EXTENSIONS OF REMARKS

ACTIVITIES OF THE MINT MUSEUM OF ART IN CHARLOTTE, N.C.

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. MARTIN of North Carolina. Mr. Speaker, not too many people associate Charlotte, N.C., with gold or know that at one time our area was a major gold mining center. Fewer realize that there was once a U.S. Mint in Charlotte where there now stands a Federal office building named for my distinguished predecessor, Charles R. Jonas. Still fewer know that the mint, reconstructed not far away is now a museum, the Mint Museum of Art.

I now put you all on notice of these facts hitherto guarded by Carolinians and our esteemed doorkeeper. I do so not only so that the next time you get a $5 gold piece in change and note a mint mark "C" on it, you will know from whence it came, but also so that you can be brought up to date on the mint museum, a thriving institution that is now receiving some international attention.

A postsummer event of note is being announced by officials of Charlotte's Mint Museum of Art. A September Seminar on Ceramic Arts will be held September 16–17–18 at the Mint Museum in cooperation with the well-known Pennsbury Manor Forum, held annually at the historic home of William Penn in Bucks County, Pa.

In Charlotte, N.C., 3 days will be devoted to illustrated lectures by six outstanding British experts and two noted authorities from colonial Williamsburg, according to the Mint Museum. The programs for the September seminar and the Pennsbury Manor Forum are being planned by Miss M. Mellanay the Delhom curