deleted comments related to report classification and no longer pertain to this report.)

The Department of Defense concurs with the General Accounting Office recommendation that an annual summary report on U.S. International Cooperative Research and Development Activities be prepared for submittal to the Congress.

MALCOLM R. CURRIE.

[1] The report has been revised where appropriate to reflect changes suggested in the attachment.

APPENDIX IV

PRINCIPAL OFFICIALS RESPONSIBLE FOR THE ACTIVITIES DISCUSSED IN THIS REPORT

TENURE OF OFFICE

Department of Defense

Secretary of Defense:
James R. Schlesinger, from July 1973 to Present.
William P. Clements, Jr. (acting), from May 1973 to July 1973.
Elliot L. Richardson, from Jan. 1973 to May 1973.
Melvin R. Laird, from Jan. 1969 to Jan. 1973.
Clark M. Clifford, from Mar. 1968 to Jan. 1969.
Robert S. McNamara, from Jan. 1961 to Feb. 1968.

Deputy Secretary of Defense:
William P. Clements, Jr., from Jan. 1973 to Present.
Kenneth Rush, from Feb. 1972 to Jan. 1973.
Vacant, from Dec. 1971 to Feb. 1972.
David M. Packard, from Jan. 1969 to Dec. 1971.
Paul H. Nitze, from July 1967 to Jan. 1969.
Cyrus L. Vance, from Jan. 1964 to June 1967.

Director of Defense Research and Engineering:
Dr. Malcolm R. Currie, from June 1973 to Present.
Dr. John S. Foster, Jr., from Oct. 1965 to June 1973.
Dr. Harold Brown, from May 1961 to Sept. 1965.

Department of the Navy

Secretary of the Navy:
John W. Warner, from May 1972 to Present.
John H. Chaffee, from Jan. 1972 to May 1972.
Paul R. Ignatius, from Sept. 1969 to Jan. 1969.
Charles F. Baird (acting), from Aug. 1967 to Sept. 1967.
Robert H. B. Baldwin (acting), from July 1967 to August 1967.
Paul H. Nitze, from November 1963 to June 1967.

Chief of Naval Operations:
Adm. Elmo R. Zumwalt, Jr., from July 1970 to present.
Adm. Thomas H. Moorer, from August 1967 to June 1970.
Adm. David L. McDonald, from August 1963 to July 1967.

Department of the Army

Secretary of the Army:
Howard H. Callaway, from May 1973 to present.
Robert F. Froehlke, from July 1971 to May 1973.
Stanley R. Resor, from July 1965 to July 1971.

Army Materiel Command:
Gen. Henry A. Miley, Jr., from November 1970 to present.
Gen. Ferdinand Chesarek, from March 1969 to November 1970.
Gen. Frank Besson, from August 1962 to March 1969.

Department of the Air Force

Secretary of the Air Force:
John L. McLucas, from July 1973 to present.
John L. McLucas (acting), from May 1973 to July 1973.
Robert C. Seamans, Jr., from February 1965 to May 1973.
Harold Brown, from October 1965 to February 1969.

Air Force Systems Command:
Gen. Samuel Phillips, from August 1973 to present.
Gen. George S. Brown, from September 1970 to August 1973.
Gen. James, Ferguson, from September 1966 to August 1970.
Gen. Bernard Schrieber, from April 1959 to August 1966.

ACTION NEEDED TO FORESTALL RAW MATERIALS SHORTAGES

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to print in the RECORD a speech which I delivered to the National Parking Association in New Orleans, La., on May 8, 1974.

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

SPEECH TO NATIONAL PARKING ASSOCIATION

(By Senator ROBERT C. BYRD)

Mr. Chairman, Ladies and Gentlemen: It is a pleasure for me to visit with the members of the National Parking Association at your 23rd Annual Convention, and I thank you for inviting me. I note from your convention program that I was preceded on Monday by a distinguished colleague from the United States Senate, Senator Lloyd Bentsen, of Texas.

It is always somewhat awesome for a Senator from a relatively small state like West Virginia to follow a Senator from the second biggest state in the Union. But we Mountaineers always console ourselves with the thought that if ever we could flatten out the West Virginia mountains, neither Texas nor Alaska would be in the same league for size.

I notice from your roster of Association officers that your treasurer's name is Layden, and that you have a vice president called Miller. If you could elect a president named Stuhldreyer, and another vice president named Crowley, the National Parking Association might well become as immortal as the Four Horsemen of the Apocalypse.

We are meeting today in the great port city of New Orleans. To millions of people, not only in the United States, but all over the world, New Orleans is synonymous with

the Mardi Gras, jazz music, superb food, magnolias, and the romance of the Old South. All of this is true and deserved. But New Orleans is something more. It is, and has been for two centuries, one of America's most active links with the world beyond our shores. From the port of New Orleans have sailed American flag ships to every corner of the globe. Into the harbor of New Orleans have sailed ships under the flags of every maritime nation in the world. New Orleans may be Old South in its historical character, but it is also one of the most international cities in this vast American continent.

I mention this international character because today the United States of Amerca is entering a phase of this nation's history that will more and more require from us an understanding and a tolerance of the politics, the economics, and the strengths and the weaknesses of practically every other nation on earth.

Time was when American foreign policy and American attitudes and actions toward other peoples were strictly formulated by events and conditions that existed within our own Atlantic and Pacific boundaries. There could be upheavals in Europe, or disasters in Asia, but they affected us little, if at all. We were secure in our geographical isolation, and confident in our native ability to withstand any ravages of Fate, or would-be foe. We looked upon the world from the pinnacle of power, and we were well content.

Less than one year ago, some of our illusions were shattered. A group of tiny countries with which the majority of Americans were quite unfamiliar, arbitrarily denied to us a significant part of what has become our nation's lifeblood. A centuries-old quarrel in the Middle East, which had its genesis hundreds of years before America was founded, stretched its icy fingers into the homes and into the schools, into the factories, and into the farms and into the automobiles of this Republic.

For a brief moment, it was brought home to us that though we are still the most powerful, the wealthiest, and the most influential country in the world, we are no longer impregnable from serious threats to our economy, our industrial wellbeing, and our societal way of life.

It was revealed to us that the internationalism which characterized American policy and attitudes during the Cold War of the 50's and the 60's—that internationalism which idealistically saw the world sharply divided into the forces of good and evil, with ourselves inextricably bound up with the forces of good—might have to be revised, for our own immediate advantages, and, ultimately, for our survival as the world's most potent force for peace.

For, despite the confusion of values in American life that are a legacy of Vietnam; despite the national trauma of Watergate; despite our current misunderstanding with our traditional allies in Europe, and an apparent cooling in the détente with the Soviets; despite the tinder-box in the Middle East, and the continuing conflict in southeast Asia—despite all these problems, I believe that our country is on the verge of new directions and new purposes, born of a consensus and a new understanding that America's most important responsibility to our own future security and survival lies, not in the largesse of foreign aid or the provision of American troops and equipment to fight other peoples' battles, but on constructive and intelligent co-operation with other nations in order to *prevent* international crises. In the past, we have pursued policies that forced us to sacrifice our manpower and deplete our treasury, in order to put out fires that need never have been ignited in the first place.

I believe that most Americans are now sympathetic to a policy directed toward global interdependence. This policy will require a significant American role in the political, economic, and security affairs of the world.

I further believe that there is in this country, general support for the principle of detente with our former adversaries of the Cold War days—Soviet Russia and the Peoples Republic of China. The terms, and the speed at which the process of detente is conducted are, of course, subject to penetrating analysis.

Any agreement or concession that patently jeopardizes this nation's security can never be countenanced, and I hold no brief for those persons who claim that a Presidential summit meeting in Moscow might result in concessions being made by the President in order to gain political points at home. I have my own views about some aspects of the Watergate mess, but I cannot believe that any President of the United States would risk this nation's future for domestic political gain in this hazardous nuclear age.

Now, whether the timing of the proposed summit meeting is wise timing, is another matter. It might better be postponed till domestic affairs that are currently in a state of great uncertainty are clarified.

There is another aspect of America's role in the world over the last quarter of the 20th century. It concerns our alliances with Europe and Japan, and I believe that there is widespread agreement in this country that these alliances are still vital to our best interests—not only for mutual security, but also for the economic wellbeing of all the countries concerned.

You may recall that there was bitter criticism of the Administration's failure to advise the Japanese government that we were going to open a dialogue with the mainland Chinese. There have also been claims that we have ignored the interests of our NATO allies in a headlong rush to promote better relations with Russia. I am not privy to the innermost thoughts and reasoning of Secretary Kissinger or the President, but both men are sufficiently experienced in the conduct of foreign affairs that I cannot countenance their having inadvertently committed diplomatic gaffes with Japan and the NATO nations. There must have been good reasons why the negotiations were conducted in the way they were, and history will reveal them.

In any case, the attitudes of Japan and the European countries toward the United States will be guided by what they consider to be their own best interests. Diplomatic slights are very quickly forgotten if their remembrance in any way threatens the national exchequer. Money still speaks louder than manners in international intercourse, regrettable as that may be.

And while we speak of old countries and old alliances, let us not forget the important need for probing into the potential of new countries and new alliances. I believe that in America today, there is a new awareness of the interdependence of the developed and the underdeveloped world.

At the recent special session of the United Nations, which was convened for the purpose of considering the critical issues of world economic development, Secretary Kissinger addressed the assembly on the problems of the world economy and world development. The gist of his speech was that if the world as we know it is going to survive, every country, in whatever stage of economic or political development, must have a part to play in that survival. The day is past when any one nation, no matter how rich and powerful, can withdraw into an economic or political shell and expect to be dependent only on its own resources.

For the first hundred years of our existence as a nation, the underpinnings of our strength were built on the wisdom of our Founding Fathers, the rugged determination of our pioneers to succeed, and on the flowing bounty that nature had provided in our natural resources. Since the end of the nineteenth century, we have built our strength by our vigorous industrial economy and by our unrivalled technological skills and ingenuity. There has been little in the world that Americans could not produce better and faster than could any other people in the world, and I am convinced that this will always be true, provided that the raw materials that are vital to our technology are always readily available. But, as Shakespeare wrote: "Aye, there's the rub."

Today, the United States imports all, or a substantial percentage, of 26 out of some 36 raw materials that are vital to our industrial economy. Chrome, manganese, tin, bauxite, tungsten, and copper are but a few of the resources of which we have scarce supplies within our own shores. All of these scarce resources are essential to our industrial growth.

Despite recent rhetoric that the United States will be self-sufficient in energy fuels by 1980, it is also certain that we will have to import significant quantities of oil and natural gas if we hope to maintain at least a semblance of our American way of life.

Add to these considerations the fact that the United States is the leading international investor in the world today, and it is obvious that we have a tremendous stake in the game of ensuring that the natural raw material resources of the world are used for the benefit of all the peoples of the world, and not as weapons in a game of international blackmail.

I mentioned earlier in this address that massive American foreign aid programs are not the answer to the world's ills. This country has been generous to a fault since the end of World War II in the distribution of our wealth and technical knowledge to people less fortunate than ourselves.

It now becomes essential that the United States take the lead in fostering technical programs directed toward assisting the underdeveloped world to help themselves in the basic task of producing enough food of their own so that they will not be plagued constantly with famine. We must also take the lead in opposing the formation of cartels by raw material producing countries for the purpose of negotiating artificially high prices for those materials. We must use our American know-how for the purpose of proposing and planning a world-wide system of trade, monetary exchange, and investment.

In none of these efforts to forestall global crises must we lose sight of the essential interests of the United States, or in any way jeopardize our own reasonable prosperity and security. But our economic interests, our prosperity, and our security are now so inextricably bound up with the fate of other nations of the world, that it would be self-defeating, and a grave disservice to generations of Americans yet unborn, to ignore the facts of international life as we approach the beginning of our third century as a nation.

Americans have always been proud of their patriotism, and it is my hope that we will never lose this pride in our country, and the ideals that have sustained us for two hundred years. I would add, however, a caveat. To our reverence for the past, and our confidence in the present, it behooves us to add an awareness of what we must do to ensure our future.

The United States of America has had a glorious past, and we are measured largely by the success of that past. There were no obstacles that we did not overcome. There were no frontiers that we did not cross.

Let us resolve that while we are measured by our past successes, we shall also be measured by our future striving. In 1776, the vastness of the mountains, the plains, the forests, and the rivers of this continent were

the American challenge. We met that challenge, and we triumphed. Today, two years from 1976, the world is our challenge. Let us not be found wanting.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

JAPAN-UNITED STATES FRIENDSHIP ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 859, S. 649.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 649) to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. JAVITS. Mr. President, first, I should like to express great appreciation to the leadership for calling up this measure.

This bill represents an effort by us to do something in the field of Japan-United States relations at a time of critical importance to both Japan and the United States, and it gives very strong recognition to the primacy of Japan as a nation and a close ally.

What the bill does is to set aside 10 percent of the proceeds that are being paid by Japan to the United States from the Okinawa Reversion Agreement—$32 million out of a total of $320 million—for cultural, educational, and artistic exchanges and other programs between Japan and the United States. This Japan-United States Friendship Act commemorates institutionally the special significance and symbolism of the Okinawa Reversion Agreement, which effected the return of Okinawa to Japanese administration and which was agreed to by the Senate on November 10, 1971, by a vote of 84 to 6. We do carry on some such exchange programs now, though they are not nearly adequate. This bill will obviously represent a material supplement.

It is to be clearly understood that this bill establishes a trust fund. The critical point involved—this is the point upon which the State Department and we differ, and the committee has come out unanimously on the side of this bill rather than the State Department, and that is the reason why I wish to explain it—is not the money or the idea or the exchanges, all of which were unanimously approved.

Indeed, the President and Prime Minister Tanaka had that in mind when they issued their communique last year when he was here; that is, that this kind of operation would take place.

The question is, what do we do with the $320 million being paid to this country by Japan? Does it go back in the Treasury? I do not say it does not cost the United States any money because the entire $320 million could be placed in the Treasury, or should $288 million go in the Treasury, with $32 million authorized and appropriated for this purpose?

The issue was whether there should be an independent commission to administer the program, or should it go into the State Department cultural exchange program with an advisory council, on a more or less usual basis.

After very much consideration the committee came to the conclusion that under the circumstances existing in Asia today, and between the United States and Japan, it was more desirable to really make this a distinguished, earmarked, and unique effort.

The other point was a budgetary point. The State Department said there is $19 million in so-called GARIOA funds remaining in an account which could be used for educational and cultural exchange with Japan, money which was paid to the United States by Japan as repayment for U.S. aid to Japan during our occupation of that country.

Again, the committee said, "We can always find uses for that kind of balance," and it is unwise if we are going to make this kind of a friendship gesture to Japan to remind them of the occupation by using money which comes out of that fund.

So on both counts, for policy reasons, that committee decided the course prescribed by this bill is a wise course.

The Senator from Montana (Mr. MANSFIELD), I, and others concerned feel that the report which the committee filed, which is before us, should be supplemented with additional information. Therefore, I ask unanimous consent that there may be printed for the Senate and that there may be considered as a supplemental report Part II, the document which will be sent to the desk.

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

Mr. President, finally, I have a few technical amendments which I send to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. JAVITS) proposes technical amendments as follows:

On page 4, line 4, strike out "1974" and insert "1975" in lieu thereof.

On page 6, line 9, strike out "by" and insert "in" in lieu thereof.

On page 10, line 16, strike out "accounts" and insert "amounts" in lieu thereof.

Mr. JAVITS. Mr. President, these are strictly technical amendments and have no relation to the merits of the bill.

That is all I need to say about it. I think the Senator from Michigan (Mr. GRIFFIN) wishes to address this matter.

Mr. GRIFFIN. Mr. President, will the distinguished Senator yield to me?

Mr. JAVITS. I yield.

Mr. GRIFFIN. Mr. President, I wish to indicate my general support for the bill and its purposes. I would think that the commission contemplated by the bill to administer the fund would not operate much differently than the method suggested by the administration.

I note that the very first member of the commission as designated by the bill is the Secretary of State, and that is very appropriate. I note that other high ranking officers of the administration would automatically be members of the commission and if the President should still have any concern about the commission serving the foreign policy interests of the United States, he has the opportunity on a carte blanche basis to appoint the other six members of the commission.

Mr. JAVITS. The Senator is correct.

Mr. GRIFFIN. So I think this administration; indeed, any administration, would certainly be protected, as the Commission would be constituted.

In terms of what would be done with the money in the fund, I wonder if the Senator might provide some additional insight in terms of what is contemplated or what might be done. I am thinking, for example, of some difficulties I have experienced trying just to get consideration by the State Department for the World Youth Symphony Orchestra of the National Music Camp at Interlochen, Mich., to represent this Nation abroad on some occasion. As the Senator from New York may recall, the wonderful music camp brings talented young people together from all around the country and the world. Dr. Joseph Maddy was the founder of the National Music Camp. He died several years ago.

I have tried over and over again to get the State Department, to realize that this group would be ideal to represent America as part of a cultural exchange. These talented, wonderful young people are a resource that this country can be very proud of, and that would present the right kind of an image in other parts of the world.

Of course, I would not expect the group to be selected often or regularly. But it is inconceivable that the group cannot even get consideration for one appearance.

This year, the group was invited to perform in Australia at an international musical event. If you can imagine it, the Government of Australia was willing to put up $35,000 toward expenses but the Government of the United States, acting through the State Department, would contribute nothing at all. So the invitation had to be regretted.

The Senator from New York, who is a member of the Committee on Foreign Relations, may recall, that our committee took action in connection with the State Department authorization bill, and the report, to specifically encourage State

Department consideration of this project. But we might as well have saved the effort because the State Department paid no attention whatever to the committee views.

I recite this only as an indication of the kind of frustration I have experienced, and why I would be reluctant to put the administration of this fund and program under the control and jurisdiction of the State Department. I wonder if the sort of group I have mentioned might at least have serious consideration in connecting the cultural exchange activities contemplated by this bill?

Mr. JAVITS. It certainly could be, and I would like to call to the attention of my colleague that he referred to one member of the commission, which is the Secretary of State. The other members are the Secretary of Health, Education, and Welfare, the chairman of the National Endowment for the Arts, and the Chairman of the National Endowment for the Humanities, who serve ex officio. Then, there are the six members appointed by the President who would be conversant with United States-Japan relations, expert in the field of education, the arts or the humanities, or representative of the general public.

The important thing I wish to emphasize is that it opens up the very situation the Senator mentioned.

It is another body with an independent status and independent resources which could challenge the State Department as to the quality of its decision.

That having been said, I would say to the Senator that I am not on the Commission so I do not control it in any way.

Mr. GRIFFIN. I understand and that is not the assurance I want.

Mr. JAVITS. No, but I have another point that is very important.

As the author of the bill, voicing my vision of what it would be, I would hope this Commission would not put this operation into day-to-day ventures as the State Department does, such as sending an orchestra or an artist, or something of that sort, but that they would have a program. For example, I can easily conceive of an effort to have a great competition under their auspices in which the best musical organizations in the United States, or the best two or three organizations in Japan were chosen, and that each would go to the other country. That is the kind of thing I envision rather than a day-to-day bread and butter operation.

But certainly the authority is very adequate to cover the very thing the Senator has in mind, and the chairman of the National Endowment of the Humanities serves ex officio, and that is what he contemplates as the kind of activity it should undertake.

Mr. GRIFFIN. I thank the Senator for that explanation. And, having focused on the usefulness of this legislation in the field of the arts, I would like to make sure, however, that its reach would not be limited to the arts. I wonder if the Senator would agree that the exchange of students in other fields could be expected. And I assume that the program could encourage better understanding as between government officials of the two countries, including Members of Congress and members of the Japanese Parliament, perhaps in the form of an interparliamentary conference. I wonder if such projects might be considered in this kind of program?

Mr. JAVITS. Certainly, I would not expect that this Commission would pay the travel fare of a deputy or a minister who could well travel on the diet's account or the cabinet's account. It should not be programmatic, but a project-oriented Commission, because this is a signal opportunity, similar to giving the Nobel prize or other distinguished recognition that give the mark or cachet of a high level commission to a particular activity at a particular time under particular auspices.

For example, the Japanese complain very seriously that they know a lot about our culture, but we know very little about theirs, in terms of their country. It has a fascinating culture, and it is a very old culture. This is the kind of thing which I hope this Commission will devote itself to.

For example, I myself bought a book not too long ago, a fantastically beautiful book. It cost several hundred dollars, as a matter of fact. It was printed in Japan. It is a book of marvelous color plates, together with historical references to the ideas, dates, the artistic movements which developed these particular arts in Japan. The book is a very valuable and beautiful one. I doubt that more than a small handful of Americans are acquainted with this kind of artistic and scholarly output, because it is a combination of the two which comes out of Japan.

We think of them as the makers of things and as fantastic commercial competitors, but I think they would like to be thought of quite differently.

Mr. GRIFFIN. As the Commission is to be structured certainly this administration, or any administration, would be able to exercise a degree of oversight and control.

Mr. JAVITS. The term is for 3 years. That is a Commissioner's term, and the staggering would come only to get the Commission going and to have a revolving membership. So there is a rollover from the very beginning, and it will continue with two such prestigious Cabinet officials as the Secretary of State and the Secretary of Health, Education, and Welfare as the base for the Commission.

I do not think we need have any concern about the disorientation of the Commission. Besides which, this will be a Commission like the Smithsonian or the National Gallery of Art, or one of the other great commissions made up of very distinguished people which function so successfully in the field of arts.

Mr. GRIFFIN. If there is concern on my part, frankly, it would relate to the lack of oversight and control that might be available to the Congress, and particularly the Senate, once this fund and the commission are established.

I do recognize, however, that the Senate committees would have the opportunity from time to time to question the Cabinet officers who will serve on the commission. And to that extent, at least, we could have some impact.

Would the Senator agree?

Mr. JAVITS. I do not think there is any question about it; I think similarly, in the exercise of our legislative oversight and in foreign policy over members of the commission. There is no question about that.

Mr. GRIFFIN. I thank the Senator.

Mr. JAVITS. I thank my colleague.

Mr. GRIFFIN. Mr. President, we are ready.

The PRESIDING OFFICER. The question is on agreeing to the technical amendments. Without objection, the amendments are agreed to.

Mr. FONG. Mr. President, I am pleased to voice my wholehearted support of S. 649, the proposed "Japan-United States Friendship Act." This bill, of which I am a cosponsor, has the salutary objective of improving understanding between the United States and Japan by providing the means for promoting scholarly, cultural and artistic activities.

As I observed in my statement to the Foreign Relations Committee, when it held hearings on S. 649 on May 1 and 2,

> Mutual trust and understanding between the United States and Japan must be continually and intelligently fostered. Considering the obstacles of distance, language, and culture which exist between the United States and Japan, this is not an easy task.

I believe the establishment of a Japan-United States Friendship Trust Fund proposed in the bill will be a most helpful mechanism for supporting a wide variety of scholarly, artistic, and cultural exchanges, fellowships and scholarships, and other programs relating to Japan.

The bill has a special significance for Hawaii because of the State's unique geographic location and the large resident population of Japanese ancestry. The University of Hawaii is especially prepared to serve as a valuable center for the promotion of the activities envisioned in S. 649.

Dr. Yasumasa Kuroda, chairman of the executive committee of the Japan study group at the University of Hawaii, has furnished me with pertinent information on his group's interest in the legislation. His letter of May 16 to me provides valuable arguments why S. 649 should be enacted.

I ask unanimous consent to have Dr. Kuroda's letter printed in the RECORD at this point.

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

UNIVERSITY OF HAWAII,
May 16, 1974.

HON. HIRAM L. FONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FONG: The Japan Study Group at the University of Hawaii wishes to express enthusiastic support of Senate Bill 649, the proposed "Japan-United States Friendship Act" introduced by Senator Javits and co-sponsored by you in the United States Senate.

The Japan Study Group is an association of all professors on the Manoa Campus of the University of Hawaii who are engaged in research on Japan. The Group was organized in an attempt to give local, national and international visibility to the professional study of Japan at the University of Hawaii. The University maintains on its faculty 50 to 60 research scholars with an area focus on Japan, or approximately 10 percent of Japan specialists in the United States.

We probably have the most well-balanced Japanese study program in the nation. We

have scholars who are specialized on Japan not only in traditional fields of humanities and social science but also in business, health, natural sciences, computer science, and engineering. Nearly all of us including natural scientists we have, are capable of communicating with Japanese scholars in Japanese. In this sense, we have a strength unmatched by any other University in the nation.

This unmatchable strength of the Group is an integral part of the State's decision to consider Asia as a region in which study and research at this University should be concentrated. Its decision is based upon, as you pointed out in your testimony to the Senate, our unique geographic location and the varied ethnic background of population.

There are many reasons for our wholehearted support of the Bill. We are currently working toward the establishment of a Center for Japan Studies. All of the proposed objectives of the Bill 649 as specified under Section 3, "Establishment of the Fund: Expenditure" are included in the projected activities of the Center.

Second, the Bill is proposed at this time when other funds for area studies are rapidly disappearing.

Third, we are happy to see you place the support for studies "designed to foster mutual understanding between Japan and the United States" on the first priority for we know that mere exchanges of individuals and materials are not sufficient to promote the needed mutual understanding, respect, and friendship, e. g., the recent controversy over the Japanese investments in the U.S. I wish to point out the relevance of Japan-U.S. relations to Asian Americans in this regard. The troubled Japan-U.S. relations in recent years have begun to adversely affect the relationship betwen the Japanese and other ethnic groups in the United States as described by journalists (e.g., *Wall Street Journal*, August 9, 1972). Articles appearing in *Gardena Valley News* in California, for example, would strike fear into the hearts of not only American citizens of Japanese ancestry but also of any American whose forebears came from a nation that was at one time at odds with the United States. The point is that we must not simply promote exchanges of personnel and trade, but we must emphasize the importance of thorough, continuing study of conditions under which people of two different nationals can maximize mutual respect and friendship. Unfortunately, "getting to know you, know you" is not automatically leading us to respect each other.

A large number of Japan specialists at the University of Hawaii are Asian Americans and we are concerned with the deleterious effects of Japan-U.S. relations on minority Americans. A well programmed study of Japan and related areas of interest, however, cannot be carried out without adequate funding. In the situation we find ourselves today—rising costs and sophisticated methods of research—we are forced to look to governmental support for carrying out our projects.

Fourth, the Japanese government was sufficiently concerned with the image of Japan abroad to pass a bill on May 26, 1972 to establish the Japan Foundation which came into existence on October 2, 1972. We are all concerned with the declining popularity of the U.S. among the Japanese from the first rank in the first half of 1960's to fourth place after the Nixon "shock." It would be a good gesture on the part of the United States to demonstrate to the Japanese government and its people that we are concerned with Japan-U.S. relations.

Therefore, we are pleased to learn of your continued efforts toward the establishment of the Fund. I am certain that Bill 649 is welcomed by a wide spectrum of citizens of Hawaii and especially by Japan specialists at the University of Hawaii. Thank you very much for your sustained interest.

Respectfully yours,

YASUMASA KURODA,
Chairman, Executive Committee, Japan Study Group.

Mr. KENNEDY. Mr. President, I wish to add my support for S. 649, the Japan-United States Friendship Act. I was pleased to cosponsor this legislation when the distinguished Senator from New York (Mr. JAVITS) introduced it a year and a half ago.

In the history of postwar American foreign policy, few developments can rival the transformation of our relations with Japan. Twenty-nine years ago, at the end of the worst war the world had known, Japan lay devastated, her cities shattered, her people stunned by the horror of their loss. Yet in the years that followed, the enmities of the past gave way to the creation of a powerful and lasting bond of cooperation and trust between our two countries. With Japan as a principal ally, a stable democracy, and a valuable economic partner, we value the fact that the Japan-American relationship has written a new chapter in relations between Asia and the West.

It is especially significant, Mr. President, that this legislation provides for funds from the Okinawa Reversion Agreement to be used for promoting scholarly, cultural, and artistic activities between Japan and the United States. Many hundreds of thousands of Americans, particularly our servicemen, have had the opportunity over the past three decades to experience the unique culture, art, and language that Japanese society provides. But up to now, this direct experience of Japan has not been matched by a significant number of Japanese studies programs in our colleges and universities. In language skills in particular, it is embarrassing that so many Japanese speak our language while so few Americans speak theirs. This legislation can help provide us with the opportunity for many Americans to learn Japanese and to gain detailed understanding of Japanese culture and society.

In order to pay tribute to the 29-year history of our mutually beneficial partnership, to promote increased mutual public understanding, and to help guarantee the maintenance of our friendly relationship in the future—I urge Senate passage of this bill.

The PRESIDING OFFICER. If there be no further amendment, the question is on the third reading of the bill.

The bill (S. 649) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 649

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

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds that—

(1) the evolution of the relationship between Japan and the United States from wartime bitterness to peacetime friendship and partnership is one of the most significant developments of the postwar period;

(a) the agreement between Japan and the United States of America concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo on June 19, 1970, is a major achievement and symbol of the new relationship between the United States and Japan; and

(3) the continuation of close United States-Japan friendship and cooperation will make a vital contribution to the prospects for peace, prosperity, and security in Asia and the world.

(b) It is therefore the purpose of this Act to provide for the use of an amount equal to a part of the sums to be paid by Japan to the United States in connection with the reversion of Okinawa to Japanese administration to aid education and culture at the highest level in order to enhance reciprocal people-to-people understanding and to support the close friendship and mutality of interests between the United States and Japan.

ESTABLISHMENT OF THE FUND; EXPENDITURES

SEC. 3. (a) There is established in the Treasury of the United States a trust fund to be known as the Japan-United States Friendship Trust Fund (hereafter referred to as the "Fund").

(b) Amounts in the Fund shall be used for the promotion of scholarly, cultural, and artistic activities between Japan and the United States, including—

(1) support for studies, including language studies, in institutions of higher education or scholarly research in Japan and the United States, designed to foster mutual understanding between Japan and the United States;

(2) support for major collections of Japanese books and libraries at United States colleges and universities located throughout the United States;

(3) support for programs in the arts in association with institutions of higher education in Japan and the United States;

(4) support for fellowships and scholarships at the undergraduate, graduate, and faculty levels in Japan and the United States in accord with the purposes of this Act;

(5) support for visiting professors and lecturers at colleges and universities in Japan and the United States; and

(6) support for other Japan-United States exchanges consistent with the purposes of this Act.

(c) Amounts in the Fund may also be used to pay administrative expenses of the Japan-United States Friendship Commission, established by section 4 of this Act, as directed by that Commission.

(d) There is authorized to be appropriated to the Fund, for fiscal year 1975, an amount equal to 10 per centum of the funds paid to the United States pursuant to the Agreement Between Japan and the United States of America Concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo, June 19, 1970. Any unappropriated portion of the amount authorized to be appropriated for such fiscal year may be appropriated in any subsequent fiscal year.

THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION

SEC. 4. (a) There is established a commission to be known as the Japan-United States Friendship Commission (hereafter referred to as the "Commission"). The Commission shall be composed of—

(1) the Secretary of State;

(2) the Secretary of Health, Education, and Welfare;

(3) six members appointed by the President from among individuals who are (A) conversant with Japan-United States relations; (B) expert in the field of education, the arts, or the humanities; or (C) representative of the general public;

(4) the Chairman of the National Endowment for the Arts, who shall have no vote; and

(5) the Chairman of the National Endow-

ment for the Humanities, who shall have no vote.

(b) The term of office of each of the six public members of the Commission appointed under clause (3) of subsection (a) of this section shall be three years, except that (1) such members first appointed shall serve as designated by the President, two for terms of three years, two for terms of two years, and two for terms of one year, and (2) any member appointed under such clause to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(c) Members of the Commission who are not regular, full-time employees of the United States shall, while serving on business of the Commission, be entitled to receive compensation at rates fixed by the President, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime; and while so serving away from their homes or regular places of business, they may be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(d) The President shall appoint the Chairman of the Commission. A majority of the members of the Commission shall constitute a quorum. The Commission shall meet at least twice in each year.

FUNCTIONS OF THE COMMISSION

SEC. 5. The Commission is authorized to—

(1) develop and carry out programs of public or private institutions for the promotion of scholarly, cultural, and artistic activities in Japan and the United States consistent with the provisions of section 3(b) of this Act;

(2) make grants to carry out such programs; and

(3) submit to the President and to the Congress an annual report of its activities under this Act together with such recommendations as the Commission determines appropriate.

ADMINISTRATIVE PROVISIONS

SEC. 6. In order to carry out its functions under this Act, the Commission is authorized to—

(1) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(2) receive money and property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property (including transfer to the Fund) for the purpose of carrying out the purposes of this Act, and any such donation shall be exempt from any Federal income, State, or gift tax;

(3) in the discretion of the Commission, receive (and use, sell, or otherwise dispose of, in accordance with paragraph (2)) money and other property donated, bequeathed, or devised to the Commission with a condition or restriction, including a condition that the Commission use other funds of the Commission for the purposes of the gift, and any such donation shall be exempt from any Federal income, State, or gift tax;

(4) direct the Secretary of the Treasury to make expenditure of the income of the Fund and not to exceed 5 per centum of the annual principal of the Fund for the purposes of this Act, including the payment of Commission expenses if needed;

(5) appoint an Executive Director, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, who shall be compensated at the rate provided for a GS–18 of the General Schedule of such title;

(6) appoint and fix compensation of such additional personnel as may be necessary to carry out the provisions of this Act;

(7) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed the rate specified at the time of such service for grade CS–18 in section 5332 of title 5, United States Code;

(8) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(9) enter into contracts, grants, or other arrangements, or modifications thereof to carry out the provisions of this Act, or any other provisions of law relating to competitive bidding; and

(10) make advances, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

MANAGEMENT OF THE FUND

SEC. 7. (a) The Fund shall consist of—

(1) amounts appropriated under section 3(d) of this Act;

(2) any other amounts received by the Fund by way of gifts and donations; and

(3) interest and proceeds credited to it under subsection (b) of this section.

(b) it shall be the duty of the Secretary of the Treasury (hereafter referred to as the "Secretary") to invest such portion of the Fund as is not, in the judgment of the Commission, required to meet current withdrawals. Such investment may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purposes, the obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest bearing obligations of the United States issued during the preceding two years then forming part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

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

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

(e) In accordance with section 6(4) of this Act, the Secretary shall pay out of the Fund such amounts, including expenses of the Commission, as the Commission considers necessary to carry out the provisions of this Act.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. What is the will of the Senate?

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr ROBERT C. BYRD. Mr. President, I ask that the Senate resume the consideration of the unfinished business.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The PRESIDING OFFICER (Mr. HATHAWAY). Under the previous order, the Senate will resume the consideration of the unfinished business, S. 3000, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from South Carolina (Mr. THURMOND), the so-called Buy American amendment.

Mr. ROBERT C. BYRD. I thank the Chair. Is there a time limitation on that amendment?

The PRESIDING OFFICER. There is no time limitation.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the disposition of the McIntyre amendment and the Chiles substitute to the McIntyre amendment, the Senate proceed to the consideration of an amendment (No. 1391) to be proposed by Mr. Mathias, and that there be a time limitation thereon of 1 hour, to be equally divided in accordance with the usual form; and that there be a time limitation on any amendment thereto, debatable motion, or appeal of 20 minutes, to be equally divided in accordance with the usual form.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. THURMOND. Mr. President, what is the order of business?

The PRESIDING OFFICER. On agreeing to amendment No. 1400 of the Senator from South Carolina (Mr. THURMOND).

Mr. THURMOND. Mr. President, I rise in support of my amendment No. 1400 which I have labeled the "Buy American" amendment.

This amendment is identical to one I offered last year except that it adds the words "or any other" between the words "this" and "Act" and would therefore become permanent law rather than apply only to the fiscal year, as was the case with the fiscal year 1974 amendment.

Last year, Senator SYMINGTON of Missouri, floor manager of the procurement bill, joined me as a co-sponsor of this amendment and it was accepted by the House conferees over a similar "Buy American" amendment in the House bill which the Defense Department considered too restrictive and possibly very difficult to enforce. Therefore, the provisions of this amendment are current law, and by accepting my amendment today the Senate will merely be making permanent the law on this subject which was approved by the Congress last year.

Actually, Mr. President, when I first introduced a "Buy American" amendment last year it was patterned after one introduced and passed by the House. However, this particular amendment was considered enforceable by the Defense Department, so Senator SYMINGTON and I introduced a second amendment which the Defense Department did not oppose.

Now, Mr. President, for a brief explanation of this amendment the following points should be helpful to the Senate.

First, it is my view that the Department of Defense, in awarding contracts for the procurement of supplies and equipment, should award these contracts to firms located in the United States which have the capability to supply them provided such action will not result in unreasonable costs or otherwise be contrary to the public interest.

Second, it is only right that firms located in the United States and employing American labor, both of which pay U.S. taxes, should be given a preference in the award of these contracts whenever it is economical and appropriate to do so. This is particularly justified in the case of firms located in the unemployment areas designated by the Secretary of Labor as labor surplus areas and in the case of U.S. small business firms.

Third, we must consider the impact on the U.S. balance of payments when contracts are awarded to foreign firms as well as any additional costs involved to the United States in awarding contracts to foreign firms.

I am told that the Department of Defense employs administrative procedures to accomplish these objectives now. However, these objectives are so important and critical to American firms and American workers that there should be a basis for them in law.

The proposed amendment which I offer will require the Department of Defense prior to the award of a contract to a foreign firm to be funded by money authorized to be appropriated by the act, to give adequate consideration to the bids or proposals of firms located in U.S. labor surplus areas, to those of small business firms, and all other firms located in the United States, to the impact on the U.S. balance of payments and to the additional costs, such as shipping costs and duties which might be involved if other than American goods were procured.

My amendment will constitute a clear expression by the Congress that American goods, when available, are to be procured whenever it is economical to do so, and it is not otherwise contrary to the public interest.

In closing, Mr. President, this amendment should not result in any additional costs and requirements of the amendment are concise enough to insure an evenhanded administration of these proposals.

Mr. President, if there is any opposition to this amendment, I would suggest that Senators come forward. I do not believe there is any opposition. When the distinguished Senator from Missouri (Mr. SYMINGTON) and I introduced this amendment last year, it was accepted. As I said, the conference committee accepted it. It is in the House bill this year, section 702.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The question is on agreeing to the amendment No. 1400 of the Senator from South Carolina (Mr. THURMOND).

The amendment was agreed to.

Mr. THURMOND. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. WILLIAMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. What is the will of the Senate?

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

RECESS UNTIL 12 NOON

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until 12 o'clock noon today.

The motion was agreed to; and at 11:14 a.m. the Senate took a recess until 12 noon; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. METZENBAUM).

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ROBERT C. BYRD). Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. JACKSON. Mr. President, I ask unanimous consent that Dorothy Fosdick and Richard Perle be granted the privilege of the floor during consideration of the pending defense procurement bill.

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

AMENDMENT NO. 1394

Mr. METZENBAUM. Mr. President, I call up my amendment No. 1394 and ask that it be stated.

The PRESIDING OFFICER (Mr. HASKELL). The amendment will be stated.

The assistant legislative clerk read as follows:

On page 17, between lines 20 and 21, insert a new section as follows:

SEC. —. (a) Section 2304(a) of title 10, United States Code, is amended by striking out clause (7) (relating to the purchase or contract for medicine or medical supplies).

(b) Section 2304 of such title is further amended by adding at the end thereof a new subsection as follows:

"(h) Notwithstanding the provisions of subsection (a), all purchases and contracts made for medicine or medical supplies shall be made by formal advertising except (1) where the purchase or contract is made under clause (3) of subsection (a), or (2) where the head of an agency determines that because of extreme circumstances formal advertising cannot be used and promptly notifies the Congress of the purchase or contract and the extreme circumstances necessitating the purchase or contract without formal advertising.".

The PRESIDING OFFICER. On this amendment there will be 1 hour of debate with one-half hour to a side.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 10 minutes.

Mr. METZENBAUM. Mr. President, I will be asking for the yeas and nays on this amendment at the conclusion of my remarks.

My distinguished colleague, almost daily we are told by spokesmen for the Nixon administration that the Federal budget must be reduced to conquer the inflation that has hobbled our economy for far too long.

This message has been stated—and emphasized—by Dr. Arthur Burns, Chairman of the Federal Reserve Board, by Mr. William Simon, the Secretary of the Treasury, as well as by President Nixon himself.

I believe that every Member of this body agrees that inflation must be checked. The real question is "how do we do it." Cutting or holding the Federal budget in check is a first priority. With few exceptions all of us advocate spending reductions. We only differ in our choice of cuts. Many of us refuse to cut those programs that we feel are vital to the well-being of people in need. Others are most concerned that we not jeopardize those programs that provide jobs.

One spending area that is always ripe for review is the mammoth Pentagon budget that accounts for approximately 70 percent of the Government's controllable outlays. I am well aware that many have supported past and recent efforts to reduce the military budget.

However, that is not the question raised here today. Neither military capacity nor military strategy is applicable to the subject I address myself to today. I am convinced we can achieve substantial savings, amounting to billions of dollars, in the Pentagon budget without reducing military capability or revising military strategy in any way.

We need only to revise military procurement policy. We need only to honor our long-standing national commitment to competitive bidding as the proper way for the Federal Government to get the most for its dollar. Unlike other Federal, State, and local departments and agencies, the Pentagon has honored this commitment in the breach.

As a consequence, studies show, the costs of procurement have escalated tremendously. This is what I propose to change. I believe the Pentagon must be required to rely upon competitive bidding wherever possible, or explain to the Congress why not.

Under the Armed Forces Procurement Act, the Pentagon is allowed 17 exemptions from competitive bidding requirements. Today I ask you, my distinguished colleagues, to join me in removing one of these exemptions—for the purchase of medicine and medical supplies for the military services.

I see no reason whatsoever that all medical procurement should be exempt from formally advertised competitive bidding. My amendment, to the pending military procurement authorization bill S. 3000, would delete this blanket exemption and require, instead, that all medical procurement contracts above $2,500 must be let through formal advertising, except in "extreme circumstances."

To understand the thinking behind my amendment, it is necessary to review the recent history of Pentagon purchases of medical supplies.

Generally speaking, Pentagon procurement falls into three categories:

First. Sole source procurement, in which there is no competition at all;

Second. Competitive negotiation, in which the number of competitors is limited to a select few, and formal advertising normally does not occur; and

Third. Open competition through formal advertising.

Roughly half the money spent by the Defense Department for medical items is disbursed for drugs. The other half is spent for medical supplies such as bandages, beds, wheelchairs, and other equipment.

From 1971 through April of this year, the proportion of contracts awarded for medical supplies through advertised competitive bidding dropped from 21.1 percent of the total dollars spent to 5.8 percent. As of April of this calendar year only 4.7 percent of the purchase contracts for drugs were let through open and advertised competitive bidding, a little more than half the level of 1971.

Yet, it is clear that advertised competitive bidding offers major cost-saving advantages over sole source procurement. The proof in this area is hard to find, since the military has been totally exempt from the requirement to bid competitively for medicine and medical supplies.

However, there is available some specific evidence. In 1968 and 1969, the Veterans' Administration purchased its supplie of glyceryl cuaiacolate syrup through the sole-source method of procurement. During these same years, the defense personnel support center obtained the same drug through advertised competitive bidding.

A comparison of the costs shows that the Veterans' Administration, the sole-source purchaser, paid 59 percent more to buy the same drug than the defense personnel support center, which made its purchases by taking open and competitive bids. And I hasten to add that during those same years, 1968 and 1969, the Veterans' Administration, by their own admission, purchased 113 items without competitive bidding even though other competitive suppliers were available.

I am fully aware of the Defense Department arguments rationalizing sole-source procurement over competitive bidding. However, I am not persuaded by them.

We are told that a drug is obtained through sole-source procurement when the defense medical material board designates it to be the only drug meeting required specifications. These specifications, however, usually are developed by a pharmaceutical company. Theoretically, the specifications apply to a generic drug, but in practice they often apply to a brand-name drug.

The result is that the Defense Department finds itself required to buy a brand-name drug manufactured by only one company. There is no choice but to purchase sole-source.

Furthermore, the brand-name drug is often an expensive version of an equally effective generic drug. My distinguished colleague, the Senator from Wisconsin (Mr. NELSON) found many examples of this in the hearings he conducted on the status of competition in the pharmaceutical industry.

The loser in this arrangement is the taxpayer, who has to foot the bill.

At present, some 77 drugs are designated by the defense medical material board for sole-source procurement.

However, another 2,500 items are purchased without competitive bidding through a variation of the practice, called single-source procurement. This method is used when hospitals and other local purchasing units find themselves buying a particular drug in volume, whether or not there are competitive suppliers.

On the theory that economies of scale will result, the central buying agency will accept the brand-name drug purchased by the local units as the "standard" for that drug category. The central buying agency then will purchase the drug for all the local units.

The practical effect of such a decision, however, is to preclude competition for such "standardized" drugs.

But I am convinced that competitive bidding, not volume purchasing, achieves the greatest savings. My point is supported dramatically by the 59 percent saving I mentioned earlier in the purchase of glyceryl cuaiacolate.

Certainly, there is no justification for the blanket exemption from competitive bidding requirements for all purchases of medicine and medical supplies as now provided in the code. If the amendment I propose today is accepted, the Department of Defense would still not be required to take competitive bids for purchases of $2,500 or less, or when extreme circumstances exist.

I see no reason why the military should not be required to utilize the same cost-saving procedures used by every township, city, county, and State in this country, as well as almost all other Federal agencies. All these other governmental units utilize competitive bidding for the letting of all their contracts, including medical contracts. The military should not be able to continue employing wasteful procedures at the taxpayers' expense.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time not be charged to either side on the amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

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

Mr. THURMOND. I yield.

Mr. ROBERT C. BYRD. If the Senator from Ohio wishes to order the yeas and nays, sufficient Senators are on the floor now to second his request.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I rise to speak in opposition to this amendment. The Committee on Armed Services is opposed to it.

The proposed amendment to S. 3000 deletes section 2304(a)(7) of title 10 United States Code which authorizes negotiated procurement of medicine and medical supplies. The amendment further stipulates that all purchases and contracts for medicine and medical supplies be made by formal advertising except: First, where the provisions of 2304 (a)(3) title 10, United States Code apply; or second, where the agency head determines that because of extreme circumstances formal advertising cannot be used; Congress will be promptly notified of the facts and circumstances surrounding the use of such negotiation.

EFFECT OF AMENDMENT

The enactment of amendment No. 1394 to S. 3000 would eliminate medicine and medical supplies from the special category presently afforded to both food and medical materiel. It would place restrictions on the procurement of medicine and medical supplies far more stringent than those of other commodities and would result in seriously impeding or restricting the procuring activity's ability to support the patient in a timely fashion. Specifically, the amendment would preclude the use of negotiation:

First. To satisfy emergency requirements as authorized by Section 2304(a)(2), title 10 United States Code.

Second. To satisfy the unique purchase requirements outside the United States as authorized by section 2304(a)(6), title 10, United States Code.

Third. To obtain medicine and medical supplies when it is impracticable to secure competition by formal advertising such as sole source, specialized equipment, required for patient care, research and training programs, maintaining system compatibility, and failure to obtain responsive bidders through formal advertising. These provisions are currently authorized by section 2304(a)(10), title 10, United States Code.

Fourth. To permit set asides for small business and labor surplus area firms as currently practiced.

Mr. President, the Defense Department has considered this matter carefully, and they are strongly opposed to the amendment. The Department of Defense strongly urges that this amendment not be adopted, since it will unduly restrict the procurement of critical medicine and medical supplies. The Department of Defense is strongly committed to the procurement of generic equivalent medical products and is continuously seeking to improve competition not only by the use of formal advertising but also through competitive negotiation.

The amendment fails to recognize the Commission on Government Procurement recommendation that competitive negotiation is an acceptable and efficient alternative to formal advertising. The impact of this amendment on the procurement of medicine and medical supplies is exceptionally far reaching and highly complex. It is strongly recommended that the amendment not be passed and that the Congress along with the Commission on Government Procurement and the Department of Defense thoroughly review this matter, to include conducting appropriate hearings, prior to amending title 10, United States Code, as proposed.

NEGOTIATION OF MEDICAL ITEM PURCHASES

Absolute prohibition against the use of any negotiation authority except the small purchase authority for the purchase of drugs and medical supply items would be of no benefit to the Government, the drug industry, or the military patient. When the Armed Services Procurement Act was enacted and considered in 1947 it was clearly recognized that for certain types of commodities the method of procurement must remain flexible. Medical supplies were one of these commodities and the negotiation authority was placed in the statute. There were no good reasons to change it when negotiation authority was revised in 1962 to add the requirements for cost and pricing data on sole source negotiation procurments and there are no good reasons to change it today.

Use of the negotiated authority does not mean that items are procured without competition. Many drug and medical items are available from several sources and these are obtained competitively. Of the approximately 15,000 medical items in the supply system, only 77 are truly sole-source and so designated by the Defense Medical Materiel Board. Approximately 2,500 items are single source or items for which there is no effective competition. Many medical items are either sole or single source because patent rights preclude effective competition. Department of Defense medical procurement does not represent a sufficiently large segment of the entire industry production to warrant a firm entering into the business of supplying drugs and medical items solely to satisfy the military market, particularly in view of its uncertainty.

Inherent in the proposed amendment would be the inability to make set asides for small business and labor surplus area firms, which are now authorized under the current negotiation authority.

A requirement to use inflexible formal advertising procedures would unnecessarily complicate medical item procurement by limiting Department of Defense ability to accept minor deviations from specifications, delivery schedules or contract terms without the need for the delay involved in readvertising the purchase. Also, proprietary rights in production and development, inability to describe intangibles and the writing of quality into a specification further restrict the use of formal advertising for these items.

Certain other significant problems would occur if we were precluded from negotiating except under exception 3 and under extreme emergencies approved by the head of an agency:

Public exigencies such as earthquake support or epidemics could not be responded to as promptly under formal advertising procedures;

Delays inherent in purchasing could be prohibitive; for example, if we received no responses or only one response and were required to resolicit either by formal advertising or negotiation;

Under formal advertising prices of sole bids—regardless of number of available sources—could not be negotiated if prices were considered unreasonable. In addition, we could not obtain cost and pricing data under Public Law 87-653, if such a procurement were formally advertised;

Under the rigid procedures of formal advertising any deviation from exact responses to solicitations would render a bidder nonresponsive. New firms attempting to compete might lose out on a technicality because of their inability to resolve a spec, packaging or delivery deviation;

These restrictions would limit our ability to accept a proffered better delivery which was to our advantage, if there was a lower bid which met the delivery set forth in the solicitation;

The restrictions requiring formal advertising could also create problems in overseas purchase, which are usually negotiated under exception 6 because of language and interpretation problems. Many of these procurements could not meet the definitions of an extreme emergency, although most would probably be included under exception 3;

Over 2,000 actions per year, over $10,000 each, could require referral to the Director of DSA for his determination as to authority to negotiate. If the Small Purchase Authority—exception 3—is not increased to $10,000, over 6,500 additional actions could possibly be referred to the Director;

The increase in procurement administrative leadtime inherent in these restrictions would create the need for higher inventory levels with concomitant increased costs, plus the costs of storing and maintaining the increased inventory;

Most medical items are produced for the civilian community and not specifically for the military. Manufacturers may produce items which basically perform the desired functions but each utilize a separate and distinct method, configuration, et cetera. Each product may be different enough that to use firm specifications and formal advertising would eliminate many otherwise competitive sources. In such cases the only way a contracting officer can assure the fullest competition is through negotiation; and

During the current energy crisis the use of negotiation exception 7 has allowed contracting officers to procure medical items on a timely basis. Manufacturers have had to use alternate materials in their manufacturing process. By negotiating for these items the Government has been able without undue delay to obtain items which fill the requirement.

For these reasons it would appear that the amendment is unwise and should be defeated by the Senate.

NOTICE OF INTENTION TO PROPOSE AN AMENDMENT TO THE MILITARY PROCUREMENT AUTHORIZATION BILL

Mr. ROTH. Mr. President, the junior Senator from Minnesota and I intend to offer an amendment on Tuesday to the

Military Procurement Authorization Act to place an aggregate ceiling over the line items for procurement and for R.D.T. & E. in titles I and II of the bill. The ceiling will be the same as the sum of the line items as recommended by the Armed Services Committee less the $15.6 million deleted by the Senate yesterday for a missile firing from Montana, unless a further change is made on the floor. The purpose of the amendment is to insure tight fiscal control over defense while at the same time providing funds for a strong national defense as recommended by the committee.

The text of the amendment is as follows:

On page 17, between lines 20 and 21, insert a new section as follows:

SEC. Notwithstanding any other provision of this Act not more than $21,631,812,000 may be appropriated to or for the Department of Defense under authority of titles I and II of this Act for the fiscal year ending June 30, 1975.

JACKSON AMENDMENT

Mr. JACKSON. Mr. President, I ask unanimous consent that I may call up my unprinted amendment which is at the desk, out of order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 17, between lines 20 and 21, insert a new section as follows:

SEC. . (a) The Congress finds that the defense posture of the United States may be seriously compromised if the Nation's goods and technology are exported to a controlled country without an adequate and knowledgeable assessment being made to determine whether export of such goods and technology will significantly increase the military capability of any such country. It is the purpose of this section to provide for such an assessment and to authorize the Secretary of Defense to review proposed export of goods or technology to any such country and disapprove such exports whenever he determines that the export of such goods or technology will significantly increase the military capability of such country.

(b) Notwithstanding any other provision of law, whenever a request for a license or other authority is required by any person to export any goods or technology to any controlled country, the appropriate export control officer or agency to whom such request is made shall notify the Secretary of Defense of such request, and such office may not issue any license or other authority pursuant to such request for a period of 30 days after the Secretary of Defense has been notified. The Secretary of Defense shall carefully consider all notifications submitted to him pursuant to this subsection and shall:

(1) disapprove any request for the export of any goods or technology to any controlled country if he determines that the export of such goods or technology will significantly increase the military capability of such country; or

(2) notify such office or agency within such period that he will interpose no objection if appropriate conditions designed to achieve the purposes of this Act are imposed; or

(3) indicate, prior to the expiration of the 30 day review period, that he does not intend to interpose an objection to the export of such goods or technology.

If the Secretary notifies such office or agency within such period that he disapproves such export, no authorization may be issued for the export of such goods or technology to such country.

(c) In determining whether the export of any goods or technology to any controlled country will significantly increase the military capability of such country, the Secretary of Defense shall take into account all potential end uses regardless of the end use indicated by the applicant for the export of such goods or technology.

(d) Effective on June 1, 1974, the removal of any category of goods or technology requiring an export license or other authorization shall require the approval of the Secretary of Defense.

(e) The Secretary of Defense is authorized, on behalf of the United States, to disagree to any modification of the so-called COCOM international lists (or interpretations thereof) if he determines that such modification would likely result in a significant increase in the military capability of any controlled country.

(f) As used in this section—

(1) the term "goods and technology" includes but is not limited to—

(A) machinery, equipment, durable goods, and computer software;

(B) any license or other arrangement for the use of any patent, trade secret, design, or plan;

(C) the so-called "know-how" or knowledge of any individual, firm, corporation, or other entity;

(D) assistance in planing and joint venture arrangements; and

(E) arrangements under which assistance is provided in developing a manufacturing capability, including so-called turn-key arrangements.

(2) The term "expert control office" as used in this section means any office or agency of the U.S. Government whose approval or permission is required pursuant to existing law for the export of goods or technology.

(3) The term "controlled country" means the Soviet Union, Poland, Romania, Hungary, Bulgaria, Czechoslovakia, and the German Democratic Republic (East Germany).

(g) The Secretary of Defense shall submit to the Congress every six months a report on the implementation and administration of this section.

Mr. JACKSON. Mr. President, the senior Senator from South Carolina has requested to join as a cosponsor of the amendment. I ask unanimous consent that he be shown as a cosponsor of the amendment.

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

Mr. JACKSON. Mr. President, the amendment I propose has a simple purpose: to assure that the Secretary of Defense, who is constitutionally charged with the principal administrative responsibility for matters affecting national defense, has an adequate opportunity to review and, where he deems proper, prohibit the transfer to the Soviet Union and the other COMECON countries of goods or technology capable of significantly increasing their military capability. As matters stand today a number of government agencies participate in advising the various offices administering export controls, each agency giving its advice from the point of view of its own expertise and administrative responsibility. In my judgment, the view of the Secretary of Defense as to the impact of any specific transfer of technology on the military potential of the recipient is of unique and decisive importance. Therefore, my amendment has the effect of giving the Secretary of Defense a veto over any transfer of technology to a controlled country if he determines that such export will significantly increase the military capability of such country.

Mr. President, the Soviet Union is making a concerted effort to acquire our most advanced technology at minimal cost to itself. The leaders of the Soviet Union have repeatedly stated that technology holds the key to the competition between our system and theirs. After more than 50 years of Soviet rule there are no signs of their closing the technological or management gaps, and they lag far behind us on their own chosen grounds of materialism.

While there are both economic and military dangers in transferring advanced technology to the Soviet Union, it is the military aspect with which this amendment deals and on which I wish to comment.

Our sense of values does not allow us to have as many troops, or tanks, or other types of weapons as the Soviets have. We prefer to spend our money improving the life of our people. It is only the quality of our weapons, based on our more advanced technology and know-how, which allows us to maintain an adequate military deterrent. If some of the protocols and contracts already signed by American companies with the Soviet bloc are allowed to go through we will have lost a large part of the technological basis for this deterrent.

The Soviet bloc has the capability to do excellent basic research in a broad range of fields. Their problem lies in turning this research into products on a production line. It is for this reason that they want most of all to buy complete turnkey facilities to manufacture products, including computers, integrated circuits, and aircraft. In many cases the tools and techniques needed to manufacture civilian products are virtually identical to those needed in manufacturing the most advanced military devices. These cases can only be determined by people with the requisite technical background, including knowledge of both civilian and military hardware and manufacturing techniques. This sort of knowledge is far more likely to lie in the Department of Defense than in the Departments of Commerce and State.

It is the Secretary of Defense who has the primary responsibility for monitoring our defensive strength. It is logical, therefore, that he should be in a position to disapprove any transfer of technology to our adversaries which would significantly enhance their military capability. This is the intent of this amendment.

This amendment is not meant to stop ordinary commercial trade with the Soviet bloc unless that trade can significantly enhance the military capabilities of those countries.

It is useful, Mr. President, to consider

three categories of sales. The first and most harmful are those which involve joint planning with the Soviet bloc of state-of-the-art devices, or the participation of American companies in the planning and construction of manufacturing facilities in controlled countries. Such sales, while perhaps bringing a one-time profit to one of our companies, allow the Soviet Union to bridge an enormous technological gap, often 10 years or more. They create an international competitor for all our manufactures in the field, a competitor whose sale price need have no relation to his costs. This can only further our balance-of-payments and unemployment problems, while alleviating those of our adversaries. Worst of all, such manufacturing plants can usually produce a wide range of military systems with, at most, minor changes. The most careful consideration should be given to any such transfers before they are licensed.

The second category includes the licensing of high technology to the Soviet bloc countries. Such arrangements permit this know-how to be used in whatever military systems the Soviets desire. Here, too, the military ramifications of each transfer must be carefully thought out before it is licensed since we can never really control the end use of a technology once it has been shipped abroad and is in operation.

The third category is that of selling finished equipment. This type of transaction is, of the three, the least dangerous for us. Not only are we able to sell finished products, thus keeping our workers employed and building our own manufacturing skill, but we can generate a continuous flow of payments without creating competition for ourselves. Most important, we can more clearly understand the military implications of finished goods than of techniques and facilities. While such trade can have a significant effect on the military capability of the Soviet bloc, particularly in high technology items, there are many cases in which this is not so and this amendment should help to encourage and facilitate such trade, while assuring that dangerous transfers of high technology will be precluded.

This amendment, Mr. President, provides that the Secretary of Defense shall take into account all potential end-uses of any goods or technology to a controlled country in determining whether the export will significantly increase the military capability of such country. We are presently licensing the export of high technology, such as advanced computers, to controlled countries which we would not be willing to license if it were not for the claim that they will be used only for acceptable purposes. In certain cases, some verification of the end-uses has been attempted. In the opinion of most experts, Mr. President, any such verification schemes can be easily fooled and these so-called "safeguards" do nothing but delude us into thinking we can control the end-use of products when in fact we cannot. It is the intent of this amendment that the Secretary of Defense should assume that any products or technology that go to controlled countries will be used for whatever purposes those countries desire.

This amendment calls for review by the Secretary of Defense of those items which require an export license. Its purpose could be circumvented by an administrative decision to remove certain items from the list of those requiring licenses. Thus, this amendment requires the approval of the Secretary of Defense before any such items can be removed.

There are many cases, Mr. President, in which technology which is available here is also available from other members of COCOM, the 15-nation Coordinating Committee which maintains lists of strategically significant items whose export the member states agree to control. (COCOM members include Japan, and all members of NATO except Iceland.) Since exceptions from the COCOM controls operate on a rule of unanimity, and since the technology controlled under COCOM is essentially the same as we control internally, our Government is in a position to prevent other COCOM countries from either shipping regulated technology to controlled countries or removing items from the COCOM control lists. It is the intent of this amendment, Mr. President, that the Secretary of Defense be authorized, on behalf of the United States, to disagree to any modification of the COCOM lists of controlled items or to any modification of the general guidelines under which it is decided what exceptions from the COCOM regulations will be permitted.

The COCOM list of controlled items is up for revision this fall, Mr. President. It has always been true that items are removed from the lists during these revisions, but new ones are never added. Once an item is removed from the COCOM lists, it becomes unreasonable to keep it controlled under our own regulations if it is available from other COCOM countries. Thus, the intent of this amendment could be circumvented by our acquiescence in the removal of critical items from the COCOM lists or our acquiescence in items being unwisely granted an exception to the COCOM rules. It is for this reason that we have given the Secretary of Defense the power to disapprove our acquiescence to changes in the COCOM lists or their interpretation.

Mr. President, the determination of whether or not the transfer of goods or technology will significantly increase the military capability of the recipient has little to do with whether the same or similar technology can be obtained elsewhere. The clear intention of this amendment is to prohibit any transfer that will significantly increase the military capability of the recipient. The fact that if we do not authorize such a transfer some other country might do so, is no reason to loosen the required determination of the potential military impact of the technology or goods transferred. The proper approach to alternative national suppliers is to join with them in maintaining sufficient controls on the export of military-related technology—not a scramble among the Western nations to outbid each other in the transfer of military-related technology to Moscow or countries dominated by Moscow.

Moreover, Mr. President, a simple rule ought to apply to the determination required of the Secretary of Defense in export control cases: Where the technology whose transfer is under consideration makes a significant contribution to the military capability of the United States, there is a prima facie case that its transfer would make a significant contribution to the defense capability of the recipient. This will not be true in each and every case; there will always be exceptions. But, as a general rule, if a good technology is in use in the Armed Forces, land, sea, and air, of the United States, or if it is used in the other agencies of the Government of the United States that are concerned with national defense and security so as to make a significant contribution to our military capability, then there is a reasonable presumption that its transfer ought not to be approved by the Secretary of Defense. It is in that context that the Secretary ought to interpret his responsibilities under this amendment. In the exceptional circumstances where the Secretary concludes that transfer ought to be authorized despite the fact that the same or comparable goods and/or technology are contributing to the American defense effort, the burden of establishing that judgment is especially great.

I hope this amendment will be accepted. It simply says that when we are exporting technology that significantly affects the military security of the Nation by significantly increasing the military capability of a controlled country, the Secretary of Defense must review that, and he would have the power to veto it. Now, the Department of Defense is involved only on an advisory basis. These matters are not being brought to the attention of the Secretary.

May I say, for the benefit of the Senate, the reason for this amendment stems from the preliminary investigation I have underway in the Permanent Subcommittee on Investigations, which indicates that there are pending a number of situations in which there could be the transfer of militarily significant technology, particularly to the Soviet Union, that would have an adverse impact on the military security of this Nation. It is because of this preliminary investigation that I feel that the responsible official, the Secretary of Defense, should have a decisive voice in this matter as it relates to his responsibility.

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

Mr. JACKSON. I yield.

Mr. McCLELLAN. I compliment the Senator on offering the amendment. I am in complete agreement with its objective; that is, to exercise a substantial measure of control over the exportation of bids and technology that could inure to the military benefit of a potential enemy.

I have only one concern at the moment as I read the amendment. We are delegating a complete, irreversible veto power in this matter to the Secretary of Defense under this amendment. I

simply suggest to the Senator: Should there not be some review of some other tribunal afterwards? In other words, to have his advice and counsel and recommendations, but to have no further judgment, no supervision of that decision of his, not subject to any further action by the Congress or anyone else, seems to me to place a tremendous power in the Secretary of Defense.

I am wholly in accord with the objectives of the amendment. That is the only thing that gives me immediate concern.

Will the Senator comment on that?

Mr. JACKSON. Yes. In order to veto a proposed transaction, he must make a written finding that any such transfer would significantly increase the military capability of the recipient. We have uncovered a number of pending transactions with the Soviet bloc that are rather startling. Some of them involve production facilities which can be used in the manufacture of critical high-technology weapons systems. These facilities are being allegedly acquired for commercial reasons. Obviously, the President has the final say-so on this.

Mr. McCLELLAN. That is what I wanted to ascertain.

Mr. JACKSON. But, the responsibility is delegated now.

It is staff members at the Commerce and State Departments who have the final judgment now. Under present arrangements, low-level personnel within the Department of Defense render their advice, which may not be accepted. Either the Department of Commerce or the Department of State make the final determination.

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

Mr. JACKSON. I yield.

Mr. McCLELLAN. I am in complete accord with the purpose of the amendment. My only concern is placing this power exclusively in the Secretary of Defense. My own thought is there should be at least a review or appeal of the decision within a given time, if any protest is made, either by the President or someone else. It should not just be reposed completely in him.

Mr. JACKSON. Let me respond again. I understand the Senator's concern. I am saying only that the Commerce and State Departments now have the sole authority to grant export licenses.

Mr. McCLELLAN. I do not want it to have that authority.

Mr. JACKSON. I know that.

Mr. McCLELLAN. We are simply transferring it to the Defense Department.

Mr. JACKSON. All we are doing is to give the Secretary the decisive judgment in areas that relate to his expertise—defense. I think in conference we can review the question——

Mr. McCLELLAN. I wish the Senator would——

Mr. JACKSON. Of having a referral to Congress.

Mr. McCLELLAN. There should be something.

Mr. JACKSON. A referral to Congress of these actions.

Mr. McCLELLAN. There should be some further action.

Mr. JACKSON. Right.

Mr. McCLELLAN. Debatable under certain circumstances.

Mr. JACKSON. Correct.

Mr. McCLELLAN. Not just an arbitrary, complete authority in the Secretary of Defense to make a decision, and that would be the end of it; a matter of that kind.

Mr. JACKSON. We can work that out in conference.

Mr. McCLELLAN. I hope that will be done. I commend the Senator again for his amendment. I am going to support it.

Mr. JACKSON. I appreciate that.

Mr. McCLELLAN. But I do hope that in conference some consideration will be given to the thoughts I have expressed.

Mr. JACKSON. I will be happy to work with the chairman of the full committee on that proposal.

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

Mr. JACKSON. Yes.

Mr. MANSFIELD. Is the Senator by this amendment giving the Secretary of Defense the authority which is contained in this proposal? Is that correct?

Mr. JACKSON. The Secretary of Defense, on matters relating to defense and where he finds a significant adverse impact on our defense, is given the right to veto such technological transfers. At the present time it is all in the hands of the Commerce Department and, in some cases, the State Department.

Mr. MANSFIELD. What is the view of the President of the United States on this proposal? What is the view of the Secretary of State on this proposal? It seems to me that what the Senator is doing is giving the Secretary of Defense extraordinary power and denigrating Congress in the process, along with the President and Secretary of State, who are charged with the conduct of our foreign policy.

Mr. JACKSON. I would respond to the majority leader by pointing out that the sole authority on all export licenses and the movement of goods out of the country is in the hands of the Commerce Department, with some authority lodged with the Department of State.

Mr. MANSFIELD. But is not the Commerce Department under the control of the President?

Mr. JACKSON. Yes.

Mr. MANSFIELD. Does not the President, in the final analysis, have to make the final decision?

Mr. JACKSON. And he would in this case, too. The Secretary of Defense is under the control of the President.

Mr. MANSFIELD. Why not say "the President" instead of "the Secretary of Defense"?

Mr. JACKSON. Because by law the authority lies in the Department of Commerce in most cases and in the Department of States in the others. All we are saying is that on matters that significantly relate to our national defense, the Secretary of Defense shall have the authority to make certain findings; and that, with cause, he can veto them.

The President, of course, can override the Secretary, as he can with the Secretaries of Commerce or State.

Mr. MANSFIELD. I know. But what would the Senator think of getting a letter from the President and Secretary of State as to what their views are, because this is a most momentous amendment which I do not think we should consider in a haphazard fashion?

The amendment was not printed. This is the first I knew about it. I hope that the Senator will withhold a final decision until the President and the Secretary of State have given the Senate the benefit of their views.

Mr. JACKSON. Well, I think if we wait that long I do not know when we will act on it. All we are doing is——

Mr. MANSFIELD. When it came to the Mansfield amendment yesterday, they sure as hell acted in a hurry. If the Senator wanted to contact the President and the Secretary of State, I am certain they could get an answer to the Senator today.

Mr. JACKSON. I would say to my distinguished colleague that all we are doing is enlarging the Cabinet authority which now exists and has all been delegated to the Departments of Commerce and State, under the President. We want to know the views of the Secretary of Defense. We want to give him the authority to veto the transfer of those items that could seriously and adversely impact on our own security.

Mr. MANSFIELD. Mr. President, I have grave doubts about this amendment until and unless we get something in writing from the President and the Secretary of State as to what their views are.

The Secretary of Defense is a good man and he has an awful lot of power at the present time; but this amendment would increase the power of the Secretary of Defense and thereby increase the power of the Department of Defense and the Pentagon.

Mr. JACKSON. It would only do so in cases that relate to military matters.

Mr. MANSFIELD. That is right.

Mr. JACKSON. The Secretaries of Commerce or State have absolute authority over every area of commerce including those of critical importance to our defense. So I do not follow the reasoning of the Senator from Montana. I normally agree with him, but we have delegated total authority to the Commerce and State Departments.

I would hope that this matter would be settled in a way which would give to the Secretary of Defense, at least in his own area, the authority that the Commerce Department and the State Department already have over these matters.

Mr. MANSFIELD. I would still like to find out what the views of the President and Secretary of State are, and I am sure that the distinguished Senator from Washington would like to have the same information. This is a strict senatorial transfer to the Department of Defense without consultation with the man in charge of our foreign policy and, incidentally, with the President, who is also the Commander-in-Chief. We ought to get some word from them as to what their feelings are. Otherwise, I think we would not be acting in the best possible manner.

Mr. JACKSON. I would again respond that we are enlarging the responsibility of the Secretary of Defense with this amendment, so that more than just the Commerce or the State Department is called upon in these cases. This seems sensible to me.

I can say to the majority leader, as I said before he came to the Chamber that the motivation for this amendment stems from preliminary investigations now underway by the Permanent Subcommittee on Investigations which clearly indicate that proposals are pending that involve the transfer of technology that could substantially enhance the military capability of our adversaries, and, therefore, damage our national security.

Mr. MANSFIELD. I am not arguing with that. I am merely wondering what the President's views are—the Commander in Chief's—and what the Secretary of State's views are because this applies in the field of foreign policy as well as in the field of economics.

Mr. JACKSON. I do not know his views. All I can say is that he has complete control, of course, over the Department of Commerce, as he does over the Department of Defense. For all practical purposes, he can direct any of those decisions.

What I want is something we do not have now, and that is that the Secretary of Defense should have a decisive judgment on the transfer of technology bearing on the security of the Nation.

Mr. MANSFIELD. Yes. But section (b) states:

(b) Notwithstanding any other provision of law, whenever a request for a license or other authority is required by any person to export any goods or technology to any controled country, the appropriate export control office or agency to whom such request is made shall notify the Secretary of Defense of such request, and such office may not issue any license or other authority pursuant to such request for a period of 30 days after the Secretary of Defense has been notified. The Secretary of Defense shall carefully consider all notifications submitted to him pursuant to this subsection and shall—

(1), (2), (3), and so forth—

If the Secretary notifies such office or agency within such period that he disapproves such export no authorization may be issued for the export of such goods or technology to such country.

This is a very far-reaching amendment with the provision "notwithstanding any other provision of law." I would most respectfully say to the distinguished Senator from Washington that no one is more conversant in the field of armaments and defense matters than he is, I suggest that he consider most earnestly taking this matter up with the President and the Secretary of State today so that we can get an answer from them as to what their views are on an amendment of this nature.

Mr. JACKSON. In order to dispose of the matter we can add the President to the language. He has authority over the Secretary of Defense, and he could direct him as he directs the Department of Commerce now.

Mr. MANSFIELD. Why not scratch out the name of the Secretary of Defense in all areas and substitute the President of the United States.

Mr. JACKSON. I do not want to do that. I am willing to add the President, but the Secretary of Defense is the one who has to make the findings and, where he deems it appropriate, exercise a veto.

Mr. MANSFIELD. No, no. It should be the Secretary of Defense who would be added. It is the President who is primary, and he is the one who should be given the consideration.

This is a pretty far-reaching amendment, and I do not think this much power should be given to a Cabinet officer who is not elected, who is appointed, and it seems to me we ought to get the views of the President and the Secretary of State about this amendment.

Mr. JACKSON. But the Secretaries of Commerce and State have that authority now.

Mr. MANSFIELD I know, but that is under a different setup. It has been delegated by the President, and this thing ignores the President.

Mr. JACKSON. No, no, it is by statute. The Secretaries have the authority.

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

Mr. JACKSON. I yield.

Mr. GOLDWATER. Has the Senator looked into the question of whether or not the Secretary of State already operates in this field in the same manner that the amendment would allow the Secretary of Defense to operate?

Mr. JACKSON. Well, the Department of State is involved in many of these transactions.

Mr. GOLDWATER. The reason I ask——

Mr. JACKSON. The Secretary of Defense is now consulted. But I would be willing to modify the amendment to enable the President to take the final action, after the Secretary of Defense has acted. Then we will have a systematized arrangement by which the decisions will be made.

Mr. GOLDWATER. Will the Senator yield further?

Mr. MANSFIELD. We could say the President, and the Secretary of Defense, if he wishes to be delegated——

Mr. GOLDWATER. Mr. President, who is the Senator yielding to?

Mr. JACKSON. I am sorry. I yield to the Senator from Arizona.

Mr. GOLDWATER. I am not opposed to the amendment. I think it is a good amendment. I just want to interject something that I have come across in the last 2 days that applies directly to what the Senator is trying to solve.

I will not name the country, nor will I name the firm, but an American firm has been awarded a contract of rather large size on some very critical communications equipment, and that contract cannot be awarded by this country without the authority of the Secretary of State.

That is the question I asked the Senator from Washington, whether or not he had any intimate knowledge as to how far this authority requirement of the Secretary of State went. I did not know, actually, until this morning that the Secretary of State, in this particular instance, has to issue a letter of authority or letter of approval before the company involved can accept a contract from this country, or before this country can give an American firm the contract.

Mr. JACKSON. It is my understanding—and I may be wrong—that the formal decisionmaking process is usually made in the Department of Commerce. On some items, including some communication equipment, the decision is made by the Secretary of State, under the Battle Act. Several departments are consulted, the findings are made in State and Commerce.

So, in order that there be no misunderstanding, I would propose an amendment, that all acts undertaken pursuant to this section shall be subject to a final determination by the President of the United States.

Mr. GOLDWATER. Will the Senator yield further?

Mr. JACKSON. Yes.

Mr. GOLDWATER. This is a very interesting problem, and I believe in the Senator's amendment. I would like for him, if he can do so, to ask the staff to investigate the situation that I have outlined, because it is obvious that some forms of contracts require approval by the Secretary of State before the country can give the contract to an American firm or the American firm can accept it; and knowing the details of this particular purchase, I would have to assume that any equipment sold to another country that could impinge upon the security of an enemy or the security of an ally, that would reflect badly on us, would have to have the approval of the Secretary of State.

I do not know that. I do not know under what law it comes. I have just run into it myself.

Mr. JACKSON. I appreciate the Senator's comment. I will inquire further into the Senator's question.

Mr. GOLDWATER. I thank the Senator.

Mr. JACKSON. Mr. President, I modify the amendment to provide that after subsection (g), there be a new subsection (h), to read as follows:

All actions undertaken pursuant to this section shall be subject to a final determination by the President of the United States.

The PRESIDING OFFICER. Will the Senator send his modification to the desk?

The amendment is so modified.

The modification will be stated.

The legislative clerk read as follows:

At the end of the amendment, insert a new section as follows:

"(h) All actions undertaken pursuant to this section shall be subject to a final determination by the President of the United States."

Mr. MANSFIELD. Mr. President, if the Senator will yield, I would hope that this amendment would not be voted on until Members who are more conversant with the subject than I, members of the Committee on Banking, Housing, and Urban Affairs, Senator PROXMIRE, Senator STEVENSON, Senator SPARKMAN, and others, are present, because I still think that while what the distinguished Senator from Washington has done helps to

reestablish the primacy of the pesidency, I would like to hear some debate on the subject, and would like to have Senators who are more conversant with the topic here in the Chamber to discuss it.

Would the Senator consider a vote on this amendment on Tuesday morning prior to the vote on the Humphrey amendment, or Monday afternoon after the Mathias amendment has been taken up, rather than today?

Mr. JACKSON. Well, it is all right with me. I would defer to the chairman of the committee, the manager of the bill.

Mr. MANSFIELD. If we could get some of these people here who know more about it than I do, maybe we can. But I think it ought to be gone into more carefully than it has been.

Mr. STENNIS. Mr. President, may I yield myself some time from my own?

The PRESIDING OFFICER. There is no time limitation on this amendment.

Mr. STENNIS. Mr. President, how much time is available?

The PRESIDING OFFICER. There is no time limitation.

Mr. STENNIS. I thank the Chair. Mr. President, the Senator from Washington mentioned this matter to me for the first time late yesterday afternoon, when we were engaged, as he was, in other matters pertaining to the bill. We talked about it again, hurriedly, at lunch.

I think he has identified a very serious situation and what is going to be a very grave problem. I believe for the next 2 years this matter will be coming to a head more and more, and be repeatedly before us.

My reaction to the idea that this is an attempt to get some more power exclusively in the hands of the Secretary of Defense is that that the inference is totally erroneous. One of the points that I raised with the Senator from Washington was that this seems to give the Secretary of Defense final authority, and I questioned the wisdom of that in the long run.

It seems to me that to enact something from the floor as permanent law on this subject is unwise. This is going to be coming back, and it has occurred to me since the debate started that if we could put a termination date on this amendment of 18 months, that would be a remedy. There would be time, then, for Congress to further thrash it out. Before making it permanent law, it looks to me as though we would first have to have some hearings and identify the problem more so that we could prescribe the remedy. If the amendment goes to conference, I want to make it clear now that I would want the Senate conferees to have the implied authority to make this limited in time—say 18 months from now—December 31, 1975 just comes to mind. The Senator from Washington might want to amend his amendment to that effect. It would strengthen the amendment as an amendment.

There is one more point I want to make. This is a problem—no doubt about it—which will vex us. It can be solved all right but I would like these matters considered by something in the nature of a commission on which the legislative branch was represented; that is, by some such body, a commission, whatever we want to call it in which the legislative branch had some representation. I think this problem will come up more and more and will become more complicated. This amendment is strictly limited to the military capability of such other country. That comes within the realm of the Department of Defense and the Secretary, subject to the President of the United States, which is already implied; but the Senator has amended his amendment to make it clear that we are not trying to run by anyone or run over anyone. I do not think we want to set up this body, commission, or whatever we want to call it, in this amendment.

I express that as a thought now.

May I ask the Senator from Washington what is his response here with reference to making this temporary, say 18 months, so that in the meantime there could be a development of the facts and the problems and the remedies?

Mr. JACKSON. I certainly would go along on an added section which would stipulate that the provisions of the section of the amendment should expire December 31, 1975, so that it will be temporary and not permanent law.

Mr. President, I would so modify my amendment by adding a section. Would the Senator from Mississippi yield for that purpose?

Mr. STENNIS. I am glad to yield for that purpose.

Mr. JACKSON. Add, "The provisions of this section shall expire on December 31, 1975."

The PRESIDING OFFICER (Mr. HASKELL). The amendment is so modified.

Mr. STENNIS. Mr. President, all right. I think, Senator, that clears up the matter.

I yield to the Senator from Arizona (Mr. GOLDWATER) for questions.

Mr. GOLDWATER. Mr. President, I might ask the Senator from Mississippi whether the present law does not already cover what this amendment proposes to do.

I am not a lawyer and am not intimately acquainted with it but I believe that the President now has the power to deny the exportation of any goods for any reason, including danger to the national security. Is that not correct?

Mr. STENNIS. I have just been handed a copy of Supplement No. 2 of the 1970 edition of the United States Code covering the time January 1971 to January 1973. Turning here to section 2403, the subhead reads, "Presidential Determinations and so forth."

Item 1 reads:

To effectuate the policies set forth in Section 3 of this act . . .

And section 3 will be referred to in a minute—

. . . the President may prohibit or curtail the exportation from the United States, its territories and possessions of any articles, materials or supplies including technical data, or any other information, except under such rules and regulations as he shall prescribe."

And then the section goes on and later refers to the President again, and states:

. . . If the President determines that their export would prove detrimental to the national security of the United States, regardless of their availability from nations other than any nation or combination of nations threatening the national security of the United States . . .

And so forth.

Yes, he has that direct authority.

In that same section, section 2 provides:

The Secretary of Commerce in cooperation with the appropriate United States Government departments and agencies and the appropriate technical advisory committees . . . shall undertake an investigation to determine which articles, materials, and supplies, including technical data and other information, should no longer be subject to export controls . . .

and so forth.

That is where the Secretary of Commerce, it seems, conducts the investigation and decides which items should no longer be under control—

. . . because of their significance to the national security of the United States.

So those are some of the pertinent sections and sentences, at least, in response to the Senator's question.

The Senator from Arizona is a pretty good lawyer without even having to open a book on the subject. He can kind of smell the law there as to what it is.

Mr. GOLDWATER. Without any inference that the proposed amendment is wrong, because I think we need something like this either in the form of an amendment or an expression of the Senate or the committee that we feel this is right, I believe the President already has the authority to do this. I think that under the President, the Secretary of Defense already has the power to do it. I can recognize the problems here.

I have talked about this in communications gatherings across the country. Whenever I travel abroad, I am usually afforded the opportunity to see communications equipment and aviation equipment in the countries that I visit.

Where 5 or 10 years ago I would have laughed at the idea that a country like Russia or even a country as advanced as France or even Germany could ever make avionics equipment comparable to our own, now, whenever I get into a new aircraft or see what there is in their communications centers, I immediately recognize American technology being used by the other countries.

How do they get that technology? It is not difficult. Just come to this country and make a purchase of anything involving a new circuit or integrated circuitry and it is possible for all countries to acquire our technological know-how.

We do export to other countries, through the Defense Department, highly sophisticated defense systems, highly sophisticated fire control systems, and I would like to see us put a stop to some of that.

Mr. JACKSON. If the Senator from Mississippi will yield——

Mr. STENNIS. I yield.

Mr. JACKSON. Might I say that we do transfer, of course, to the non-Communist countries certain highly sophisticated items under existing law—and the able chairman of the committee has referred to it—State and Commerce directly are involved in this; but the De-

partment of Defense is only indirectly involved in an advisory capacity.

All I am suggesting is that Congress should have the benefit of the facts, in the form of a finding that a proposed transfer to a controlled country will not significantly impact in an adverse way on the defense of this country. That is the whole burden of this amendment.

Mr. GOLDWATER. I agree. I am looking at the extreme difficulties of having anything done about it. For example, we sold the F-4E aircraft to Israel. All the Russians have to do is to put one back together that they have shot down and they have all the secrets of our most sophisticated fire control equipment. All they have to do is to capture one of the radar systems that we have given to Israel and they know as much as we know.

I might say we get the same advantages over the Soviets when we capture a Mig, as we have done in a number of cases, or capture any of their equipment, which we have done. We have the advantage of seeing what they are doing that we do not understand.

Mr. JACKSON. We are going way beyond what might be learned from the capture of a plane that was sold by the United States or transferred to another country. We have gained a great deal in that area ourselves from what happened in the Middle East.

But what we are really talking about here is the transfer of a whole technology, the building of manufacturing plants overseas. One such proposed deal involves the construction of an entire integrated manufacturing complex capable of manufacturing wide-bodied jets which are faster and longer ranged than any now in existence.

Mr. GOLDWATER. Now the Senator is getting into a different field, and I think he is getting into commerce here.

Mr. JACKSON. I am sure that the distinguished Senator from Arizona, who knows more than anyone else in the Senate about aircraft, knows that when we talk about the technology of wide-bodied jets, we are not just talking about commercial aircraft.

Mr. GOLDWATER. That is correct.

Mr. JACKSON. We are talking in this amendment about the transfer of a technology that would make it possible for the Soviets to manufacture the whole system. We are not talking about the outright transfer of military equipment. We are talking about computers. We are talking about the transfer of all sorts of high technology that could have an adverse impact on our own security.

Mr. GOLDWATER. Let me ask the Senator a question, because we were not in this field a few moments ago.

Does the Secretary of Defense have any control over whether or not we allow an American firm to build a factory in an unfriendly country that would build wide-bodied jets or improve computers? These are not directly related to defense. These are directly related to commerce—just as Eastman Kodak make most of their cameras now in Germany. I do not talk that down a bit. I think it is all right. But when we get into the particular field that we are talking about now, I do not see where the Secretary of Defense would ever be exposed to the problem of whether we are going to build a commercial product in some other country.

Mr. JACKSON. If the distinguished chairman will yield, may I just point out that the problem that arises here stems from commercial transactions.

The question is a very subtle one, and it is this: As a consequence of a so-called commercial transaction, you can transfer a critically important military technology. This is what we are addressing ourselves to, and at the present time these matters are handled without a Defense Department veto.

The Defense Department makes certain judgments, but they are neither final nor decisive.

Our investigators have already uncovered evidence of what is now going on. I think it is a dangerous situation. I do not want to disclose what we have encountered so far, but the Russians have been sending over teams of so-called civilian experts, some of whom are not civilian experts, and they have been looking into and have had access to large factories and operations.

Mr. GOLDWATER. I saw a photograph the other day of six Chinese in the Boeing aircraft factory being shown the intimate details of how we construct the 747, the 737, and the 727.

I believe that the Senator has a point, but I also think the majority leader raised a good point, that we put this matter off until Tuesday, so that some of us who are highly in favor of what the Senator from Washington is trying to do can have a chance to see how we can correlate this whole matter and not wind up having every part of our Government in a decision that I think can be handled.

I do not even know, for example, whether Commerce picks up the phone and calls the Secretary of Defense and says, Dr. Schlesinger, we want to give a permit to the Soviets to build a wide-bodied jet. Can you see anything harmful in that decision? I do not know whether they do that.

Mr. JACKSON. Let me explain what really goes on, as I understand it. The Secretary of Defense does not get into this. It is at a low level in the bureaucracy. The Secretaries are not brought in where, in my judgment, they should be brought in.

I think that when we start holding public hearings, the country is going to be startled about what is transpiring. I am concerned about it, and that is why we have the provisions in this section which would require the Secretary of Defense to make written findings and to spell out in detail what is involved.

I say to my colleague that unless we do something about this, some dangerous transfers may take place.

Mr. GOLDWATER. Do we have to act on it today? We have a very small group in attendance, and I suspect that by 3 o'clock we will not have a quorum. Would the Senator seriously entertain the suggestion of the majority leader that we put this vote off until Tuesday, so that our staff and others can have a chance to review the matter?

Mr. MANSFIELD. Would the distinguished Senator from Washington consider the possibility that we could come in at 10 a.m. on Tuesday? Certainly, we could finish within 2 or 3 hours. At one o'clock, we will take up the so-called ceiling amendment by Mr. HUMPHREY.

Mr. JACKSON. What time will the Humphrey amendment be called up?

Mr. MANSFIELD. One o'clock. We could set a time limitation on it.

Mr. JACKSON. If we vote at 11 o'clock on Tuesday.

I defer to the chairman of the committee.

Mr. STENNIS. Mr. President, it is not possible to please everybody, and I am not trying to please anybody. I believe that this raises a very grave question, and something should be done about it. I am not much inclined to take far-reaching amendments on this bill, beyond its true scope, but I think something should be done about this, first on an interim basis, and the Senator from Washington has agreed to it.

However, it is Friday afternoon, and there is great force in the idea of getting a broader section of the Senate to express itself and to vote on it.

I ask the majority leader what his proposal was about setting it for some other time.

Mr. MANSFIELD. Either at the end of the session on Monday, after the Mathias amendment, which I understand will not take long, or at the beginning of the session on Tuesday morning.

Mr. JACKSON. For when is the Mathias amendment scheduled?

Mr. MATHIAS. It will come fairly late.

The assistant majority leader has just indicated that we could start at 10:30 on Tuesday and vote at 12:30—or less time, if Senators wish.

Mr. JACKSON. I think an hour would be ample.

Mr. STENNIS. On Tuesday, it would be after we had disposed of any closed session that might take place.

Mr. ROBERT C. BYRD. The closed session will be on Monday.

Mr. MANSFIELD. Yes.

Mr. STENNIS. Mr. President, it is left to me to give counsel on it.

I am for the amendment, frankly, especially since it has been limited to an interim time. I think it would give strength to the law and there would be a more solid vote if we were to put it over until early next week. But then it should be understood that no long debate would be involved.

Mr. JACKSON. One hour.

Mr. STENNIS. One hour equally divided.

Mr. MANSFIELD. Would the Senator care to suggest a time?

Mr. STENNIS. Let it fit in with the program for Monday afternoon, or, if the Senate desires, Tuesday afternoon.

Mr. MANSFIELD. How about coming in at 11 o'clock and having the vote at 12 o'clock, with 1 hour?

Mr. CASE. Is that Tuesday?

Mr. MANSFIELD. Tuesday.

Mr. THURMOND. I shall not object to that provided I can have 15 minutes on this amendment. I am vitally interested in it. I think it is most essential and I would like 2 or 3 minutes today to place a matter in the RECORD.

Mr. MANSFIELD. The Senator from

Washington would be in charge of the amendment as the sponsor. He would have one-half hour and the other side would have one-half hour.

Mr. STENNIS. Let us make it 40 minutes to a side.

Mr. MANSFIELD. Beginning at 11 o'clock.

Mr. THURMOND. With the understanding I have 15 minutes.

Mr. STENNIS. That is going to be in my charge. No, I am going to be for the amendment, so it would have to be someone else.

Mr. MANSFIELD. Time would be in charge of the sponsor of the amendment and the minority leader or whomever they designate.

Mr. THURMOND. I will cut my time to 10 minutes.

Mr. JACKSON. I am worried about the time available. Forty minutes to a side.

Mr. STENNIS. Will the Senator restate the request?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 1 hour and 20 minutes, to be equally divided, 40 minutes to a side, under the control of the distinguished manager of the bill or whomever he may designate, and the minority leader or whomever he may designate, the time to be equally divided, and the time to start running at 11 o'clock, with the vote to occur at the hour of 12:20 p.m.

The PRESIDING OFFICER. What day?

Mr. MANSFIELD. Tuesday.

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

Mr. MANSFIELD. If I may, I wish to ask the Senator from Washington, just to clear the record, if the Senator would consider getting a communication from the present Secretary of State so we may have their views.

Mr. JACKSON. I will ask for it, certainly.

The PRESIDING OFFICER. Does the Senator withdraw his amendment?

Mr. JACKSON. Mr. President, I ask unanimous consent that further action on the amendment be deferred in accordance with the unanimous-consent agreement.

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

Mr. JACKSON. Which means that it will be in order on Tuesday morning.

Mr. THURMOND. Mr. President, reserving the right to object, I shall not object provided I can have as much as 4 minutes now.

Mr. JACKSON. Oh, yes; with that understanding.

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

Mr. ROBERT C. BYRD. Mr. President, would the Senator allow me to make a request at this time for the Senator from Ohio, who has been so very patient in allowing his amendment to be laid aside?

Mr. JACKSON. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if it meets with the approval of the Senator from Ohio, that the Senator from South Carolina (Mr. THURMOND) be allowed to proceed for not to exceed 5 minutes, after which the Senate return to the consideration of the amendment of Mr. METZENBAUM.

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

Mr. THURMOND. Mr. President, I wish to express my appreciation to the assistant majority leader and to the distinguished Senator from Ohio. I wish only to say that for some time I have been collecting some information in working on this question.

Mr. STENNIS. Mr. President, would the Chair maintain quiet in the Chamber so that the Senator may be heard?

The PRESIDING OFFICER. The Senate will please be in order.

Mr. THURMOND. Mr. President, this is a very vital question and it may be that we will be met with surprises when we discover all that is being sold to Communist countries or Communist-dominated countries. Without going into detail, on May 17, 1974, I wrote to Secretary Schlesinger a letter which reads as follows:

DEAR MR. SECRETARY: Considerable evidence has come to the attention of the Armed Services Committee that the Soviet military establishment is being aided immeasurably by export of U.S. technology and scientific and technical expertise.

Representative Ben B. Blackburn of Georgia presented information on this problem April 1 to the Senate Finance Committee. He made the point that it was almost impossible to differentiate between "economic assistance and outright military assistance" when "economic assistance" has such obvious military application. For example, computers, machinery for manufacture of miniature precision ball bearings, truck plants, etc., have a dual application.

Of particular concern I have learned in the last few days that the United States has sold 2 Cyber computers, 72–16, to Poland and is considering or has approved the sale of the IBM computer 370–145.

If this information is accurate I find it both scandalous and mindless. As you know, these computers are on the lower end of our more advanced technology and would not only be of immense value to the Soviets, they are even in short supply for our own defense needs.

I fully agree with the recent statement of Dr. Stefan D. Possony who wrote in a recent issue of the Defense and Foreign Affairs Digest:

"Computers are at the core of today's and tomorrow's strategies, for without them there are no modern weapons systems. All of the new technologies have ties to the computer and even the current computer is built with the aid of computers. It is now in the fabric of things, and the 'balance of computer capacity' is the very essence of the balance of power."

Your reaction to this problem and the difficulties which it may impose upon you as Secretary of Defense would be greatly appreciated.

Mr. President, on May 30, 1974, the Secretary of Defense replied to that letter through Ambassador Robert F. Corrigan, Deputy Assistant Secretary, Strategic Trade and Disclosure Affairs. In this letter, and I shall refer only to excerpts now, he speaks of selling these computers in the other countries, stating:

To guard against this possibility, we review each case in terms of the end user, the stated end use.

Mr. President, in my opinion the "stated end use" of the Communist countries cannot be stated. They may state it as one purpose while it is used for an entirely different purpose. So I do not think we can accept their position as to what they say they are going to do with this equipment. They buy a computer for use in a laboratory and use it for military purposes.

Another excerpt from Mr. Corrigan's letter states:

The United States approved the sale of one Control Data Corporation (CDC) Cyber 72–14 Computer System to Poland's Institute of Nuclear Research (INR) at Swierk in March 1973. The system is being used for peaceful laboratory research regarding high energy nuclear physics at INR and to serve a number of other Polish scientific and educational institutions in the Warsaw area.

Mr. President, may we have order in the Senate?

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator is entitled to be heard. Will Senators having conversations in the Chamber retire to the cloakroom?

The Senator may proceed.

Mr. THURMOND. Mr. President, the point I make is "stated use" might be for laboratory research, but how do we know it is being used for peaceful laboratory research? Perhaps that is the purpose used in applying for it, but we have no way of knowing that is how it will be used. We know the Soviets are trying to obtain every bit of technology and equipment available, not only through their own country but also countries behind the Iron Curtain, such as Poland.

Mr. President, *the question* came up a while ago with respect to the Commerce Department being connected with this.

Another excerpt from the letter states:

Currently the Operating Committee of the Department of Commerce's Advisory Committee on Export Policy Structure, on which the DoD is represented, is considering the proposed export of a CDC Cyber 72–16 to Jagellonian University at Krawok, Poland for scientific research and education studies by a variety of institutions.

Then it goes on to say that—

The CDC Cyber 72–16 is comparable to the previous approved Cyber 72–14 with the exception of having a larger memory.

In other words, unless they have acted on this matter since I got this letter a few days ago, there is now under consideration——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THURMOND. May I have 2 more minutes?

Mr. ROBERT C. BYRD. Mr. President, I yield 2 minutes to the Senator.

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

Mr. THURMOND. There is now under consideration the sale of the most modern computer we have to a country behind the Iron Curtain. In my judgment, it would be a terrible mistake.

I ask unanimous consent that a copy of my letter to Dr. Schlesinger be placed in the RECORD, and that it be followed by the reply of the Secretary of Defense, furnished through his assistant, Ambassador Robert F. Corrigan, Deputy Assistant Secretary for Strategic Trade and

Disclosure Affairs, and also an article entitled "The Computer Balance," by Dr. Stefan D. Possony.

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

MAY 17, 1974.

HON. JAMES R. SCHLESINGER,
Secretary of Defense,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: Considrable evidence has come to the attention of the Armed Services Committee that the Soviet military establishment is being aided immeasurably by export of U.S. technology and scientific and technical expertise.

Representative Ben B. Blackburn of Georgia presented information on this problem April 1 to the Senate Finance Committee. He made the point that it was almost impossible to differentiate between "economic assistance" and outright military assistance when "economic assistance" has such obvious military application. For example, computers, machinery for manufacture of miniature precision ball bearings, truck plants, etc. have a dual application.

Of particular concern I have learned in the last few days that the United States has sold 2 Cyber computers, 72–16, to Poland and is considering or has approved the sale of the IBM computer 370–145.

If this information is accurate I find it both scandalous and mindless. As you know, these computers are on the lower end of our more advanced technology and would not only be of immense value to the Soviets, they are even in short supply for our own defense needs.

I fully agree with the recent statement of Dr. Stefan D. Possony who wrote in a recent issue of the *Defense and Foreign Affairs Digest:*

"Computers are at the core of today's and tomorrow's strategies, for without them there are no modern weapons systems. All of the new technologies have ties to the computer and even the current computer is built with the aid of computers. It is now in the fabric of things, and the 'balance of computer capacity' is the very essence of the balance of power."

Your reaction to this problem and the difficulties which it may impose upon you as Secretary of Defense would be greatly appreciated.

Very truly,

STROM THURMOND.

MAY 30, 1974.

HON. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: Your letter of May 17, 1974, to Secretary of Defense has been referred to me for reply. At the outset, let me say that we share with you a concern lest the present international climate mislead us into lowering our guard toward the Communist world. The current detente is due in no small part to our resolute adherence to a strategy of deterrence, and it is a strategy which we believe must be continued. In so doing, we must recognize that a crucial element in its success is the maintenance of a margin of military advantage through possession of a number of sophisticated technologies.

The field of computers provides a prime example. A great many modern weapons systems depend on computers, and in the technology of their production we are, by conservative estimate, years ahead of the Soviets. It is not that they cannot make computers. The fact is that they have a sizeable computer industry with a substantial logic design capability and one able to supply their most critical military requirements. What they lack is the ability to build large numbers of highly reliable machines and to provide related equipment and follow-on support.

Since computers are "dual use" items in that they can be used in many cases equally well for civil as well as military purposes—and indeed many of our military requirements are today being supplied by commercial-type computers—the problem of controlling their export to the Communist world is one of judging the likelihood of a machine, purchased for ostensibly peaceful purposes, being diverted to a military use.

Where low performance machines of a level known to be within Soviet production capabilities are concerned, we usually do not object to their export to Warsaw Pact nations since diversion of such equipment to Soviet military purposes would be neither worthwhile nor significant. In the case of larger machines, we view the matter differently. Here diversion—which we regard in any case as possible—becomes more worthwhile and militarily significant and thus, in our view, more likely. To guard against this possibility, we review each case in terms of the end user; the stated end use; the appropriateness in both size and configuration of the machine for the stated end use; the difficulties and disruptions which would result from any significant diversion; the kind of monitoring procedures which can be applied to detect diversion; and a number of other factors. The larger the machine, the more rigorous are the measures we apply.

The United States approved the sale of one Control Data Corporation (CDC) Cyber 72–14 computer system to Poland's Institute of Nuclear Research (INR) at Swierk in March 1973. The system is being used for peaceful laboratory research regarding high energy nuclear physics at INR and to serve a number of other Polish scientific and educational institutions in the Warsaw area. The computer system is safeguarded from diversion through monitoring procedures designed to certify what the computer is being used for. Currently the Operating Committee of the Department of Commerce's Advisory Committee on Export Policy Structure, on which the DoD is represented, is considering the proposed export of a CDC Cyber 72–16 to Jagellonian University at Krakow, Poland for scientific research and education studies by a variety of institutions. The CDC Cyber 72–16 is comparable to the previously approved Cyber 72–14 with the exception of having a larger memory. In recent years several IBM 370–145 computers with lower performance memories have been approved for sale to Poland with appropriate safeguards.

It is clear, of course, that none of the safeguard measures provide obsolute protection. But they do raise the cost of diverting equipment and increase the likelihood that illicit use of the machine will be detected. In such a case, a number of sanctions, including shutting off the supply of spares needed to keep the computer operating, can be imposed.

The export of technology is an entirely different matter. Unlike equipment whose end use can be checked and which has a limited life expectancy, the end-product of technology cannot be determined in advance and know-how, once transmitted, is beyond recall. For these reasons, we are especially careful about releasing technology. In the case of computers, this means keeping a careful control on the production know-how for small computers as well as big ones, since the same technology builds them both. One practical way of achieving this control is through restricting the export of the tools, instruments and test equipment used in the manufacture of computers and the components, such as integrated circuits, which go into them. Another control is exercised through restricting the licensing of production itself, although in most cases such licensing involves the supply by the exporter of some production equipment.

None of our controls can prevent the Soviets from developing or obtaining individual embargoed items or technology. Clandestine acquisitions are always possible, but they are more costly in time and resources and unreliable as a source of continued supply. While our export controls are inherently imperfect from this standpoint, they have achieved their principal objective of retarding the development by the Communist world of a number of militarily significant capabilities—of which computer production is one—and thus made an important contribution to our national security.

The Department of Defense, in concert with the Departments of State, Treasury and Commerce, is carefully monitoring the sales of U.S. computers to the USSR and East Europe. You may be sure that the Department of Defense will take a position against permitting computer exports to be made that are contrary to the national interests of the U.S.

I hope this information has been of assistance to you.

Sincerely,

ROBERT F. CORRIGAN,
Deputy Assistant Secretary, Strategic Trade and Disclosure Affairs.

THE COMPUTER BALANCE

(By Dr. Stefan D. Possony)

Computers are at the core of today's and tomorrow's strategies, for without them there are no modern weapons systems. All of the new technologies have ties to the computer, and even the current computer is built with the aid of computers. It is now in the fabric of things, and the "balance of computer capacity" is the very essence of the balance of power.

It is also true that the USSR lags years behind the U.S. in the development of computers, has admitted this and has sought to buy U.S. and British equipment on the open market. Essentially, the accuracy of the Multiple Independently-Targetable Re-entry Vehicle (MIRV) is dependent upon the most modern computing capacity as will be the MARV (MAneoeurverable Re-entry Vehicle) to an even larger extent. The capacity can be discussed in the number of operations, or the number of "bits", which can be done each second, especially in the large computers.

It is the advance in computer technology, carried out by U.S. private enterprise, which has enabled the U.S. ballistic missile refinements which in turn guarantee accuracy. These refinements are graphed on the pages accompanying this article, and noted alongside the various U.S. submarine-launched ballistic missile (SLBM) programs over the years, from the old A–1 *Polaris* to the upcoming C–4 *Trident.*

Naturally, in a Western society, the computer is used in a commercial sense more than as a purely military tool. This has not been the case in the USSR where by 1971 there were about 6,000 computers, virtually all of which were allocated to the military and arms/aerospace industry. Another estimate has the Soviet computer count at 8,000 by 1972 when the U.S. had some 80,000 in use in commerce, industry and the military.

Thus the trade by the United States and UK in computer hardware and software to the Soviet Union is actually a move which allows the USSR to build up its strategic capacity against the West, with the West's own help. Paraphrasing Lenin: when the time comes to hang the capitalist nations, it will be they who bid for the hemp. Today's hemp is the computer.

US Congressman, Ben. B. Blackburn, a Georgia Republican, is campaigning solidly against further US trade in strategic materials with the USSR. "US and British com-

puter technology, and other US technology, is being used to build a massive, sophisticated Soviet war machine against us," he told a Senate committee, at the same time citing current examples of what he termed as "implacable hostility" toward the US.

He went on: "Precision machines for manufacturing ball bearings, purchased [by the USSR from the US] ostensibly for peaceful purposes have direct military application. Note, please, that, here in the United States, 90% of the same type of these machines which the Soviet Union has been able to purchase from us are used for the guidance systems for ballistic missiles."

This relates directly to research done by Congressman Blackburn's Special Assistant on International Affairs and Trade, Miles Costick, who recently said: "The USSR is particularly interested in precision-built ball bearings for use in its MIRV missiles. The only machine capable of making the ball bearings required are produced by the Bryant-Chucking Grinding Company in Connecticut. So until the Soviets were able to get hold of these machines, they were unable to produce the guidance mechanisms essential to 'MIRV' their missile force. Obviously, then, the USSR had no choice but to do business with us if they wanted the equipment. For twelve years the Soviets tried to purchase the ball bearing machinery, but were turned down because the US government considered the equipment as 'strategic' and would not allow its sale to the Kremlin. However, in 1972, with the dawning of 'detente', the State Department changed its tune and the Soviets got an item they desperately wanted."

Blackburn, in his April 1, 1974, testimony, said that US and UK computer technology has enabled the USSR to advance development of its MIRV's from two to four years. This, of course, allowed it to take advantage of the loosely-worded SALT (Statregic Arms Limitation Treaty) One, and advance the Soviet strategic posture in a time-span officially unanticipated in Washington.

Blackburn also traced Western computer sales to the USSR, from the earliest Model 802 National-Elliott, sold in 1959 by Elliott Automation Ltd., of the UK. National-Elliott is a General Electric subsidiary. He quoted a *Science* magazine report of February 8, 1974, in which Mr. Wade B. Holland, editor of Rand Corporation's *Soviet sybernetics Review*, said, with regard to getting an export license in the US for the USSR: "There are no rigid standards. Getting a license to export depends on how much weight you can throw or whether your timing is right, like if Nixon has just made a visit to Moscow."

Said Blackburn himself: "Even as I am worried about the export of computer technology to the Soviet war machine, I am worried about export of precision grinding machines for the manufacture of precision miniature ball bearings. Ball bearings are an integral part of many weapons systems; there is no substitute. The entire Soviet ball bearing production capability is of Western origin. All Soviet tanks, all Soviet military vehicles, run on ball bearings manufactured on Western equipment—or on copies of Western equipment."

Blackburn's testimony goes on to decry the agreements signed by the USSR with General Dynamics of the US, and by Fairchild Corporation with Poland, for sales which covered integrated circuit technology, aid in shipbuilding, telecommunications, microfilm and navigation devices, etc.

Congressman Blackburn said earlier that the Soviet attempt to create a manufacturing base for third-generation computers had failed completely. "Consequently, the Kremlin leaders are asking our electronic and computer firms to create a Soviet productive base in which to manufacture third-generation and advanced scientific computer systems," he said.

"In October 1973, Control Data Corporation announced the signing with the USSR Council of Ministers for Science and Technology of a 10-year agreement leading to 'possible development' of an 'advanced computer', plus operation of an extensive computer communications network. Reliable sources estimated the venture's ultimate worth at $500 million.

"Through the official Soviet news agency, Tass, the Kremlin leaders boasted that Control Data and Soviet tracking organizations had maintained 'commercal ties . . . for over five years'.

"The Tass announcement added: 'Talks are underway on the sale of high-speed Capital Cyber electronic computers.'

"Cyber is a sensitive topic. It is a very high-speed, large volume, third generation scientific computer. It processes a phenomenal 94 million bits of information per second. Only eight to 10 such installations exist today. Typical installations belong to the Atomic Energy Commission and the National Security Agency," Blackburn said on March 27, 1974.

There is no question that the computer is the key to whatever lead the US holds in nuclear efficiency—the delivery of ballistic missile warheads onto their target with the greatest possible accuracy—as well as to intelligence gathering and processing, to anti-submarine warfare and the like. The sale of the Cyber to the USSR would allow that nation to think in terms of quantum advances in its nuclear and intelligence programs, thereby cutting still further the ground out from under the West.

KEY COMPUTER EQUIPMENT SALES BY THE WEST TO THE U.S.S.R.

Until recently, direct export of U.S. computers was restricted by export control regulations. Even so, the origin of today's Soviet systems can be traced to the United States. Following World War Two, the Soviet Union received computers almost entirely from West European plants of IBM.

The earliest American computer sale to the Soviet Union that can be traced was a Model 802 National-Elliott sold in 1959 by Elliott Automation, Ltd., of the United Kingdom. National-Elliott is a General Electric subsiidary.

In 1966, Standard Cables and Telegraph, Ltd. installed a Standard 7x8 instrument landing system at Moscow's D. Sheremetyeva Airport. Standard Cables was then a subsidiary of ITT.

In 1968, a second-generation Control Data Corporation 1604 System was installed at the Dubna Soviet Nuclear Facility near Moscow.

In 1972, Control Data sold the Soviet Union a third-generation CDC 6200 system computer.

For these systems, Control Data's operating statement has improved by about $3-million in sales over the past three years. And the Soviet Union has gained 15 years in computer technology.

As 1969 ended, it was estimated that Western computer sales to all of Communist Europe and the USSR were running at $40-million per annum. In great part, three came from American subsidiaries.

In 18 months during 1964–65, Elliott Automation delivered five Model 503 computers to the USSR. The Elliott 503 ranged in price from $179,000 to more than $1-million, depending on its size.

By the end of 1969, General Electric-Elliott Automation sales to Communist countries were four times greater than in 1968.

This market accounted for one-third of General Electric-Elliott's computer exports. Other G.E. machines, including a Model 400 made in France by Compagnie des Machines Bull, were also sold to the USSR.

Olivetti-General Electric of Milan, Italy, also has been a major USSR supplier of G.E. computers.

In 1967, Olivetti delivered $2.4-million worth of data processing systems to the USSR. This was in addition to Model 400 and Model 115 machines already sold.

In 1967, English Electric sold the USSR its System Four Machine with microcircuits. This machine incorporated RCA patents. It was similar to the RCA Spectra 70 series.

Over the years, the USSR's largest single supplier of computers has been International Computers and Tabulation, Ltd. of the United Kingdom. The latter also licenses RCA technology. It has supplied at least 27 of 33 large computers to the Soviet Union.

In November, 1969, five of the firm's 1900 series computers valued at $12-million, went to the USSR: These were large, high-speed units with integrated circuits. Without question, they were well in advance of anything the Soviets were able to manufacture in the computer field; even by copying previously-imported technology.

These machines are capable of solving military and space problems. But, being machines, they cannot distinguish between military and civilian problems. There is no way that a Western firm or government can prevent Soviet use of computers for military work.

The Soviets in 1970–71 indicated that if International Computers, Ltd., of Great Britain, was allowed to sell two big, fast, highly-sophisticated 1906A computers, American scientists would be allowed to participate in further research at the Serpukhov Institute of High Energy Physics. The key equipment at Serpukhov, including the bubble chamber, had come from the West.

The Soviets gave "ironclad" guarantees not to use these new British (RCA) 1906A computers for military research. Personal intervention by President Nixon forced a relaxation of U.S. opposition to the British sale.

Business Week of April 28, 1973, published word that the Soviet Union had contracted for an IBM third-generation 370 computer system. The price: A reported $10-million.

According to the *Washington Post* of July 6, 1973, and the *Wall Street Journal* of August 8, 1973, James Binger, Chairman, Honeywell Incorporated. Minneapolis, told a Moscow news conference his firm had begun negotiation with the Soviet government on two contracts involving several million dollars.

During a recent aviation-space industries exhibition, Soviet interests were noted, U.S. companies at the exhibition included: Westinghouse Electric Corporation, Bendix Corporation, Collins Radio Company, Texas Instruments, Inc., Boeing Corporation, United Aircraft Corporation, Lockheed Aircraft Corporation, and Raytheon Corporation.

U.S. News and World Report of January 28, 1974, said International Business Machines and the Univac Division of Sperry-Rand were competing in two areas for contracts for two data systems for Soviet aviation.

Red Star, the official organ of the Soviet Army, used the Remington-Rand Univac computer to illustrate an article on Soviet computers.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. HASKELL) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Commerce.

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

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The PRESIDING OFFICER. The Senate will return to the consideration of amendment No. 1394 by the Senator from Ohio (Mr. METZENBAUM).

Who yields time?

Mr. STENNIS. Mr. President, a parliamentary inquiry. How much time is there under the agreement?

Mr. METZENBAUM. There was 1 hour on the amendment. It is my understanding I have 20 minutes left and the distinguished Senator has 16 minutes left. The limitation was 1 hour, to be divided equally.

Mr. STENNIS. I thank the Senator.

Mr. METZENBAUM. Mr. President, I yield myself 5 minutes.

I would like to respond to the remarks made earlier by the distinguished Senator from South Carolina relative to some of the objections that have been raised concerning this amendment. The distingushed Senator from South Carolina refers to the need for medical supplies overseas, and medicine itself overseas. I would like to point out to the Members of the Senate that I think, in the main, those medicines, as well as medical supplies, that would be required at overseas bases in most probability would come under the $2,500 exemption that is provided under the present legislation as well as under the present law.

Furthermore, there is the provision that, should there be extreme circumstances, the overseas hospital, the medical battalion, would have no difficulty in using the exception that is provided under the law.

I, therefore, feel very strongly that that need not provide us with a real cause for concern.

One of the other matters to which the distinguished Senator from South Carolina addressed himself had to do with the matter of there being 77 single-source items, and then he went on to point out that the Department of Defense had indicated that there were 2,500 other items that were also available on a single-source basis.

I wish to point out to him that the information we received from the Department of Defense brought us to a contrary conclusion. They indicated that only 77 items were on a sole-source basis and that on 2,500 items, competition is available, and they did not use the competitive process in securing those products. We feel very strongly that if competition were permitted, there would be substantial savings to the Government.

The question also has been raised as to whether the proposal would or would not help the small businessman who wanted to get the door opened. The Department of Defense argument is that at the present time, on the basis of negotiations, they are able to open the door wider for small business companies. Yet the fact is that the General Accounting Office reported to this body in 1972 that, if competitive bidding were opened up wider, small business companies would have a greater opportunity to participate in military procurement.

One of the matters that was not mentioned in the response—or at least that did not catch my ear—of the distinguished Senator from South Carolina had to do with the question of availability and procurement of medical supplies. The dollar value of medical supplies just about equals the dollar value of medicines and drugs procured in recent years.

Mr. President, when you are talking about medical supplies, you are talking about beds, wheelchairs, bandages, gauze, and a host of other items. The fact is that in the year 1974, according to the Department of Defense figures, out of $73.6 million of medical supplies obtained so far this year, only 5.8 percent of that total was procured on an advertised basis. There is no reason or logic for that.

If there is any contention that it would be difficult to spell out specifications for medical items, I would respond that the procedure used by other hospitals and medical facilities around the country is to provide in the specifications that either a particular item be obtained or that a hospital-approved, equivalent item be obtained.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. METZENBAUM. I yield myself an additional 3 minutes.

Just this morning I checked with a major hospital in the Cleveland community. That hospital is a public hopsital, owned by Cuyahoga County. It procures approximately $1 million worth of medical supplies each year, and $1 million is spent for medicine—a total of around $2 million. It is interesting to compare what this hospital purchases on a competitive basis with what the Department of Defense procures on a competitive basis. Ninety percent, according to the report I received this morning, both in medicines and supplies, is procured on a competitive basis by the Cleveland hospital. The Defense Department procures only around 7 percent of its medicine competitively, and 5.8 percent of its medical supplies competitively, as I mentioned.

We hear lots of speeches around the Senate, around the Congress, and around Washington about economy in Government. But if we really are going to take some action, some first step, in this direction—and I do not mean to suggest that this would solve all of the problems of procurement in the military area—then I think it important that this amendment be adopted as a sort of congressional message to the Department of Defense that the Senate believes in economy with respect to military procurement. This amendment is one way of saying that economies can be effected, and that no reason exists why the Department of Defense should consider itself totally different from the rest of the Federal Government, as well as different from all the other governments that operate throughout this great Nation of ours on a fully competitive basis.

I urge the adoption of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, how much time do the opponents of the amendment have left?

The PRESIDING OFFICER. The opponents have 16 minutes remaining.

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. STENNIS. Mr. President, on this amendment, the opponents' case has been fully presented by the Senator from South Carolina. I did not hear the first part of the debate on the amendment, but I am generally familiar with the subject and have a copy of the present law before me now.

I did not hear of the Senator's amendment or the substance of it until the printed copy of the amendment was filed yesterday, I believe. It is another of those instances of old, settled law that is time tested. It may not be perfect, but at least it is time tested, and there must be some virtue in it or it would not have survived this long.

All of us have learned that hearings can develop the problems and show the practice and help to develop the operation of the present law. Then we could argue and calculate the prospective operation, should the committee see fit to recommend a change. That method has proved to be invaluable in all legislative bodies. That is true in this case as it is in virtually all others.

Regardless of the good intentions and the fine motives of this amendment offered from the floor, without any study by the staff or by members of the committee who are charged with the responsibility and, as far as I know, without much study by any other Members of the Senate except the able author of the amendment—we are called on to set aside old established law and substitute something else.

I am not experienced in the field of medicine, except that I worked in a drugstore when I was a boy, up until I was grown, and I know that many times you have to buy Vicks salve from people who make Vicks salve. It is one of the old remedies that has survived, and very few of them have survived. The majority leader knows what I am talking about. I can tell that from the expression on his face. That is true of a great many medicines.

According to the information given to us, I understand that some 2,500 patented remedies or trade-name remedies—whatever one may want to call them—are bought and, more or less, have to be bought by the services directly from those that supply them—the manufacturers.

Also, it should be emphasized it merely requires advertising and strike out altogether the law about negotiation, it can virtually leave the so-called little man out. He is permitted to come in on some of this business now, and he has to have his price right, of course. But when it comes to bidding for the supplies, in large wholesale lots—even if it is nothing but aspirin tablets—the small operator, the small wholesaler, and the small drug firm would be left out.

I know the fine motives of the author of the amendment; I know his fine capacity, too, and there is no lack of clarity in what his explanations are. But I think this is another instance where good intentions are not enough. Certainly the intentions are not a substitute for the facts of life. If we had this matter presented to us, we could at least have had a chance to have the staff go into it in our committee.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. STENNIS. I yield myself 2 additional minutes.

We would at least have had a chance to explore it by means of the staff work and get information from the Secretaries of the services. We would not take their formal reports on it as final, but we cross-examine them and bring to this body a firm recommendation.

We are not able to do that today except merely to say that we do not think the law ought to be changed on such short notice; that we are firm in recommending that the amendment is not agreed to.

Section 2304, on general military law, that the Senator proposes to amend, does require formal advertising. So let us not get the idea that there are not requirements for formal advertising. A great many purchases are made in that manner. But in its wisdom—and I think it is wise—the law provides now:

> However, the head of an agency may negotiate such a purchase or contract if, * * *

And 17 exceptions are enumerated. This amendment applies only to one—No. 7:

> (7) the purchase or contract is for medicine or medical supplies.

Mr. President, that is a matter that is——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. STENNIS. One minute more and I will be through.

That is a subject that is peculiar by nature. It is personal so far as the patient is concerned. I strongly suggest that the law not be changed in such a far-reaching way without more knowledge, without more examination of what the facts are.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, I yield myself 3 minutes.

In response to the distinguished Senator from Mississippi, let me say I agree. I think it would have been preferable if this matter could have been considered in committee. But the fact is that I do not think that the failure to consider it in committee makes it any the less desirable.

I think it is a step in the right direction. I do not think it is a panacea that is going to answer all the problems with respect to military procurement, but I think it is a message that we will be sending to the Department of Defense.

With respect to the question of whether this is a new or novel idea, I do not think it really is. I chose this issue because I did not want to get into some complicated kind of military system that might involve sophisticated research and development. I wanted to take something that would be somewhat of an indication that this body was economy-minded enough that we would be saying to the Department of Defense:

> Look, there is no reason under the sun for you not to advertise for competitive bids for beds, for wheelchairs, for bandages, for bandaids, and for all of the other things you buy; we are talking about the fact that half of the dollars you spend are for medical supplies.

With respect to the question of both medicine and medical supplies, I did check with the hospital in Cleveland this morning which, as I said, is bidding competitively for 90 percent of its medicine as well as for 90 percent of its medical supplies. I wish to say to the Senator from Mississippi that this is not a new or novel idea for me. I served for 6 years as the treasurer of a major hospital in the Cleveland community, and it was our policy that we insisted upon competitive bidding, and competitive bidding was simply the way we routinely proceeded. If there was a company whose product did not come up to snuff, that company was eliminated by a review process. But we opened competitive bidding hospital-wide simply in order to save on the patient-care dollar.

This is nothing new and nothing radical; it is the same procedure used by States and municipal bodies throughout the entire country, and by other arms of the Federal Government. And I believe so strongly that competitive bidding provides for a businesslike approach to military procurement that I believe this would be a great first step in that direction. For that reason I must say to the distinguished chairman of the committee that I had hoped this amendment would be acceptable, because I did not want it to create any special problems for the Department of Defense, but rather wanted to make it workable, so that they could live with it, and at the same time, out of the $180 million a year spent in this area, save perhaps $5, $10, $15, or $20 million, which I still believe is money.

Mr. STENNIS. I thank the Senator. Mr. President, if no one else wishes to speak, I yield back the remainder of our time, if the Senator is prepared to yield back his.

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. METZENBAUM. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HATFIELD). All remaining time have been yielded back, the question is on agreeing to the amendment (No. 1394) of the Senator from Ohio (Mr. METZENBAUM). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Utah (Mr. Moss), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I also announce that the Senator from Wyoming (Mr. MCGEE) is on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH), the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Connecticut (Mr. RIBICOFF) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Wyoming (Mr. HANSEN), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), the Senator from Alaska (Mr. STEVENS), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. HELMS) and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. COOK) would vote "yea."

The result was announced—yeas 38, nays 23, as follows:

[No. 236 Leg.]

YEAS—38

Abourezk	Hatfield	Muskie
Allen	Hathaway	Nelson
Bible	Huddleston	Pell
Brooke	Jackson	Percy
Burdick	Javits	Proxmire
Byrd, Robert C.	Long	Randolph
Case	Magnuson	Roth
Chiles	Mansfield	Schweiker
Clark	McGovern	Stevenson
Cranston	Metcalf	Taft
Gravel	Metzenbaum	Tunney
Hartke	Mondale	Williams
Haskell	Montoya	

NAYS—23

Aiken	Goldwater	Scott, Hugh
Bennett	Griffin	Scott, William L.
Bentsen	Gurney	Stafford
Byrd, Harry F., Jr.	Hruska	Stennis
Curtis	McClellan	Thurmond
Domenici	McClure	Tower
Fannin	McIntyre	
Fong	Nunn	
	Pastore	

NOT VOTING—39

Baker	Dominick	Kennedy
Bartlett	Eagleton	Mathias
Bayh	Eastland	McGee
Beall	Ervin	Moss
Bellmon	Fulbright	Packwood
Biden	Hansen	Pearson
Brock	Hart	Ribicoff
Buckley	Helms	Sparkman
Cannon	Hollings	Stevens
Church	Hughes	Symington
Cook	Humphrey	Talmadge
Cotton	Inouye	Weicker
Dole	Johnston	Young

So Mr. METZENBAUM's amendment (No. 1394) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MUSKIE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 1393

Mr. METZENBAUM. Mr. President, I call up my amendment No. 1393.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 17, between lines 20 and 21, insert a new section, as follows:

"Sec. . (a)(1) Section 2304(e) of title 10, United States Code, is amended to read as follows:

"'(e) A report shall be made to Congress, within fifteen days after the end of each quarter of each fiscal year, of the purchases and contracts made under each of the clauses of subsection (a), other than clause (3), during the quarter immediately preceding the quarter in which the report is submitted. Such report shall include, with respect to each such purchase or contract, the specific authority under subsection (a) relied upon by the Department of Defense for not using formal advertising and a detailed explanation and justification why formal advertising was not used. Such report shall also include—

"'(1) the name of each contractor;

"'(2) the amount of each contract, and changes in the amount of each contract;

"'(3) a description of the property and services covered by each contract unless the Secretary of Defense determines that such description would jeopardize the national security and reports such determination in writing to the Armed Services Committees of the Congress; and

"'(4) the name of the Government contracting officer in the case of each contract.'.

"(2) The first quarterly report under section 2304 of title 10, United States Code, as amended by paragraph (1) of this subsection, shall be submitted to the Congress within fifteen days after the end of the quarter in which this Act is enacted.

"(b)(1) The Comptroller General of the United States shall conduct a comprehensive study and investigation, covering the period since the end of World War II, of the system under which property and services are procured by the Department of Defense with a view to determining how competitive bidding through formal advertising can be substantially increased. In carrying out such study and investigation the Comptroller General shall—

"(A) determine whether the actual procurement practices of the Department of Defense are in conformity with applicable laws and regulations;

"(B) compile a statistical summary and analysis of the legal justification for recent procurement procedures of the Department of Defense in which formal advertising is not used;

"(C) conduct a review of cases in which procurement of property and services through formal advertising has replaced procurement methods in which formal advertising was not used, with resultant cost reductions, in order to determine whether procurement decisions made in such cases have wider applicability;

"(D) include an analysis of the criteria utilized by the Department of Defense in awarding contracts;

"(E) include a discussion of any apparent abuses by the Department of Defense of existing procurement laws and regulations;

"(F) recommend changes in applicable laws and regulations and in procedures followed by the Department of Defense, which in his judgment would tend to increase the total portion of contracts awarded through formal advertising; and

"(G) consider such other matters as he determines appropriate to achieve the purpose of the study and investigation.

"(2) The Comptroller General of the United States shall also consider and discuss in his study (A) the desirability and feasibility of establishing an independent commission or agency with power to review and disapprove any decision of the Department of Defense to exempt any procurement activity from the requirement of formal advertising, and (B) changes to improve the review and monitoring procedures of the Congress with regard to procurement activities of the Department of Defense.

"(3) The Comptroller General of the United States shall submit a written report to the Congress on the results of such study and investigation within ninety days after the date of enactment of this section.

"(4) As used in this subsection (A) the term "Department of Defense' includes the Departments of the Army, Navy, and Air Force, the Coast Guard, and the National Aeronautics and Space Administration; and (B) the term 'formal advertising' has the same meaning as prescribed for such term in section 2302 of title 10, United States Code."

The PRESIDING OFFICER. On this amendment, there is a limitation of 1 hour—30 minutes to a side.

Who yields time?

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

Mr. METZENBAUM. I yield.

Mr. STENNIS. Mr. President, for the information of Senators, we have considered this matter, and it is probable that we can reduce the time. I am not proposing that we do it now. The Senator from Florida will have a statement in opposition, and perhaps then we can reduce the time somewhat.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. METZENBAUM. I yield myself 8 minutes.

Mr. President, the amendment I proposed earlier to S. 3000 was designed to increase competition in one clearly defined area of defense procurement, the purchase of medicine and medical supplies for the military services. I was pleased to note that the Senate adopted that amendment by a substantial margin.

As I mentioned in my earlier remarks, present law lists 17 exemptions which permit Pentagon officials to let contracts without formal advertising. Some of these exemptions seem clearly necessary or logical. Others are so broad that they invite misapplication, if not outright abuse.

In considering ways to increase competitive bidding, my strong inclination at first was to propose the elimination of virtually all exemptions to the requirement for formal advertising. I have concluded, however, that before moving in this direction, further information and analysis is needed.

It is clear to me that Congress presently lacks full, current, and reliable data on Defense contracting practices—and especially on the reasons why only one-tenth of Defense contracts are awarded through free and open competition.

Therefore, I ask the support of Senators for a second amendment to S. 3000. This amendment is designed to provide Congress with the necessary information on Pentagon procurement practices to make intelligent judgments in the future on the validity of these 17 exemptions from competitive bidding requirements contained in the Armed Forces Procurement Act.

The amendment has two parts:

Part 1 would require the Defense Department to make quarterly reports to Congress justifying the contracts the Pentagon awards without open and competitive bidding.

Part 2 would authorize the General Accounting Office to conduct a full study of Defense procurement, and recommend ways that competitive bidding through formal advertising can be substantially increased.

Not only do great economies result from formal advertising for competitive bids, but there are other advantages as well.

For example, the GAO's 1972 report on the acquisition of major weapons systems said that open competition would tend to permit entry to the procurement process of small companies with innovative ideas. Even if a small company is limited in its production capability, these new ideas should be encouraged so that larger, integrated companies can put them into production.

So far, I have talked about the general recommendations of authoritative governmental bodies. These, alone, are strong reasons for the Senate to consider this amendment favorably.

But we have more evidence—specific case studies showing that substantial savings were achieved when Pentagon procurement officers switched from sole source, noncomeptitive, contracting to formally advertised competitive bidding.

These case studies come from a report entitled "The General Advantages of Competitive Procurement Over Sole Source Negotiation in the Defense Department," which was prepared for the Joint Economic Committee and published in November 1973.

I cite a few examples:

In 1958, Aerojet General Corp. received the initial contract, sole source, to build the motor and metal parts for the Hawk missile. In 1964, the procurement method was switched from sole source to competitive bidding. The unit price charged by the winner of that competition was $678, or almost one-half of Aerojet's lowest previous unit price of $1,224.

Bendix was awarded the initial Talos missile contract on a sole source basis in 1964.

Five years later, the Pentagon shifted to competitive bidding, and Bendix won that competition. The winning bid was significantly lower than the company's own previously lowest sole source price—$80,356 after competition, compared to $135,658 before competition.

The Bullpup "A" missile was purchased initially on a sole source basis in 1961. Two years later, the Pentagon shifted to a winner-take-all competition. The switch from sole source to winner-take-all reduced the unit price from $3,802 to $1,227.

The first production contract for the Shillelagh missile was awarded to Philco on a sole source basis in January 1966. Later that year, the Pentagon turned to competitive bidding, dividing the contract award between Philco and a second company. Philco's unit price fell from $12,318, sole source, to $4,036 in competition. The second company's competitive unit price was $2,649.

Overall, the Joint Economic Committee study determined that the change from sole source to competitive bidding resulted in "an average price reduction of 51.9 percent" in the cost of 17 sophisticated weapons systems and electronic communication or control systems purchased by the Department of Defense during the past 10 years. In no case did competitive bidding raise the cost of a Pentagon purchase.

Unfortunately, at the same time that competitive bidding was proving its merit again and again, the Pentagon was using it less and less.

In 1965, formally advertised contracts constituted only 17.5 percent of the value of all Defense contracts let that year. In 1973, the last year for which information is available, formally advertised contracts declined to only 10.8 percent of the value of all Defense contracts awarded.

This neglect by the Pentagon of competitive bidding, in the face of mounting evidence of its obvious benefits, is what I find particularly disturbing. I hope to reverse the trend, and my amendment is the necessary first step toward that goal.

With the information provided by the new Defense Department quarterly reports and the GAO study to be completed within 90 days, Congress would be better able to assess the validity of the 17 exemptions to competitive bidding requirements now contained in the Armed Forces Procurement Act.

Members of this body have always served as a watchdog of spending by the executive branch. Pentagon contracting officers must be answerable to the Congress elected by the American people, just as corporate contracting officers are answerable to a board of directors elected by shareholders.

I believe the logic for this amendment is sound. I ask Senators for their support.

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I listened with interest to the arguments of the distinguished junior Senator from Ohio. I applaud his purpose in submitting this amendment. I listened also to the arguments he made in connection with the previous amendment. I felt there was merit in that amendment, which the Senate adopted. I think that by showing that the military services only procure 4 percent of their medicine by competitive bidding, the amendment is meritorious.

As I study the Senator's amendment I think there are certain things that perhaps he is not aware of, and perhaps certain things his amendment would not do.

His amendment refers to the necessity for formal advertisement. What we are talking about in that regard is the sealed bid. I think we really should be talking about whether we can get competition, and we have to determine how we can get competition. It is not just in a sealed bid. We cannot buy an F–14 in a sealed bid. We would not be able to put in a major system in a sealed bid, and we would not be able to get tanks, lasers, or anything of that kind in sealed bids. Yet, by the adoption of this amendment and by the arguments made that because there is not a sealed bid in the purchase of this equipment, it is stated it is bad and that there is no competition.

We get competition in three ways. The first way is by formal advertising, and that is the sealed bid. Of course that can be done if we are buying .50-caliber bullets because they are all for common guns and we can go into the marketplace and everyone knows the specification for .50-caliber bullets. The Army can buy some of its food and many other things that they buy in that way. But when we start getting into systems and buying anything new, we have to find another source of competition and there we get into negotiation, or competition through negotiation. That is not to say it is not fierce competition. When a figure is cited of only 10 percent, that refers to only 10.3 percent with formal advertising. But that does not cover the 5.3 percent that is done through small business and labor surplus set-asides. I do not think the Senator wants to discount that. It is a set-aside we are allowing small business. The Senator is not counting the 18.6 percent that is negotiated price competition, or the 17.3 percent that is decided on technical competition. These are figures for 1971 and 1972.

Again, competition is taking place. When we get down to sole source there is 39.6 percent purchased by DOD, and that figure may be too high. I tend to place myself on the side of the Senator from Ohio in saying that we must continue to look at that.

Then, we are talking about the need for a study, and this amendment provides for a study and additional data. We have had quite a few studies. We have had one Procurement Commission study and, in two and a half years, we spent $9 million of taxpayer money, with Members of Congress taking part in that study, members of the executive branch of Government, members of the GAO, the GSA, and also members who compete and try to sell to the Government—private contractors—and people who have been in charge of Government systems before. They completed a four-volume study, much of which went to this matter of competition.

What has happened since they filed the report? I urge the Senator to read the report. They talk about competition and formal advertising, and other kinds of competition. They state:

> In competitive negotiations involving cost-type contracts, the offerer submitted cost estimates rather than fixed prices. The fact that a cost-type approach is used generally indicates that the primary interests of both the competitors and the contracting agency will focus on relative technical competence, not price "guess-timates."

If we are trying to buy a weapons system we want to be sure it will work. We are not asking for just a low bidder, a bid by anyone on the street who is able to make a low bid. If we are going to send men to fly in space, a determination has to be made as to who is most technically competent.

So what we are seeking is competition. As a result of the Procurement Commission report we have set up in the Senate a Subcommittee on Procurement. That committee has reported to the Senate, and the Senate has passed, a bill for a central Office of Federal Procurement Policy. That central office is to coordinate procurement practices in DOD, HEW, and everywhere else. That bill is now residing in the House. Hopefully it is going to go to the floor soon. That bill would start to go exactly to what the Senator is talking about, including trying to determine why there is so much sole source of competition.

Let us look at sole source situations. There has to be some justification. The Senator was reading many of those matters in his report. I applaud the DOD change from sole source to competition, but how can they do that? In the Hawk missile, the original decision was trying to determine what is the technical competence of the companies. Then, later you can have recompetition in the Hawk missile, so even in the selection there was competition. But once they let the company have the contract for 3 years or 5 years, and they have a chance to get their research and development back and original capital outlay back, then they can recompete when they go to the next bid for that contract, and that is what the DOD was doing.

I applaud them for that. In most of the instances the Senator talks about, that is what they were doing. There are other sole source situations where there

is only one company set up to procure a certain object. Even after they have a contract for one of these major items, the award was based on technical competition. Then, generally, there is only one company that is keyed up and tooled up to rationally provide that item, so they are locked into that source.

However, I think it is inherent in the policy authority of the Office of Federal Procurement Policy that they will have something to do with reducing that over a period of time.

Another bill reported by the Procurement Subcommittee, which passed the Senate yesterday, calls for cutting all red tape on contracts up to $10,000 to increase competition. We find much of this material the Senator is looking at now; many of these figures are contracts under $10,000. That bill can promote competition among small contractors and allow them to compete on a more equal basis. But just to adopt this amendment and require again that the Defense Department fill out a form every time they do not have formal advertising, I do not think is going to get us much.

If the Senator wants the particular information he is talking about, about how much business they are doing without formal advertising, the military is required right now to fill out DD Form 360, Individual Procurement Action Report. This action report is filled out every time there is a government contract. So these reports can be made available to the Congress right now, and would give the information the Senator is seeking.

However, the concern that the Senator from Florida has is that there will be given to the Comptroller General the duty to make yet another study, when he sat for 2½ years on the Procurement Commission, listening to experts making the study, and when we have four volumes of the study that we have not done enough about yet. Yet the Senator is requiring that he make another study. To say or imply we must go to formal advertising that goes into a sealed bid I do not think is going to get anything.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. I yield 4 minutes to the Senator.

Mr. CHILES. What we are trying to find is effective competition. Right now the subcommittee is drafting a new procurement statute that will cover the DOD, seeking to find effective competition, and effective competition is what we are seeking, not just formal advertising which goes into a sealed bid that one is not always going to be able to use.

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

Mr. CHILES. I yield.

Mr. STENNIS. As I understand the Senator from Florida, his statement indicates that this proposed study, beginning on page 3, is similar to one that has just been conducted for some 2½ years, in which the Comptroller General took part, he or his representatives——

Mr. CHILES. The study covered not just the DOD; it covered the total Federal procurement procedure.

Mr. STENNIS. But it included DOD?

Mr. CHILES. Yes; and we spent $9 million of the taxpayers' money on it.

Mr. STENNIS. How much was that, $9 million?

Mr. CHILES. Yes.

Mr. STENNIS. And the Senator says that, in printed form, that is before his committee now?

Mr. CHILES. Yes.

Mr. STENNIS. One more question. Does the Senator think what has already been done covers substantially what is required in section (d)?

Mr. CHILES. In that study some 149 recommendations were made. Many of those recommendations can be implemented by the executive branch, and some 40 percent would require legislation. I think if we could pass the legislation that has been recommended by the study, the Senator from Ohio would find many of the things concerning him would be taken care of, plus the fact that if we could have oversight over the executive to see that they completed all the actions required by that study.

Mr. STENNIS. I thank the Senator. I think our time has run out.

Mr. PROXMIRE. Mr. President, will the Senator yield me 10 minutes?

Mr. METZENBAUM. I yield 10 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. First, Mr. President, I ask unanimous consent that Richard Kaufman, of the staff of the Joint Economic Committee, be allowed to remain on the floor during the course of the debate on this measure

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

Mr. PROXMIRE. Mr. President, I have listened with great interest to the argument of the Senator from Florida. All we are seeking in this amendment is that we have some sunshine let in on competitive bidding, and I point out to my good friend from Florida that if the four-volume study he talked about had more than 1 percent of its material on competitive bidding, I would be astonished. I have gone through it carefully. It was a study of procurement generally, covering the entire spectrum of the Government. It was not a study of competitive bidding by the Defense Department. There were no specific analyses on particular procurements or contracts or programs. There was not any attempt to show whether or not competitive bidding or negotiated bidding or some other kind of bidding would be superior. This is the purpose of the amendment of the Senator from Ohio (Mr. METZENBAUM). This would be a study that has not been made by the GAO or anybody else.

Furthermore, if the Senator will look at the amendment, on page 4, lines 18 to 20, the action part of the amendment, it provides that the Comptroller General shall study changes to improve the review and monitoring procedures of the Congress with regard to procurement activities of the Department of Defense.

That means a great deal more than just advertised competitive bids or sole-source procurement. The Senator from Florida is absolutely right in pointing out that sole-source procurement covers only part of this matter, and that part of the procurement is in so-called negotiated-competitive bidding, and there is an element of competition in it.

But I would like to point out to the Senate that this is an amendment which was worked on by the distinguished author of the amendment, and the Joint Economic Committee staff cooperated with him. We have been studying this matter for a number of years.

While this is a mild, moderate, and limited amendment, primarily calling for a study, it is something that is vital. It does require comprehensive quarterly reports to Congress showing the reasons for contract awards on a noncompetitive basis.

What is wrong with having the basis on which we can make an analysis of this problem? Yes, it is a great deal of material, but it would give an opportunity for some staff to make a spot check to see what we could arrive at to determine whether competitive bidding we have had in the past years——

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

Mr. PROXMIRE. I will not yield at this time, but I will yield as soon as I complete my statement, which will be in a few moments.

Admiral Rickover, whom we all admire as one who is deeply interested in a strong defense force, and who has asked us to do what we can to provide more funds for defense, has argued there should be and must be more competitive bidding, that we have not provided procedures for more effective competitive bidding. In doing so, he has said we can save from 25 to 30 percent or more in procurement on the basis of his experience.

It seems to me that is logical, because with negotiated bidding there is not much incentive to hold down costs, because so many of these contractors have a great deal of other business, and Government business is usually only part of their business, and they find ways to shift a great deal of their costs into defense projects if they can get away with it. We need all the discipline and control we can possibly get. Competitive bidding is one way to get it.

I think we should consider the statistics. The trend toward less use of formal advertising for competitive bids and heavy reliance on sole-source procurement requires greater use of competition in DOD procurement. In fiscal 1973, 56.8 percent of the value of all DOD contract awards was sole-source procurement, substantially more than half. The percentage of formally advertised awards has been declining since 1957, when it reached 17.4 percent. In 1964, 14.8 percent were formally advertised. The figure was down to 10.8 percent in fiscal 1973.

Government procurement through formal advertising for competitive bids has been the historical American practice, not only by the Federal Government but by State governments. We have found that this is the most efficient way to operate, to let everybody who can qualify get into it, and it opens it up in a much fairer way, not only from the standpoint of the consumer but also from the standpoint of business.

The settled procurement policy established by Congress for years has been that we should use competitive bidding, and yet more than half is sole-source procurement, and formal advertised awards have gone down to 10.8 percent in fiscal 1973.

I would agree that there is a degree of competition in procurements which are not formally advertised. DOD defines one category as "competitive negotiation" if two or more responsive offers are received as a result of invitations for proposals. However, in these cases the Department of Defense selects the contractors who are allowed to make bids, and the award may be made to other than the lowest bid. DOD often takes design and other factors into account in competitive negotiations. The result, aside from eliminating firms that might have been able to satisfy the Government's needs, is to allow contracting officials to make their judgments and decisions on the basis of objective criteria. Price competition forces officials to use objective criteria—namely, price.

Prior to 1968, the Department of Defense was classifying contracts as competitive-negotiation even though it was receiving only one response from its select list of bidders. It was our disclosure of this fact, which forced DOD to change its policy so that at least two or more responsive bids were received before calling a procurement competitive-negotiation.

So this competitive-negotiation is frequently not a very accurate description of the kind of competition we get. Also, there may be reasons justifying an exception to the general rule.

The amendments do not forbid negotiation. They are intended only to narrow their usage by obtaining information about possible abuses of the loophole-ridden law. For example, there is only one shipyard in the United States that has the capacity to build aircraft carriers. DOD would not be expected to shift to formal advertising for aircraft carriers under the amendments.

However, it is possible to obtain greater competition by breaking out subsystems and components from major weapon contracts.

This is something that Admiral Rickover and other defense experts have stressed repeatedly.

And it is also possible to successfully compete missiles and other advanced technology weapons, although DOD believes otherwise. Data obtained by the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee, and presented in last November's hearings on "The Acquisition of Weapons Systems" show conclusively that advanced technology systems can be competed and that substantial savings will result. An analysis of 17 contracts for sophisticated weapons awarded first on a sole source basis and subsequently competed through formal advertising revealed an average price reduction of more than 50 percent. Data obtained on a handful of other weapons obtained since the November hearings reinforce the finding that substantial savings are possible.

Mr. President, there is bound to be great pressure from the defense contractors, perhaps to some extent from the labor unions, to avoid competitive bidding, and certainly from those in the Defense Department who are used to the buddy-buddy system they have been working on for so many years.

But it would seem to me that if we are going to serve the taxpayer best, we should do so by at least opening our eyes and agreeing to have competition studied. It has not been studied in the past. There is no way that the four-volume report on procurement in general, 1 percent of which is devoted to competition, and no contracts having been specifically studied on a case-by-case basis, can be regarded as a satisfactory study of procurement.

But continued research on the part of the JEC shows a great paucity of cases where the competition was obtained. This is the significance of the 10.3-percent figure for formal advertising.

In conclusion, we are not saying that formal advertising ought to be used all the time or that negotiation should never be employed. But we want to encourage greater use of competition.

Mr. President, I yield the floor.

Mr. STENNIS. Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator from Mississippi has 17 minutes remaining; the Senator from Ohio has 12 minutes remaining.

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, in my estimation, this amendment should not be accepted in conference and become law, because if it were it would impose an intolerable administrative burden on DOD. It will bring over 2 million procurement actions annually into the category. The statistics on the number of procurement actions of DOD and the extent of competition, both in terms of dollars and actions and other procurement data, are already a matter of record and are readily available to Congress.

A reporting requirement such as is called for in the amendment would rather severely impact the procurement manpower situation; therefore, I think it should not be adopted without considerable deliberation and hearing.

This is a complex and important subject. Here we are, with something like 39 absentees from the Senate today, passing on an important amendment. I hope that the amendment will not be agreed to.

I have every confidence that my chairman of the Armed Services Committee and the other members of the committee will get their teeth into this subject of procurement. Indeed, we have been trying to do so for a long time. I think there is an inherent suggestion here that we have been somewhat derelict in our oversight responsibilities. If there is such a suggestion, I reject it because we are constantly grappling with the problem of procurement. Certainly this is no way to solve the problem because we have no concept of what is involved and what tremendous, enormous, administrative burdens would be imposed on DOD.

We have to understand that we are dealing with very, very complicated, increasingly sophisticated systems, and we are not bidding or we are not submitting to the general marketplace for items off the shelf because it is increasingly more difficult to buy the kind of subsystems that we need off the shelf.

Some contractors are the sole producers of some of the vital components that are required in our complicated weapons systems.

I hope that the amendment will be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield myself 3 minutes.

I am not in any way complaining, but I think I ought to report to the Senate that it is impossible for us to consider an amendment like this sufficiently to give a comprehensive, firm recommendation to the Senate on such short notice. These are far-reaching matters. I have some sympathy, of course, for getting whatever studies and reports are necessary. But having just received notice of the amendment yesterday afternoon, our staff has been able to do very little work on it during that time, and I have been able to do even less.

I think that the language on page 2, which states: "Reports shall be made to the Congress within 15 days after the end of each quarter of each fiscal year of the purchasing contracts made under each of the clauses," would result in a great volume of work to be done every 90 days with hundreds and hundreds and hundreds of reports as to purchases and contracts. There would be a great volume of work which would be largely lost. There are so many reports that there would be time for very few to be examined.

I think one thing we should understand is that since World War II there has been a steady reduction in the technique of formal advertising and an increase in competitive negotiation. That is because, as our military hardware becomes more and more sophisticated and more and more specialized, there are fewer and fewer items that can be bought off the shelf.

When we look into the subsystems that form the components for major weapon systems, we have to understand that there are not, very often, many sources. Some companies or corporations, by virtue of their experience and their research and development, their production background, are the only ones capable of being involved in potential production in some of the things that the Department needs.

In view of this, I think it would be wise to defeat this amendment. We can all laud the motivation behind it, the thrust of it, and what it seeks to do. But it seems to me that it would be most unwise to adopt the amendment without having had any hearings and without there having been a considerable amount of deliberation

Over here on page 3, it says:

The Comptroller General of the United States shall conduct a comprehensive study and investigation, covering the period since the end of World War II.

This is 29 years, Mr. President. There has been so much change that if we are going to have such a comprehensive study and investigation, it seems to me that it would serve the purposes better to have it for a length of time much shorter, so that it deal more with up-to-date conditions.

I am not trying to pick flaws in this proposal; we have some reports that are made up now. I understand from conferring with the Senator from New Hampshire, the chairman of our Subcommittee on Research and Development, that he has some need for further reports, but he has not had time—or at least he had not requested the committee—to supplement his information.

So I believe that this is comprehensive reporting beyond what is needed and beyond what should be mandated, especially in view of what the Senator from Florida has said here. He certainly has made a beginning. He and the Commission may not have gone far enough on DOD, as our friend from Ohio suggests, but he has made a beginning. He has made a start. He says what he wants now is implementation. Mr. President, that impresses me.

Mr. METZENBAUM. Mr. President, will the chairman yield for a question?

Mr. STENNIS. I yield myself 2 additional minutes, and am glad to yield to the Senator from Ohio.

Mr. METZENBAUM. With the changes as indicated by the distinguished Senator from Mississippi, the suggestion made with respect to page 2 and that on page 3, as well as an additional one that was discussed with the distinguished chairman, with those amendments would the committee then find this legislation acceptable?

The third one, the chairman will recall, had to do with the dollar volume, to provide that the Department of Defense would not have to report with respect to each contract, but only those in excess of a million dollars.

Mr. STENNIS. Mr. President, I was looking around for the Senator from Texas, because he has been helping with this. The Senator from Ohio had mentioned a million-dollar value to me. I did not mention it in my remarks, because I did not know how firmly he felt on that.

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

The PRESIDING OFFICER. On whose time?

Mr. STENNIS. The time to be divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STENNIS. Mr. President, I yield 3 minutes to the Senator from Florida. May I say, Mr. President, that I believe we are about to the end of the debate on his matter.

Mr. CHILES. Mr. President, I have listened to the arguments, and I want to say that I associate myself with the motives behind this proposal, both those of the Senator from Ohio and those of the Senator from Wisconsin.

I think what we are talking about is trying to get competition, and trying to get the most effective buy for the Government for its dollars.

The only thing I am trying to say is, Do not just study it again. We have studied it. We have the basis for going forward. We have implementing legislation that will bring some of these results either pending in the committee, pending on the calendar, or pending in the House of Representatives. All we really need now is some help in adopting that and our new legislation yet to come.

I say to the Senate, do not send it back for another study. Do not require another form to be completed. Just give us some help in passing our legislative program from the Procurement Subcommittee, and I think we can get the results. If we can begin by passing into law the Office of Procurement Policy legislation, we are going to get a handle on the military and get some kind of coordinated policy for them. If we can get a new law to rewrite the procurement statutes, we can speak, through that legislation and that procurement statute, about sole source and, most important, effective competition.

That is the kind of thing we need. Let us not take up the time of the Comptroller General in requiring them to make another study. We can pass this, but what we need is the help of the Senators who are sponsoring this proposal just to help us implement some of the legislation we have, and we can show you results.

We have studied it enough. Many times we think we need one more study; I am just saying we do not need any more studies here. We just need to follow the recommendations made in the Federal Procurement Commission report, and such legislation is now being written, pending in the committee, on the calendar, and in the House of Representatives.

Mr. NUNN. Mr. President, if the Senator from Mississippi will yield about 2 minutes, I would like to follow up what the Senator from Florida has said.

Mr. STENNIS. I yield the Senator 2 minutes.

Mr. NUNN. Mr. President, in looking at this amendment at the outset, I did not see any harm that could be done by the amendment, but I am on the subcommittee with the Senator from Florida, and I know he has devoted hundreds of hours to this subject. I know the Senator has sent enough information to me that if the Senators who are cosponsoring this bill would just sit down and read the Federal procurement information he already has available, it would take 3 months of their time.

The information is available. The action is lacking. I think the Senator from Florida has made an excellent point. I do not see any need for further study. I do see a need for Senators who are interested in this very complex subject to look at the information that is already available, and to help pursue meaningful hearings on that legislation and push it through to fruition.

Mr. METZENBAUM. Mr. President, I yield 1 minute to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, the difference between the report we have so far and the report that the Metzenbaum amendment would require is that the Metzenbaum amendment calls for a study of competitive bidding all the way through. That is what the study would be all about.

These other matters to which Senator CHILDS regards calls for studying everything else, but we really have no significant study on competitive bidding.

What is more important, the Metzenbaum amendment would call upon the GAO to study ways to obtain better competitive bidding. I believe that is the kind of information that would be most helpful to the Congress, and I suggest it is something that would help all of us. Every Member of the Senate, I feel sure, would like to get such information if we could.

I thank the distinguished Senator.

Mr. METZENBAUM. Mr. President, I should like to thank the staff of the Joint Economic Committee as well as the distinguished chairman of the committee.

If the distinguished Senator from Mississippi, the chairman of the committee, is prepared to yield back the remainder of his time, I am prepared to yield back the remainder of my time.

Mr. STENNIS. Mr. President, I yield back the remainder of my time.

Mr. METZENBAUM. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. CURTIS). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Ohio (Mr. METZENBAUM), No. 1393.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Montana (Mr. METCALF), the Senator from Utah (Mr. MOSS), the Senator from Rhode Island (Mr. PASTORE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I also announce that the Senator from Wyoming (Mr. MCGEE) is absent on official business.

I also announce that the Senator from Missouri (Mr. SYMINGTON) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Rhode Island (Mr. PASTORE) would also vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BARTLETT), the Senator from Maryland (Mr. BEALL), the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Alaska (Mr. STEVENS), the Senator from South Carolina (Mr. THURMOND), the Senator from Florida (Mr. GURNEY), the Senator from Wyoming (Mr. HANSEN), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. HELMS) and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

On this vote, the Senator from Kentucky (Mr. COOK) is paired with the Senator from South Carolina (Mr. THURMOND).

If present and voting, the Senator from Kentucky would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 28, nays 30, as follows:

[No. 237 Leg.]

YEAS—28

Abourezk	Hartke	Pell
Aiken	Hatfield	Proxmire
Allen	Hathaway	Randolph
Brooke	Mansfield	Schweiker
Burdick	McGovern	Stafford
Byrd, Robert C.	Metzenbaum	Stevenson
Case	Mondale	Tunney
Clark	Montoya	Williams
Cranston	Muskie	
Gravel	Nelson	

NAYS—30

Bennett	Griffin	McIntyre
Bentsen	Haskell	Nunn
Bible	Hruska	Percy
Byrd, Harry F., Jr.	Huddleston	Roth
	Jackson	Scott, Hugh
Chiles	Javits	Scott, William L.
Curtis	Kennedy	
Domenici	Long	Stennis
Fannin	Magnuson	Taft
Fong	McClellan	Tower
Goldwater	McClure	

NOT VOTING—42

Baker	Eagleton	McGee
Bartlett	Eastland	Metcalf
Bayh	Ervin	Moss
Beall	Fulbright	Packwood
Bellmon	Gurney	Pastore
Biden	Hansen	Pearson
Brock	Hart	Ribicoff
Buckley	Helms	Sparkman
Cannon	Hollings	Stevens
Church	Hughes	Symington
Cook	Humphrey	Talmadge
Cotton	Inouye	Thurmond
Dole	Johnston	Weicker
Dominick	Mathias	Young

So Mr. METZENBAUM's amendment was rejected.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. STENNIS. I move to lay that motion on the table.

The PRESIDING OFFICER. The motion to lay on the table is agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii (Mr. FONG) is recognized.

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

Mr. FONG. I yield.

Mr. MANSFIELD. Mr. President, it is my understanding that the amendment which will be offered shortly by the distinguished Senator from Hawaii and the amendment to be offered by the distinguished Senator from Maine (Mr. MUSKIE) will be acceptable to the committee. Therefore, to the best of the joint leadership's knowledge, there will be no further votes this afternoon.

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

Mr. MANSFIELD. I yield.

Mr. TOWER. Can the distinguished majority leader assure us that there will be no further votes?

Mr. MANSFIELD. No. That is the best I can say at this time, because anybody can ask for a rollcall vote. But it appears that with the committee accepting these two amendments, the road is fairly clear.

Mr. TOWER. Does the distinguished majority leader know of any other amendments that are likely to be offered this afternoon?

Mr. MANSFIELD. No, I do not know of any other amendments. I hope that if any Senator does desire a rollcall vote, he will keep the pledge in effect that the joint leadership has given to the Senate, but no promise can be 100 percent perfect.

Mr. TOWER. Could we get a unanimous-consent agreement that any further rollcall votes would be carried over until Monday?

Mr. MANSFIELD. I do not know whether we should.

Mr. STENNIS. Mr. President, could the majority leader ask that the bill be carried over until Monday?

Mr. MANSFIELD. It will be carried over until Monday, after these two amendments are disposed of.

Mr. STENNIS. Yes, after these two amendments are disposed of.

Mr. TOWER. That will take care of it.

Mr. FONG. Mr. President, I sent an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. FONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 17, between lines 20 and 21 insert a new section as follows:

Sec. —. The Secretary of Defense is authorized and directed to conduct a comprehensive study and investigation for the purpose of locating an uninhabited island other than the Island of Kahoolawe or of constructing alternative target areas away from inhabited islands, within the boundaries of the State of Hawaii and the waters adjacent thereto, which would be available and suitable for the purpose of carrying out target bombings, strafing, and shelling practice by units of the Armed Forces of the United States (including units of the National Guard). The Secretary of Defense shall submit a full report on his findings along with its recommendations to the Armed Services Committees of the Senate and House of Representatives on or before January 31, 1975.".

The PRESIDING OFFICER. May the Chair have the attention of the majority leader? Is it the intention of the majority leader to ask unanimous consent that after the two amendments referred to by the majority leader have been disposed of, the bill be carried over until Monday?

Mr. MANSFIELD. I have to make an exception, because the distinguished Senator from New Hampshire wanted to speak this afternoon on a proposal. As soon as he concludes, that would be my request—but no amendments.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

The Senator from Hawaii is recognized.

Mr. FONG. Mr. President, I have discussed my amendment with the distinguished chairman of the Armed Services Committee and he has expressed no opposition to it.

Basically, my amendment would direct the Secretary of Defense to conduct a detailed and comprehensive study on the continued use of the Island of Kahoolawe in the State of Hawaii as a practice target site for bombing, strafing and shelling by various units of our Armed Forces, with a view toward finding alternative sites or to construct alternative target areas away from inhabited islands for such practices.

Mr. President, on Wednesday of this week the Senate unanimously voted by 82 to 0 to incorporate Senator HUMPHREY's amendment No. 1382 to S. 3000 which is designed to prevent the Department of the Navy from using the Culebra complex for the "firing of any shells, missiles, or other projectiles from ships or the dropping of any bombs, strafing, firing of rockets or missiles, or the launching of any other projectiles from aircraft at Culebra or at any keys within 3 nautical miles thereof after December 31, 1975."

On September 29, 1970, I attempted to amend a similar provision dealing with Culebra by adding the phrase "and on the Island of Kahoolawe, State of Hawaii." I did this because Kahoolawe is also the site of an aerial bombing target and a shore bombardment area. In many respects, it is very similar to Culebra, including the fact that Kahoolawe is located only 8 miles from a populated area—the Island of Maui, Hawaii's second largest island.

By Executive Order 10436, Kahoolawe was set aside as a bombing and targeting range by President Eisenhower in 1953. This Executive order contemplated that Kahoolawe should be returned to civilian use and that certain conservation measures should be taken on the island; namely, to protect it from erosion, to see that the cloven hoof animals not exceed 200, and to maintain the island so that at the time it is restored to Hawaii, it be a habitable island.

In view of the Senate's unanimous action on Wednesday, I believe it only appropriate that this body request the Secretary of Defense to study the situation in Hawaii with a view toward treating Kahoolawe the same as Culebra.

More importantly, the reason I bring this matter to the attention of the Senate is that I have received numerous complaints and requests from the people on the Island of Maui relative to the cessation of the bombing of Kahoolawe. The people of Maui are very fearful that the bombs dropped on that island by U.S. warships, and Navy and Air Force planes, may some day hit them. This fear is real and not hypothetical because a 500-pound live bomb did, in fact, fall on the Island of Maui. In September 1969, an unexploded bomb was discovered buried in the pasture of the mayor of the county of Maui. After an investigation, the Navy determined that the bomb had been accidentally dropped in 1966.

The above example has not been the only adverse incident experienced by the citizens of Maui. The bombs that have landed on Kahoolawe have constantly shaken the people and their homes on Maui. Cracks in buildings and homes resulting from some of the bombings have been experienced.

Apropos of this, in 1965 two Navy planes were trying to bomb Kaula, just 19 miles from the inhabited island of Niihau in Hawaii, and they dropped eight 250-pound bombs on that island. Needless to say, if the Navy navigators and Navy aviators can make a mistake 19 miles away from an inhabited island, they could certainly make a mistake and bomb the island of Maui, only 8 miles from the target range on Kahoolawe.

Mr. President, the people of Maui are asking, "When will we be spared the fear and inconveniences of continued bombing practice on an island that is only a few miles from our homes?"

With the above thought in mind, I sincerely hope the Secretary of Defense will come up with a suitable alternative to Kahoolawe as a target range.

Mr. President, I ask unanimous consent that Executive Order 10436 be printed in the RECORD at this time. I also ask that the resolution passed by the county of Maui asking that Kahoolawe be spared from future bombings be included in the RECORD at this time.

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

EXHIBIT No. 1

EXECUTIVE ORDER 10436

RESERVING KAHOOLAWE ISLAND, TERRITORY OF HAWAII, FOR THE USE OF THE UNITED STATES FOR NAVAL PURPOSES AND PLACING IT UNDER THE JURISDICTION OF THE SECRETARY OF THE NAVY

Whereas it appears necessary and in the public interest that the Island of Kahoolawe, Territory of Hawaii, which comprises an area of approximately forty-five square miles, and which forms a part of the public lands ceded and transferred to the United States by the Republic of Hawaii under the joint resolution of annexation of July 7, 1898, 30 Stat. 750, be taken and reserved for the use of the United States for naval purposes, except that portion comprising an area of 23.3 acres, more or less, heretofore taken for lighthouse purposes by Proclamation No. 1827 of the President of the United States dated February 3, 1928 (45 Stat. 2937); and

Whereas it is deemed desirable and in the public interest that provision be made for the conducting of a program of soil conservation on the island while the reservation made hereby is in force, and that the area within such reservation be restored to a condition reasonably safe for human habitation when it is no longer needed for naval purposes:

Now, Therefore, by virtue of the authority vested in me by section 91 of the act of April 30, 1900, 31 Stat. 159, as amended by section 7 of the act of May 27, 1910, 36 Stat. 447, it is ordered as follows:

1. The Island of Kahoolawe, Territory of Hawaii, except that portion taken by the United States for lighthouse purposes by proclamation No. 1827 of February 3, 1928, is hereby taken and reserved for the use of the United States for naval purposes, and is placed under the jurisdiction of the Secretary of the Navy.

2. The Secretary of the Navy shall, within a reasonable period following the date of this order, eradicate from the island all cloven-hooved animals, or shall within such period and at all times thereafter while the area hereby reserved or any portion thereof is under his jurisdiction take such steps as may be necessary to assure that the number of such animals on the island at any given time shall not exceed two hundred.

3. The Territory of Hawaii shall have the right, at its expense and risk, at reasonable intervals to enter and inspect the island to ascertain the extent of forest cover, erosion, and animal life thereon, and to sow or plant suitable grasses and plants under a program of soil conservation: *Provided*, That such entrance and inspection shall not interfere unreasonably with activities of the Department of the Navy or of the United States Coast Guard.

4. When there is no longer a need for the use of the area hereby reserved, or any portion thereof, for naval purposes of the United States, the Department of the Navy shall so notify the Territory of Hawaii, and shall, upon reasonable request of the Territory, render such area, or such portion thereof, reasonably safe for human habitation, without cost to the Territory.

EXHIBIT No. 2

RESOLUTION OF MAUI COUNTY COUNCIL

Whereas, Sec. 1-2 of the Charter of the County of Maui states that the County of Maui includes the island of Kahoolawe; and

Whereas, the recent bombing practice held by the United States Navy on the island of Kahoolawe created concussions which affected residents in various areas of the island of Maui; and

Whereas, there is serious danger that stray bombs from these bombing practices could destroy life and property on the island of Maui; and

Whereas, there are other unpopulated islands in the Pacific Ocean which could be used for such bombing practices; now, therefore, Be it

Resolved, by the Council of the County of Maui that it does hereby respectfully request the United States Navy to seriously consider selecting an isolated island in the Pacific Ocean for bombing practices and to return Kahoolawe to productive use such as cattle raising and to provide fishing grounds for local fishermen; and Be it further

Resolved, that a certified copy of this resolution be transmitted to the United States Navy, Pearl Harbor, Hawaii.

Mr. STENNIS. Mr. President, this amendment calls for and authorizes a comprehensive study and investigation for the purpose of locating an uninhabited island in the State of Hawaii as a suitable place for bombing. I think the amendment not only is acceptable but also it is very timely.

Mr. President, I am prepared to accept the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. FONG. I yield back my time.

Mr. STENNIS. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Hawaii.

The amendment was agreed to.

Mr. MUSKIE. Mr. President, I call up an amendment that I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MUSKIE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 7, lines 16 and 17, strike out "Committees of Armed Services of the Senate and the House of Representatives" and insert in lieu thereof the following: "Speaker of the House of Representatives and the Committees on Armed Services and Foreign Relations of the Senate".

On page 7, lines 20 and 21, strike out "Committees of Armed Services of the Senate and the House of Representatives" and insert in lieu thereof the following: "Speaker of the House of Representatives and the Committees on Armed Services and Foreign Relations of the Senate".

Mr. MUSKIE. Mr. President, on page 7 of the bill there appears the following provision;

The Secretary of Defense shall study the overall concept for use of tactical nuclear weapons in Europe; how the use of such weapons relates to deterrence and to a strong conventional defense; reductions in the number and type of nuclear warheads which are not essential for the defense structure for Western Europe; and the steps that can be taken to develop a rational and coordinated nuclear posture by the North Atlantic Treaty Organization Alliance that is consistent with proper emphasis on conventional defense forces.

Mr. President, as I understand it, this provision was sponsored by the distinguished Senator from Georgia (Mr. NUNN). I compliment him for the provision. I think it is a very useful addition to the bill.

The one change my amendment would make is this. The bill provides that the report shall go to the Committee on Armed Services of the Senate and the House of Representatives. My amendment would provide that the report also shall go to the Committee on Foreign Relations of the Senate and the Foreign Affairs Committee of the House of Representatives. Both committees have subcommittees working in the area covered by the Secretary of Defense's report. I think it makes sense that the report be made available to them. I understand the amendment is acceptable to the Senator from Georgia (Mr. NUNN) and the manager of the bill (Mr. STENNIS).

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

Mr. MUSKIE. I yield.

Mr. NUNN. Mr. President, I not only have no objection, but also I think the Senator makes an excellent point in providing that this important report be made available to the Committee on Foreign Relations. There are many duplications and overlaps between subject matter considered by the Committee on Foreign Relations and the Committee on Armed Services. I think a spirit of cooperation in this important area will be beneficial to the Senate, the Department of Defense, and the national security.

I congratulate my colleague and friend from Maine for making this addition.

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

Mr. MUSKIE. I yield.

Mr. GOLDWATER. Mr. President, I think the Senator from Maine has brought up a very vital subject. The responsibility of the Committee on Foreign Relations and the Committee on Armed Services to me almost go hand in glove. I would suggest that both committees meet to determine what areas we both should be interested in.

I note properly that the Committee on Foreign Relations is more and more interested in weaponry, and it would be to our advantage on the Committee on Armed Services to be exposed a little more to the philosophy of foreign policy so we can consider the weaponry and the force which is to apply.

I think both the Senator from Georgia and the Senator from Maine have made useful additions to the bill by this language.

Mr. STENNIS. Mr. President, I join in saying that the amendment to the bill by the Senator from Georgia (Mr. NUNN) certainly is of value and I think fruits will come from it. I think it is very timely. I want to assure the Senator from Maine that we did not consciously leave out the Committee on Foreign Relations; not in the least, but we did not think about it, either. The Senator has rendered a service.

Mr. MUSKIE. I thank the Senator. As the Senator from Arizona said, there are mutual areas that we should explore. I am grateful to the Senator from Mississippi and the Senator from Georgia.

I wish to add that the Senator from New Jersey (Mr. CASE), who is not on the floor, is a cosponsor of the amendment.

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

Mr. MUSKIE. I yield.

Mr. STENNIS. With respect to all these allegations about lack of uniformity between the Committee on Foreign Relations and the Committee on Armed Services, there is no basis for those allegations whatever. There is an overlapping of their jurisdiction which grew up, mainly, since World War II because of the change in conditions since World War II. I am glad that I was able to work with the committee and I think all members are, as well as the members of the Committee on Foreign Relations.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

Mr. STENNIS. Mr. President, as I understand it, there are no further amendments on the bill to be offered this afternoon. I want to yield to the Senator from New Hampshire, and I ask that he be recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a correction I think should be made in connection with the whip notice?

Mr. STENNIS. I yield.

CORRECTION OF THE WHIP NOTICE

Mr. ROBERT C. BYRD. Mr. President, the whip notice which went out earlier today inadvertently omitted reference to the energy appropriation bill which will be taken up first thing Monday. The Senate will come in at 10 a.m. and very shortly thereafter, as soon as the leaders have made their statements under the standing order, the Senate will proceed to the consideration of the energy bill, and it will be under a time limitation. I make that correction so that Senators will be apprised of the inadvertency.

Also the whip notice states that at 1 p.m. the amendment by Mr. MCINTYRE will be called up. I would like to correct that statement to make it read "at 12:45 p.m."

With those two corrections, the record will stand.

ORDER OF BUSINESS

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

Mr. ROBERT C. BYRD. I yield.

Mr. McCLELLAN. Mr. President, what time is the energy appropriation bill on Monday?

Mr. ROBERT C. BYRD. About 10 minutes after 10 on Monday morning.

Mr. McCLELLAN. First thing Monday morning, and to be disposed of, and the others are subject to the disposition of that bill?

Mr. ROBERT C. BYRD. There is a time limitation on that bill.

Mr. McCLELLAN. What is the time?

Mr. ROBERT C. BYRD. Two hours.

Mr. McCLELLAN. Two hours. I thank the Senator.

Mr. ROBERT C. BYRD. Mr. President, if the Senator from New Hampshire will yield briefly, I wish to ask the distinguished chairman of the Committee on Appropriations (Mr. MCCLELLAN) in the event a rollcall vote is ordered on the passage of the energy appropriation bill, and an amendment thereto, would it be agreeable with him if such votes were to occur not earlier than, say, 4 p.m. on Monday?

Mr. GRIFFIN. Mr. President, will the distinguished majority whip yield?

Mr. ROBERT C. BYRD. Yes, with the indulgence of the Senator from New Hampshire.

Mr. GRIFFIN. I should indicate something that has just come to my attention. Apparently there are several amendments to be offered to the appropriation bill and it is conceivable that there could be votes on those amendments, as well as on final passage.

Mr. McCLELLAN. I will agree to any time, as far as I am concerned, that will accommodate the convenience of Members of the Senate. I have no special request to make or any opposition to interpose to any reasonable time for amendments.

Mr. GRIFFIN. If there were such amendments, I suppose the votes on them should occur on a back-to-back basis with final passage.

Mr. McCLELLAN. May I inquire what is the unanimous consent agreement now with respect to the bill? Two hours on the bill?

Mr. ROBERT C. BYRD. Two hours on the bill.

Mr. McCLELLAN. And how much time on amendments?

Mr. ROBERT C. BYRD. One hour on any amendment. The Senator may wish to change that to a half-hour on any amendment, or he may not. The agreement is in the usual form, so the managers may yield time from the bill to any Senator on an amendment.

Mr. McCLELLAN. I doubt if we can set any definite time, then, under those circumstances, if there are going to be a number of amendments, for a vote on the bill.

Mr. ROBERT C. BYRD. Except we could say no earlier than 4 o'clock.

Mr. McCLELLAN. No earlier than 4 o'clock.

Mr. ROBERT C. BYRD. Yes, it being a Monday, which will accommodate Senators who may have to travel from distant places.

Mr. President, I make the unanimous consent that no rollcall votes occur prior to 4 o'clock.

Mr. McCLELLAN. Is that on any amendment?

Mr. ROBERT C. BYRD. Any rollcall at all.

Mr. McCLELLAN. On any rollcall, before 4 o'clock?

Mr. ROBERT C. BYRD. Yes.

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

ORDER TO PROCEED TO CONSIDERATION OF ENERGY APPROPRIATION BILL ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, immediately after the two leaders or their designees have been recognized under the standing order, the Senate proceed to the consideration of the energy appropriation bill.

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

Mr. ROBERT C. BYRD. I thank the Senator from New Hampshire for his usual courtesy.

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1975

The Senate continued with the consideration of the bill (S. 3000) to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to

prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

Mr. McINTYRE. Mr. President, on Monday next, at 12:45, it is my understanding that the amendment No. 1380, which was cosponsored initially by the distinguished Senator from Massachusetts (Mr. BROOKE), and now has 12 or 14 additional cosponsors, will become the pending business, and so it seems appropriate at this time to lay a little groundwork for the benefit of our colleagues as to what this amendment seeks to do.

Mr. President, we have had a week of thorough and important debate on many aspects of the pending bill. We have analyzed and discussed major weapons systems and manpower policies and their relation to other national priorities. Much of the debate has centered on economic arguments. This is understandable and wise, considering the current economic situation.

However, I would now like to focus the attention of my colleagues on a question which does not involve large sums of money in the pending bill, but which I believe to be the most important issue raised in this bill and perhaps the most crucial question before the Senate this year. I do not use these words lightly. Buried in the complex provisions of this bill are three programs, which if approved, would drastically and dangerously alter our national strategic policy—a policy which has given us nuclear peace and stability for two decades.

The three programs to which I refer are the proposals to greatly increase the accuracy of our Minuteman III intercontinental ballistic missiles, greatly increase their yield, and develop a terminally guided MARV—maneuverable reentry vehicle) which would give our submarine-launched ballistic missiles (SLBMS), as well as our Minutemen, nearly perfect accuracy. The net effect of these counterforce programs would be to give us the ability to destroy efficiently large numbers of Soviet missiles in their hardened silos.

I question the wisdom of these proposals and have, therefore, introduced, along with the distinguished Senator from Massachusetts (Mr. BROOKE) amendment No. 1380 to S. 3000. Our amendment would delay the spending of any funds for these programs until it was clear that our negotiations at SALT II had failed to reach an agreement containing substantial controls over offensive missiles. Thus our amendment would not only forestall development of several dangerous programs. It would also take a carrot and stick approach to SALT by sending a clear message to the Soviets that they should agree to full and fair arms control at SALT II.

In the last year, and in previous Congresses, the Armed Services Research and Development Subcommittee, which I chair, has held exhaustive and comprehensive hearings on the full range of R. & D. programs. This year alone our subcommittee has met more than 30 times. Much of our study was devoted to these counterforce proposals and their implications. I have not arrived at any conclusion frivolously or arbitrarily. Whenever our subcommittee had doubts about marginal R. & D. programs, we resolved these doubts in favor of the program and thereby tried to keep all options open for as long a time as feasible. However, the three programs mentioned earlier, which should be considered as a package since they all have the same ultimate purpose, raise too many questions and have little or no justification. Their potential danger makes it imperative, in my mind, that we delay development at this time.

I have opposed these counterforce programs in the Armed Services Committee, and continue to do so here on the Senate floor for the following reasons:

First. They represent a drastic change in our nuclear strategy;

Second. They will put a hair trigger on nuclear war;

Third. The ultimate costs of development and deployment will be in the billions; and

Fourth. There is no need nor military requirement for these counterforce programs.

I note the presence on the floor of my distinguished colleague, the senior Senator from Maine (Mr. MUSKIE), who is a cosponsor of this amendment, and to whom I shall be happy to yield now so he may add his views to this debate.

Mr. MUSKIE. Mr. President, may I, first of all, compliment my good friend the distinguished Senator from New Hampshire (Mr. McINTYRE) for raising this counterforce issue on the floor this afternoon. I could not agree more as to his evaluation of its importance as we face the years immediately ahead.

It is not an easy issue to explain or to understand. Hence, I think it is highly appropriate that the debate should begin this afternoon, even in the absence of so many of our colleagues, so that a record could be made which, hopefully, will be enlightening to us all.

I have joined in cosponsoring this amendment with the distinguished Senator from New Hampshire and the distinguished Senator from Massachusetts (Mr. BROOKE). I have done so on the basis of hearings that were held in the Foreign Relations Committee earlier this year on this subject, hearings which were conducted by the distinguished Senator from Missouri (Mr. SYMINGTON), who is a member of both the Armed Services and Foreign Relations Committees, and myself as chairman of the Arms Control Subcommittee of the Foreign Relations Committee.

We will on Monday, I suppose, get involved in much greater detail than we will this afternoon on the implications of this issue. I would like to take this opportunity, though, to outline briefly some of my concerns about Secretary Schlesinger's proposed changes.

Mr. President, for many years, the declared strategic doctrine of the United States has been deterrence—a policy which seeks to persuade a potential aggressor not to initiate nuclear war by confronting him with the certainty of unacceptable destruction in return. It has been generally assumed that such a policy is most effective when our retaliatory forces are targeted against the civilian population and industrial centers of the adversary.

During this same period, our strategic nuclear forces have developed the capacity to fulfill other roles. For over 10 years we have had, in addition to the deterrent forces, weapons capable of destroying military targets or capable of damaging our adversary's missile reserves so that they could not be used against us. With progress in technology—such as MIRV, improved command and control, smaller warhead size and the like—the ability of our forces to perform these secondary functions has advanced to a very sophisticated level, while we still maintain an overwhelming deterrent capability.

In recent months, Secretary Schlesinger has initiated a national debate on counterforce strategy, or more specifically, on the question of whether this country can improve the character of its deterrent by improving and stressing what have heretofore been deemphasized as secondary characteristics of our nuclear forces. He has proposed, among other things, changes in our targeting policies, improvements in our command and control structures, improvements in the power and accuracy of our Minuteman III ICBM warheads and development of a terminal guidance MARV program.

As the Senate debates these issues today and Monday I hope that my colleagues will not lose sight of the primary purpose of our nuclear forces—to deter aggressors from initiating hostilities. What causes concern about the proposed new doctrine are the proposed simultaneous improvements in yield and accuracy of our land-based forces. And here I would like to recall the previous and emphatic statements of this administration, both President Nixon and former Defense Secretary Laird, that the United States would resist any initiative that gave even the appearance of going for a first-strike or silo-smashing nuclear force, because it would be destabilizing and provocative. Accuracy and yield improvements, of course, would seem to give precisely this appearance.

In this connection, I think we must examine the implications of accuracy and yield improvements for the stability of our deterrent relationship, particularly at the upper end of the spectrum and during crises. We cannot be sure that the Soviets will see these improvements merely as enhancing deterrence at the lower, or limited nuclear, level of the spectrum. They may, indeed, be less likely to listen to our declared intentions about limiting nuclear war and more likely to make their judgments based on our capabilities, which will include weapons capable of destroying silos in a first strike if we go ahead with accuracy and yield improvements. While a disarming first strike may indeed be impossible in theory, our possession of weapons capable of damaging Soviet land-based missiles may nevertheless cause them grave concern about the survivability of these

missiles. It may prompt them, in time of crisis, to use them rather than lose them. In sum, then, there can be a real question about the ambiguity of our aims and motives in seeking these improvements.

Mr. President, I believe we must do everything possible to enhance the survivability of our deterrent forces and to lessen tensions with any potential aggressors. I have serious doubts whether Secretary Schlesinger's proposed changes in our strategic forces will help achieve these goals. They may, in fact, lead to an escalation of the arms race, with the Soviets taking countermeasures which could increase the threat to our land-based forces and heighten tensions between the world's two major nuclear powers.

Mr. President, these considerations underlie my concern about this new proposed doctrine. I look forward to an opportunity to discuss my concerns in greater detail on Monday. In the meantime, I would again like to commend the distinguished Senator from New Hampshire for raising this most important and vital issue to the level of Senate debate in these closing days of consideration of the defense procurement bill.

Mr. McINTYRE. Mr. President, I want to thank my good friend from the neighboring State of Maine. It is always helpful to have his strong arm and strong intelligence as a supporting Senator in one of these debates, particularly on an issue, as he has said, of this importance.

I would like to ask the distinguished Senator from Maine—I realize this is speculative—how does he think a conservative Soviet military planner, or one who is concerned about the security of his own country—and I understand in the Soviet Union they have the conservatives and they have those who are more philosophical—how does he suppose a conservative Soviet military planner would view these three programs?

Mr. MUSKIE. I think Soviet Marshal Grechko has already told us. Earlier today, I read a story in the press reporting the remarks made by Marshal Grechko in his election campaign in Moscow. He is apparently electioneering despite the fact he is the only candidate on the ticket, not unlike some constituencies in this country, I might say. But, in any case, commenting upon the Soviet military posture, Grechko emphasized the need to go forward with the expanded Soviet nuclear program, which is so visible now in the new missiles developed recently.

His argument was that the United States is embarking upon a refinement of its enormous nuclear warmaking machine. That refinement could have had reference to nothing but the very items that the Senator has pinpointed with his amendment.

It is conceivable, of course, that Marshal Grechko is propagandizing against the Department of Defense budget proposals. But, on his record, I think not. I think he is making use of this argument to make the case in which he believes—the case to maximize the Soviet nuclear posture and to achieve superiority, if possible. And I think he will use developments such as this to fuel his arguments.

I ask unanimous consent that the article concerning Marshal Grechko's remarks be printed at this point in the RECORD.

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

[From the New York Times, June 6, 1974]

SOVIET DEFENSE CHIEF SAYS WEST PURSUES ARMS RACE

Moscow, June 5.—Marshal Andrei A. Grechko, the Soviet Defense Minister, has told a Moscow election rally that the West is pursuing the arms race and the Soviet Union is "doing everything necessary" to modernize its defense system.

The 70-year-old military leader, quoted at length in this morning's Communist party newspaper, Pravda, did not specifically mention recent tests of multiple-warhead missiles or the expansion of the Soviet strategic arsenal of land missiles and submarine-based missiles.

But his election speech, to a rally on Tuesday in the Kiev Borough of Moscow, sought to justify pushing ahead with the Soviet build-up. It combined routine endorsement of the Soviet policy of coexistence with a warning against complacency because "the danger of war remains a stern reality of our time."

U.S. WAR BUILD-UP SEEN

"Imperialism even now carries on material preparation for war, builds up production of military hardware and weaponry, relentlessly perfects the giant military machine it has created," Marshal Grechko said.

"The party and the people are doing everything necessary to maintain the country's defenses on the level of modern requirements", he said. The marshall is a candidate in the single-slate election to the Supreme Soviet, the nominal legislature, on June 16.

Since becoming a member of the party's ruling Politburo in April, 1973, Marshal Grechko has been gaining more publicity, and some Western analysts have interpreted his speeches as pressure on the Soviet leadership to push ahead with the build-up of its strategic arsenal rather than be drawn prematurely into another arms limitations agreement with the United States.

To these analysts, Marshal Grechko is the visible advocate of the Soviet military-industrial complex, exercising the same kinds of influence on Kremlin policy that the Joint Chiefs of Staff exercise in the American political arena.

According to this view, the Marshal's speeches to military audiences, his March article in the Communist party's ideological journal, Kommunist, and his election speech contain more warnings about military preparedness than the public statements of the party leader, Leonid I. Brezhnev.

Some Western diplomats have heard rumors that the military establishment objected to the soft tone of a speech that Mr. Brezhnev had planned to deliver on May Day and the speech was therefore canceled. They noted that in the May Day slogans a phrase describing the Soviet armed forces as a "reliable defender of the motherland" had been dropped, and speculated that this might signify a behind-the-screen debate over the defense budget.

A contrary view among Western diplomats and military specialists is that Marshal Grechko's speeches reflect his natural concerns as Defense Minister. These analysts are skeptical that any essential differences exist between the defense establishment and the party.

"This is a military state," one Western diplomat said. "The economy is set up to serve military needs. Defense costs are not some form of social overhead to be cut to the bone. Military output is an end-product, a basic objective of the Soviet economy. Grechko and Brezhnev are in league with each other."

Some analysts concede that Premier Aleksei N. Kosygin and other members of the leadership with responsibility for the civilian sector may seek to constrain defense spending to gain funds for their branches of the economy. In private talks with Westerners, Mr. Kosygin has emphasized the need to cut arms spending on both sides.

Mr. McINTYRE. May I ask the Senator from Maine, does he not think that the people of this country would like to see a limitation on arms rather than this escalation where, as you say, the Russians look at us and say, "They are refining their accuracy; therefore, we must make bigger missiles." It is the feeling of this Senator that if we do not push for arms limitations, and particularly at this point, that the answer some day is going to be that we are going to blow up the world and all in it.

Mr. MUSKIE. The Senator from New Hampshire, is absolutely correct. But I must say I find people confused. They have been told that we have signed one agreement with the Russians, yet all the evidence is that both sides have escalated the arms race, and these budget proposals are the latest evidence.

I think people are ready to lighten the burden of arms they have carried on their shoulders, every taxpayer of this country. I just think that like MIRV before it and other developments, these proposals will simply mean escalating the race to a higher level. The race will not go downward. There is nothing in the history of the SALT negotiations up to now to suggest that a rollback of arms of any kind at any level is in prospect. The MIRV tests in this country were completed before the SALT talks started. Deployment was commenced after they had started; but now we are not talking about a SALT agreement at a pre-MIRV level. Any SALT agreement that we negotiate now is going to fix in place a MIRV capability on both sides.

So the very SALT talks that were designed to stabilize arms have resulted in escalating the arms race to a higher plateau, and I am afraid that this new proposal will escalate it to a still higher plateau. I think that is what the American people see. They do not really believe we mean what we say when we say we are going to try to stabilize the arms race.

Mr. McINTYRE. Does the Senator recall, that at the time that Secretary Laird, the then Secretary of Defense, returned with the SALT agreements about to be signed, there was also supplemental budget request of $120 million, and that the Armed Services Committee, on which I serve, and the full Senate, rejected a claim of $20 million for a new reentry vehicle?

Mr. MUSKIE. That is right.

Mr. McINTYRE. And that was in 1972.

Mr. MUSKIE. That is right. Secretary Laird attempted to trigger the nuclear arms race qualitatively as soon as the SALT accords had been signed.

Mr. McINTYRE. I thank the Senator from Maine.

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

Mr. McINTYRE. I am pleased to yield to the Senator from California.

Mr. CRANSTON. The Senator from

New Hampshire has stated the two most important questions about this amendment and about these counterforce proposals, and the answers given by the Senator from Maine were the most important answers that must be considered by this body, as we consider this amendment and what it is proposed be done in terms of developing counterforce weapons.

I thank the Senator from New Hampshire for the careful, thoughtful effort he has put into this issue as he speaks to us in connection with the very important responsibilities he carries. I am delighted that the Senator from Massachusetts (Mr. BROOKE), who made such a valiant effort a few years ago to prevent MIRV from developing, is once again involved in this effort, and, as usual, once again the Senator from Maine is providing for important leadership hearings.

I think we should consider one other matter as well as the grave danger of escalating the arms race, and that is the grave danger of escalating inflation as we spend so much in developing these very costly weapons.

As we go to deployment if, God forbid, we do, we get into the most inflationary way we can spend on these military matters, that have so much to do with the runaway prices causing such sickness to our economy and such hardship to so many families in our country.

I ask unanimous consent to have printed in the RECORD at this point a brief outline of the issues in regard to this counter force amendment.

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

COUNTERFORCE—THE MCINTYRE-BROOKE AMENDMENT NO. 1380

WHAT IT DOES

Amendment delays development of counterforce capability—increased accuracy and yield of MINUTEMAN missiles—until the President reports that SALT II has *failed* to control MIRVs.

MAIN ARGUMENTS

1. *Counterforce is premature.* By greatly increasing Soviet vulnerability, counterforce programs give the Soviets an incentive—

To strike first,

To proceed with MIRV deployment in order to increase the firepower of their surviving missiles.

Only if efforts to curb MIRVs fail should U.S. consider counterforce.

2. *Counterforce has no military justification.* Counterforce programs do nothing to meet the Soviet threat to our MINUTEMEN, nor do they enhance the survivability of our deterrent.

Our large and varied arsenal, including bombers and submarines, already permits a flexible response.

Counterforce programs can make our missiles *less* secure by attracting Soviet fire.

3. *Counterforce is expensive.* Although the initial request is for only $77 million, total development costs will be about $1.5 billion—and billions more for deployment.

4. *"Flexibility" and "avoiding collateral civilian casualties" are false issues.* Pentagon says we need improved accuracy so we won't be forced to retaliate against cities. But:

DOD witnesses say U.S. can destroy a whole range of targets, including military and industrial ones. U.S. already has flexible response capability. Our present posture does not lock us into aiming at cities.

5. Counterforce capability really boils down to hitting targets more *efficiently.* Counterforce would give us a *little* more efficiency in return for a *lot* more danger to nuclear stability.

6. *Counterforce will not reassure allies.* Secretary Schlesinger says we need counterforce because our allies fear we are weak. But:

Counterforce is a highly inappropriate response.

Many of our allies doubt that the U.S. would use any kind of nuclear weapon on their behalf. Counterforce doesn't help.

7. *Counterforce is destabilizing and stimulates the arms race.*

Ambassador Gerard Smith, chief U.S. negotiator at SALT I, says: "The logic arguing for a greater counterforce potential may well drive the nation towards a launch-on-warning doctrine, hardsite ABM defense of ICBMs, and eventually to a nationwide fallout shelter program.

Secretary of Defense Melvin Laird said in 1970: "The President has made it perfectly clear that we do not intend to develop counterforce capabilities which the Soviets could construe as having a first-strike potential."

Counterforce is a new and dangerous posture that threatens nuclear stability and does not enhance the survivability of our deterrent.

Senator McIntyre has requested a secret executive session of the Senate Monday afternoon, June 10, to discuss highly classified information relevant to counterforce.

Mr. McINTYRE. Mr. President, I thank my good friend from California. I am delighted to have him as a cosponsor of the amendment.

Mr. President, I would like to add a few more words on this subject.

Our nuclear policy since the 1950's has been premised on our ability to retaliate after any enemy first-strike. The stable nuclear peace that the world has enjoyed has been secured by the confidence each side has had in the survivability of its retaliatory force even after an all-out attack. The stability would be undermined by greater counterforce capabilities on either side.

The counterforce programs proposed by Secretary of Defense Schlesinger give the appearance that we may obtain the potential to destroy hardened Soviet missile silos. This threat to Soviet ICBM's might motivate them to strike first in a period of international tension. These programs would, therefore, produce an international wild-west filled with the fears and dangers of a nuclear "fast gun."

The destabilizing effect of a first-strike capability has been clearly understood by our defense planners of many years. In 1971, DOD statements on increased missile accuracy—one of the important components of counterforce—were as follows:

It is the position of the United States not to develop a weapons system whose deployment could reasonably be construed by the Soviets as having a first strike capability. Such a deployment might provide an incentive for the Soviets to strike first.

DOD understood then that the question was not whether we could actually achieve first strike but whether conservative Soviet military analysis could reasonably construe greater accuracy as leading to a first strike capability. The counterforce proposals currently in dispute certainly could be so construed.

In 1971, the Senate, led by Senator STENNIS, rejected a Buckley amendment for improved Minuteman accuracy by a vote of 66 to 17. In 1972, the Senate conferences insisted that a $20 million DOD request for silo kill accuracy in the post-SALT supplemental be deleted in conference. In both cases, there was a full appreciation that such R. & D. programs would break new ground and set dangerous new policy.

The threat of a runaway arms race which has been raised during the last year by Soviet development of MIRV's and our frustrations at SALT II make it all the more necessary that we not develop increased counterforce capabilities which would only further fuel the R. & D. arms race.

Even this year, in his annual Defense Department report for fiscal year 1975, Secretary Schlesinger enumerated, as one of the principal features of our strategic posture:

The avoidance of any combination of forces that could be taken as an effort to acquire the ability to execute a first strike disarming attack against the USSR.

But, Mr. President, to the Soviet defense analysts, actions may speak louder than words. Thus, the development of technologies which could be construed as a first strike capability may send the wrong signal.

As one commenator on the arms race, John C. Baker, editor of "Arms Control Today," has written:

Moving to a counterforce doctrine would represent a major policy shift since in the past President Nixon and other top officials have frequently assured the Congress and American public that the U.S. would neither develop a counterforce capability nor any weapons "which the Soviets could construe as having a first strike potential." While it is possible to argue that "technically" a hard-target counterforce capability does not constitute a *disarming* first strike potential since both sides will maintain relatively invulnerable sea-based missiles and bombers, the fact remains that both nations will *perceive* such a capability as an attempt to achieve such a capability and therefore *highly provocative*, regardless of what is "technically" correct. It is difficult to believe that those Americans who for years have been most concerned about the vulnerability of the U.S. ICBM force to a Soviet MIRV attack will not be able to comprehend that even a "limited" U.S. counterforce potential can generate uncertainties in Soviet eyes about our intentions, create instabilities in the strategic balance, and foster suspicions between the two nations.

It is these suspicions and perceptions that make the development of a counterforce program so dangerous. We truly may be putting a hair trigger on nuclear war.

Secretary Schlesinger put it succinctly and accurately when he stated in his annual Defense Department report:

All wars since 1945 have been non-nuclear wars shadowed by the nuclear presence. The threat to use nuclear weapons has remained, for the most part, in the background, but belligerents and neutrals alike have known that, like the big stick in the closet, it was there.

I am afraid, Mr. President, that the Secretary's desire for "flexible response" might make it more tempting for one side or the other to take the big stick out of

the closet. The results, needless to say, would be catastrophic.

The preliminary costs of these counterforce programs are not great. Total spending for the three programs in fiscal year 1975 would be about $77 million. However, the total cost to develop these systems would run about $1.5 billion. Deployment would add billions more. Clearly, this is not a program that should be begun without adequate justification. We know all too well that military programs, once begun, can develop a life of their own and can frustrate and thwart all attempts to stop them, even after their usefulness has been brought into doubt. The military justification for these counterforce programs simply does not exist.

In discussing the military need, some background and comment on our other defense programs is in order.

Our critical task in strategic arms is to assure the survivability of our deterrent on which nuclear peace and our national security depends.

Our R. & D. programs in the past have produced superior technologies which are at the heart of this survivability—the hardness of our missiles and their silos; MIRV's; the quietness of our submarines; and the penetration of our bombers. These technologies together with the redundancy of our Triad and the size of each of its component forces insure, as Secretary Schlesinger has often stated, that the Soviets cannot achieve a preemptive first strike.

The survivability of our deterrent, which is already secure into the practical future, will be dramatically increased in the 1980's and beyond, through massive improvements in the force currently being deployed or developed. We continue to MIRV our SLBM's thus increasing the retaliating threat of any single missile. Even though there is no conceivable Soviet ASW threat which could endanger our Poseidon fleet in this decade, we will compound their ASW problem tenfold with our new Trident submarine and will triple the range of 10 Poseidon boats beginning in the late 1970's by equipping them with the Trident (C–4) missile.

Even though the B–52, itself, is highly survivable, well into the 1980's, the B–1 promises quick escape and sure penetration which will counter any known Soviet threat even under development. We are increasing the survivability of our Minuteman by further hardening our silos, by continuing to deploy more MIRV's on Minuteman III, and by completing Safeguard.

Even the worst case projections of the unexpectedly rich and varied Soviet MIRV testing program do not threaten the survivability of our deterrent. Even if we assume that the Soviets successfully deploy their MIRVs; that they can develop and deploy new guidance technology; that they will be willing and able to spend the $30 billion Secretary Schlesinger estimates it will cost to replace their SS–11 with SS–19's; that SALT II fails to produce a secure agreement to inhibiting such deployment; and that paper extrapolations mean a high confidence counterforce threat against a large portion of our Minuteman—they will still be faced with an increasingly invulnerable submarine fleet, a much more survivable bomber force, and would, therefore, be taking an irrational risk in attacking one part of our Triad.

Nevertheless, continued intense Soviet activity pointed toward putting part of our deterrent at risk is itself destabilizing. It might breed miscalculation by the Soviets or misapprehensions among our allies. It raises doubts about whether the Soviets are willing to accept a stable nuclear balance. And it compounds the task of our SALT II negotiations.

Finally, concentrated support of those R. & D. programs which would enhance the survivability of our deterrent speaks with unmistakable clarity and force to the Soviets that we will never let them put a substantial part of our strategic force at risk. We, thereby, give them the most compelling motive to restrain their destabilizing MIRV technologies and come to a secure agreement at SALT. If they refuse, we will have technologically prepared ourselves to take whatever practical steps are necessary to assure the survivability of our deterrent.

The survivability of our deterrent is the key to our military and diplomatic needs. Whatever the threat to our Minutemen, these counterforce programs would add nothing to their survivability. In fact, they would actually reduce the security of our deterrent by giving the Soviets a motive to continue to develop a counterforce capability and in a period of international tension even to strike first. There is no military requirement for these programs. We can now confidently destroy all Soviet civilian targets, all soft military targets, and a number of hard military targets. The only thing we cannot now do is confidently destroy a large number of very hard military targets—hardened silos—efficiently and such a capability is not necessary to our deterrent even as defined by the new flexible response doctrine. As I have said, these programs, which propose to improve yield and increase accuracy would reverse previously stated DOD policy and overwhelming congressional opposition in past years.

The R. & D. subcommittee made a special effort to discriminate among the various DOD requests. The subcommittee recommended support of all programs which will enhance survivability of our deterrent.

In sum, these counterforce proposals have the potential of dangerously destabilizing the strategic environment. Most disputes about R. & D. are in essence about money or management, important considerations to be sure. But the debate on these counterforce requests concerns issues affecting the future survivability of the human race.

I therefore hope that the Senate will act to defer final action on funding these programs until such time as a clearer understanding exists as to their potential implication and until such time as alternatives to the "counterforce" initiative have been fully explored.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

SENATE RESOLUTION 336—PROVIDING FOR THE TRANSMITTAL OF CERTAIN MATTERS RELATING TO A HEARING BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS

Mr. McCLELLAN. Mr. President, I send to the desk a resolution which has been ordered reported by the Committee on Appropriations, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read the resolution.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. McCLELLAN. I understand that the resolution has been cleared with the leadership on both sides of the aisle.

This resolution is in response to a request from Special Prosecutor Leon Jaworski for copies of hearings and other material relating to the inquiry conducted by the Appropriations Subcommittee on Intelligence Operations into the purported role of the Central Intelligence Agency in the Pentagon papers case and the Watergate affair. The request of Mr. Jaworski was made to me as chairman of the Committee on Appropriations by latter of April 19, 1974, and I ask unanimous consent that his letter be inserted in the RECORD as a note of my remarks, and also his letter to me of May 7, 1974.

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

WATERGATE SPECIAL PROSECUTION FORCE,
United States Department of Justice
Washington, D.C., April 19, 1974.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Appropriations,
Suite 1235, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This office is presently conducting the prosecution of the case of *United States* v. *John D. Ehrlichman, et al.*, Criminal No. 74–116 (D.D.C.), which relates to the break-in of the offices of Dr. Lewis J. Fielding in September of 1971. At the present time, we wish to determine whether any of the defendants and/or prospective witnesses whose names appear in the attached list have appeared before your committee or subcommittee thereof and testified in Executive Session or have been interviewed by members of the committee staff.

In this connection would you advise us of the dates of such appearances, the manner in which the statement was memorialized and the general subject matter of the statement.

If such materials exist, we wish to be advised of your position concerning their availability for use in the trial of this case.

Inasmuch as this matter is set for trial for June 17, 1974, we would very much appreciate an early response to this inquiry. Mr. Charles R. Breyer of this office can pro-

vide you with any further information which may be of assistance to you.

Thank you for your cooperation.

Sincerely,

LEON JAWORSKI,
Special Prosecutor.

WATERGATE SPECIAL
PROSECUTION FORCE,
Washington, D.C., May 7, 1974.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In the course of various prosecutions by this Office, the government may be required to produce at trial certain prior statements of government witnesses. In addition, we may be interested in acquiring prior statements of defendants under prosecution. This may include testimony and witness interviews by Congressional Committees and their staffs.

As we analyze our possible needs, we have noted relevant testimony and possible staff interviews by the Subcommittee on Intelligence Operations (CIA oversight) and the Subcommittee on HUD, Space, Science and Veterans (SEC-Vesco).

From time to time, various of our task forces may be requesting copies of executive session testimony and perhaps staff interviews as to our witnesses and defendants. I would appreciate learning from you if such materials will be available to us in the inquiry areas mentioned above. In addition, since we will have continuing requests to make in all probability, please indicate to me whom we should contact on your staff so that we need not bother you with specific details.

As you know, we have previously contacted you as to the availability of certain materials for the trial of *U.S. v. Ehrlichman* (the Fielding break-in). This is a more comprehensive request in the hope that we can discover if there will be any problems of access to your material in other trials that we shall be having in the future.

I very much appreciate your consideration of these important matters and we look forward to your cooperation.

Sincerely,

LEON JAWORSKI,
Special Prosecutor.

Mr. MCCLELLAN. Mr. President, the committee obviously wants to cooperate with Mr. Jaworski and it was felt that a general authority to furnish pertinent information such as contained in the resolution was the appropriate way to handle the problem.

I urge the adoption of the resolution.

Mr. GRIFFIN. Mr. President, the Senator from Arkansas, the distinguished chairman of the Appropriations Committee, is correct; this matter has been cleared with the leadership on both sides, and it is my understanding, as he has recited, that this matter did come up in a meeting of the Appropriations Committee, and that the action he is now taking is with the unanimous approval of the committee. There is no objection.

Mr. MCCLELLAN. I thank the distinguished Senator.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 336) was considered and agreed to.

The resolution, with its preamble, is as follows:

Whereas Special Prosecutor Leon Jaworski has requested that certain matters relating to a hearing before a subcommittee of the Committee on Appropriations be transmitted to him: Now, therefore, be it

Resolved, That the President pro tempore of the Senate is authorized to transmit to Special Prosecutor Leon Jaworski, under the seal of the United States Senate and applicable national security classification procedures, a copy of the transcript of the hearings, and related materials, of the Subcommittee on Intelligence Operations, Committee on Appropriations, which began on May 9, 1973, with respect to its inquiry into the purported role of the Central Intelligence Agency in the Pentagon Papers Case and the Watergate Affair.

AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL SCIENCE FOUNDATION

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13999.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 13999) to authorize appropriations for activities of the National Science Foundation, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KENNEDY, Mr. PELL, Mr. EAGLETON, Mr. CRANSTON, Mr. MONDALE, Mr. DOMINICK, and Mr. STAFFORD conferees on the part of the Senate.

AUTHORIZATION FOR VETERANS' AFFAIRS COMMITTEE TO HAVE UNTIL MIDNIGHT SATURDAY TO FILE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs have until midnight Saturday to file reports.

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

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent at such time as the bill (S. 3523), to establish a temporary National Commission on Supplies and Shortages, is called up and made the pending business before the Senate, that there be a time limitation on the bill of 2 hours, to be equally divided between the distinguished majority and minority leaders or their designees; that there be a time limitation on any amendment thereto of 1 hour, with the exception of an amendment by the distinguished Senator from Wisconsin (Mr. NELSON) on which there be a time limitation of 3 hours; that there be a time limitation on any amendment to an amendment of one-half hour; that there be a time limitation on any debatable motion or appeal of 20 minutes; and that the agreement be in the usual form.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). Is there objection to the request of the Senator from West Virginia?

Mr. GRIFFIN. Mr. President, reserving the right to object, this amendment I know is satisfactory to the distinguished ranking minority member of the Commerce Committee from which this measure was reported, the Senator from New Hampshire (Mr. COTTON). I know that it is also satisfactory to the distinguished Senator from Illinois (Mr. PERCY) who has an amendment that he will offer and the 1-hour time limitation, it is my understanding, would be adequate.

It is my understanding that this would be satisfactory to the distinguished Senator from Ohio (Mr. TAFT) who may also have an amendment.

With respect to the amendment to be offered by the distinguished Senator from Wisconsin (Mr. NELSON) on which there would be a 3-hour limitation, I am not familiar with the contents of the amendment, and I would hope and assume it would be germane to the measure coming before the Senate.

Would the distinguished majority whip be able to enlighten me on that?

Mr. ROBERT C. BYRD. I am not familiar with the subject matter of the amendment.

Mr. GRIFFIN. As the majority whip can understand, that assumption is rather important. We would not want some entirely unrelated matter to come before the Senate with a 3-hour time limitation; but perhaps we could enter into the agreement with that understanding, and, if it has to be reconsidered, then it could be.

Mr. ROBERT C. BYRD. Yes; I think that is a reasonable suggestion by the distinguished Republican whip.

Mr. GRIFFIN. I assume it probably is related and is germane.

Mr. ROBERT C. BYRD. Yes; I think it is. I condition my request, Mr. President, on the germaneness of Mr. NELSON'S amendment. As does the assistant Republican leader, I assume that the amendment is germane. The Senator from Wisconsin spoke to me about it earlier today, but I do not recall whether he revealed the subject matter. If he did, I have forgotten what the subject matter is. But suppose I condition the request on the germaneness of the Nelson amendment; and if it is not germane and if Mr. NELSON wishes to have the agreement vitiated on that basis, it will be agreeable all the way around.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10 a.m. on Monday next.

After the two leaders or their designees have been recognized under the standing order, the Senate will proceed to the consideration of H.R. 14434, an act making appropriations for energy research and development. There is a time agree-

ment on that bill. The time for debate on the bill is 2 hours. There is a time limitation on any amendment thereto of 1 hour, with a time limitation on amendments in the second degree of 30 minutes. Undoubtedly, there will be rollcall votes on the bill, inasmuch as I understand that some amendments will be offered which will require rollcall votes.

At 12:45 p.m. on Monday, the amendment by Mr. McINTYRE to the military procurement authorization bill will be called up. There is a time limitation on the McIntyre amendment of 4 hours, during which time the distinguished Senator from New Hampshire (Mr. McINTYRE) may ask for a closed session. If that request is seconded, as undoubtedly it will be, the time for the closed session with come out of the 4 hours on the amendment.

There is a time limitation on a substitute for the McIntyre amendment, a substitute to be offered by Mr. CHILES, the limitation being 1 hour.

No rollcall votes will occur on Monday prior to 4 p.m.

After the McIntyre amendment and the Chiles substitute have been disposed of on Monday, the Senate will proceed to take up an amendment by Mr. MATHIAS on which there is a 1-hour limitation.

Also, it will be in order for Mr. HUGHES to call up an amendment on Monday, and for Mr. JAVITS to call up an amendment on Monday, following the disposition of the McIntyre and Chiles amendments.

Mr. President, on Tuesday, the Senate will meet at 9:30 a.m., and I ask unanimous consent to that effect.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Immediately after the two leaders or their designees have been recognized under the standing order, Mr. CRANSTON or Mr. KENNEDY will call up an amendment which has been discussed with Mr. STENNIS and on which Mr. STENNIS has agreed on a limitation of 1 hour.

I do not like to make consent requests subject to the approval of any Senator; but in this instance, in view of the fact that the matter was cleared with Mr. STENNIS—I do not know whether it was cleared with Mr. THURMOND or Mr. TOWER—in view of the fact that there is a finalization of action on the bill which will occur circa 2:30 p.m. on Tuesday, and in order to provide an opportunity for the Cranston-Kennedy amendment to come in, I ask unanimous consent, subject to approval of Mr. THURMOND, who is the ranking Member on the other side, that there be a limitation on the Kennedy-Cranston amendment of 1 hour and that the time begin running immediately after the two leaders have been recognized on Tuesday morning.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Reserving the right to object, Mr. President, would it be the intention, then, if there were rollcall votes on Tuesday, that the vote would come after the expiration of the 1 hour?

Mr. ROBERT C. BYRD. Yes. It would occur at that time because at 11 a.m., under the order previously entered, the Senate is to proceed to the further consideration of the amendment by Mr. JACKSON, on which there is an 80-minute limitation, with a vote to occur no later than 12:20 p.m.

Mr. GRIFFIN. Is the majority whip able at this time to give any indication or enlightenment as to the subject or purpose of the Kennedy-Cranston amendment?

Mr. ROBERT C. BYRD. I am not familiar with its contents, other than that it was represented to me as a Vietnam amendment. The manager of the bill, Mr. STENNIS, is aware of what it contains, because I have asked him if it is agreeable with him that it come up the first thing on Tuesday and whether it is agreeable to him that there be a limitation of 1 hour thereon; and he indicated in both instances in the affirmative.

It will possibly be the better thing to agree at this time that the vote occur on that amendment immediately following the vote on the Jackson amendment. The vote on the Jackson amendment is to occur at 12:20 p.m., and this would allow Senators to come to the Chamber and to understand what they are voting on, and it would allow a vote on both of those amendments before the amendment by Mr. HUMPHREY comes up, which is scheduled for 1 o'clock on Tuesday.

Mr. GRIFFIN. I appreciate that. I think that would be wise. I assume that it is likely to be a controversial amendment, and we would want Senators to have the opportunity to be heard. I think it would be more accommodating, particularly for those who have committee sessions that morning, if we could set the vote at least back to back with the Jackson amendment.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. On that basis, with the understanding that it is subject to the agreement of the ranking minority member of the committee, Senator THURMOND, I would not object. I wanted to make sure that it was not a troop-cut amendment, because there has been an understanding that there will be no more.

Mr. ROBERT C. BYRD. The Senator is correct.

May I add this further condition: That in the event Mr. THURMOND would have an objection to this particular order, I feel confident that Mr. THURMOND would allow the Kennedy-Cranston amendment to come in on Monday. If he has some objection to its coming in on Tuesday, he would allow it at least to come in on Monday, provided it is not a troop-withdrawal or a troop-reduction amendment; so that Senators KENNEDY and CRANSTON would not be shut out from the opportunity of offering it.

Would the distinguished assistant Republican leader agree with me that that is a fair assumption?

Mr. GRIFFIN. I would think so, yes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, to begin again, on Monday the Senate will convene at the hour of 10 o'clock a.m. After the two leaders or their designees have been recognized under the standing order, the Senate will proceed to the consideration of H.R. 14434, an act making appropriations for energy research and development. There is a time limitation on that bill. Within the last hour, it has been revealed to me by Senators PASTORE and BAKER that several amendments are expected to be offered to the bill. In view of the fact that many Senators were unaware until recently that the various energy requests were incorporated into a single new appropriation bill, this has complicated the situation, so it is quite possible that the Senate will not be able to complete its action on the energy appropriation bill on Monday morning within the time limit allotted.

There is a time limitation on the bill of 2 hours, with 1 hour on any amendment thereto.

S. 3000

At the hour of 12:45 p.m. on Monday the distinguished Senator from New Hampshire (Mr. McINTYRE) will call up his amendment and action will be resumed thereon. There is a time limitation thereon of 4 hours, during which period the Senator from New Hampshire (Mr. McINTYRE) will ask for a closed session. That request being seconded, the time for the closed session will come out of the 4 hours.

There is a time limitation on the substitute by Mr. CHILES, the time limitation being 1 hour.

Upon disposition of the McIntyre amendment and the Chiles substitute, the Senate will take up the Mathias amendment under a 1-hour limitation; an amendment by Mr. HUGHES will be called up Monday, as well as an amendment by Mr. JAVITS.

So several yea-and-nay votes will occur on Monday, none of which will occur prior to the hour of 4 p.m.

In the event—and it is a likely event—that action cannot be finished on the energy appropriation bill in the limited time allotted on Monday, then the final action on that bill will be put over until after deposition of the amendments to the military procurement bill that have been lined up for Monday or until the final action is taken on the military procurement bill, which should occur around 2:30 p.m. on Tuesday.

Of course, this will have to be with the approval of the distinguished chairman of the Committee on Appropriations (Mr. McCLELLAN), but I am sure Mr. McCLELLAN will be understanding, as always, in the event such extreme circumstances arise.

Then, on Tuesday the Senate will meet at 9:30 a.m. After the two leaders or their designees have been recognized under the standing order, subject to the approval of Mr. THURMOND, an amendment by Mr. KENNEDY and Mr. CRANSTON will be called up, under a 1-hour time limitation. There undoubtedly will be a rollcall vote ordered on that amendment.

However, at the hour of 11 Tuesday morning, action wil be resumed on the amendment by Mr. JACKSON under a time limitation of 80 minutes, with a vote to occur on the Jackson amendment at 12:20 p.m.

Upon the disposition of the Jackson amendment, any rollcall votes ordered on the Kennedy-Cranston amendment would occur.

At the hour of 1 o'clock p.m. on Tuesday, the so-called ceiling amendment will be called up by Mr. HUMPHREY, on which there is a time limitation of 1 hour and 15 minutes.

Upon the disposition of the Humphrey amendment the Senate will proceed to vote on the final passage of the military procurement bill. That will also be a rollcall vote.

Upon the disposition of that bill, in the event action has not been completed on the energy appropriation bill action would then be resumed thereon.

Other bills which may be called up on Tuesday and subsequent thereto are—but not necessarily in that order—S. 3523, a bill to establish a temporary national commission on supplies and shortages; S. 585, a bill to amend section 303 of the Communications Act of 1934; H.R. 8217, an act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States—a so-called tax bill. Of course, there are other measures on the calendar which will be cleared for action by next week. Conference reports may be called up at any time and yea-and-nay votes can occur thereon.

The debt limit bill will come along before the end of June. The House is expected to complete action on at least eight appropriation bills, plus perhaps a continuing resolution by the end of June, so Senators are informed that several appropriation bills will be cleared for action by the Senate Committee on Appropriations and will be on the calendar and ready for floor action by the end of June.

Friday sessions may be expected from now on. Rollcall votes can be expected to occur daily.

That is about it.

ADJOURNMENT TO 10 A.M. MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 a.m. Monday next.

The motion was agreed to; and at 4:30 p.m. the Senate adjourned until Monday, June 10, 1974, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 7, 1974:

IN THE COAST GUARD

The following officer of the U.S. Coast Guard for promotion to the grade of lieutenant (junior grade):

John S. Calhoun

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the Regular Coast Guard in the grades indicated:

Lieutenant commander

James F. Brodie, Jr.
Garran C. Crow

Lieutenant

William G. Fisher	Hal W. Cohoon
Larry J. Balok	Peter B. Fontneau
Robert W. Cathey	Johnnie L. Johnson
James C. Arritt	Roger D. Chvalier
Charles E. Hughes	Carl D. Main
Michael F. McCormack	Peter T. Isaksen
	David L. Crede

Lieutenant (junior grade)

Daniel L. Farr

The following temporary officers of the U.S. Coast Guard for promotion to chief warrant officer, W2:

Milton D. Moore, Jr.	Frederick R. Hill
William A. Dickerson, III	Robert E. Drake
	James E. Andrews
Charles W. Belsky	

The following temporary chief warrant officers, W2 of the U.S. Coast Guard to be permanent chief warrant officers, W2:

Howard F. Wirt	Charlie C. Brogdon
Richard E. D'Entremont	Chris M. Percival
	Fred Dombek, Jr.
William M. Roney	John W. Littleton, Jr.
John W. Warren, Jr.	Robert D. Tate
Desmond B. Connolly	David K. Winchester
Robert L. Joubert	Victor H. Henkel, Jr.
Gary E. Hodge	John M. Terrell
Milton H. Meekins	Llewellyn D. Midgatt
John W. Massey	Richard F. Edwards, Sr.
John R. Cotter	
Walter D. Moulton	Ralph Skonieczny
George C. Tureman	Roland M. Bowen
Jeremiah J. Donahue	Demetrio F. Aspiras
Kenneth F. Dalton	Carl D. Maddy
Dale W. Croteau	Howard E. Hall
Thomas J. Jozwiak	Norman L. M. Peleholani
Donald E. Sapp	
Charles R. Bianar	Lonnie L. Hyatt
William W. Arrington	Richard E. Rainville
Eugene Lister	James A. Irwin
Robert C. Jacobson	John C. Leith III
Robert L. Ferguson	Larry H. Oliszewski
Dennis G. Johnson	Thurman G. Fogelstrom
Junius S. Clemmons	
William J. Gural	Denis J. Mayberry
Robert S. Tekesky	Ronald E. Curtis
Donald A. Perillo	Norvie S. Gillikin
Kenneth R. Land	Gary L. Perry
Jack E. Voss	Carl L. Ditmars
Phillip R. Mell	Samuel G. Cottrell, Jr.
Richard A. Eppley	Darold W. Smith
John W. Mullaney, Jr.	Larry M. Conard
Richard W. Collins	Walter J. Hanson
Clarence W. Parker	Kent W. Kramer
Elson C. Brittle	Ronnie L. Kunz
Jesse O. Rowe	Dennis C. Dougherty
Gerald D. Kerns	James R. Stith
Carl W. Feil	Jack B. West
Joseph A. Petit	Henry L. Riebel
Frederick M. Harrison	William E. Richardson
	Robert G. Hunter
Charles E. Kelly	Norman A. Swanson
Leonard J. Antoszewski	Edward F. Nuzman
	Nich V. Swanson
Victor H. Huck, Jr.	Marion C. Parker
Charles J. Cannon, Jr.	Noel E. Crowley
James P. Contratto	Patrick J. O'Hara
David E. Clark	Frank H. Legate
Robert L. Sturgis	James J. O'Brien
Donald J. Dokken	Alice T. Jefferson
William R. Garinger	Russell R. Griffin
Angel M. Lopez	Robert T. McLaughlin
Charles A. Brinson	Librado Torres
Grodon L. Pierce	William Heelan
Dale R. Wilkins	Michael J. Monroe
Jose G. Jimenez	Bernard A. Kincaid
Charles E. Isgett	Terry O. Gallaher
Thomas J. Hickey	Harry R. Bishop

CONFIRMATION

Executive nomination confirmed by the Senate June 6, 1974, not listed in RECORD of June 6:

DEPARTMENT OF DEFENSE

J. William Middendorf II, of Connecticut, to be Secretary of the Navy.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

HERB HOFFMAN—A DEDICATED PUBLIC SERVANT—RETIRES

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 6, 1974

Mr. RODINO. Mr. Speaker, after 30 years of public service, Herb Hoffman, counsel to the Subcommittee on Criminal Justice of the House Judiciary Committee, is retiring.

I first came to know Herb when he headed the Legislative Office in the Department of Justice, and through the years came to respect his legal judgments, boundless energy, and dedication to the public interest.

When my predecessor as the chairman of the Judiciary Committee enticed Herb to join the committee staff 3 years ago, I joined hundreds of others who bade him farewell at a reception in the Deputy Attorney General's office.

Now, Herb is leaving the committee staff and retiring from Government service. However, I am pleased that the American Bar Association has seen fit to avail itself of Herb's talents as director of its newly created governmental relations office. I congratulate the ABA on its choice, and wish Herb every success in his new career.

The ABA release which announced the appointment follows:

AMERICAN BAR ASSOCIATION NAMES HOFFMAN DIRECTOR OF GOVERNMENTAL RELATIONS OFFICE

WASHINGTON, D.C., May 28.—The American Bar Association today appointed Herbert E. Hoffman, of Arlington, Va., as director of its newly named Governmental Relations Office here.

Hoffman, who is counsel to the House Committee on the Judiciary, succeeds Donald E. Channell, who for the past 17 years served as director of the Association's Washington office. Channell, who recently resigned to enter private practice in Washington, will serve as a legislative consultant to the ABA.

Hoffman's appointment was announced here by Bert H. Early, ABA executive director. Under Hoffman's leadership, Early said the American Bar Association will expand its public service efforts with the Congress and with the federal agencies. He added that the ABA's office here also will provide a wider range of governmental information services to state and local bar associations and to other affiliated bar groups.

As the ABA's highest staff officer in Washington, Hoffman will direct the Association's liaison with the three branches of the federal government. The headquarters of the 180,000-member ABA is in Chicago.

Hoffman, a native of New York City, was graduated from New York University with a bachelor of science degree in 1937 and received his law degree there in 1939. He prac-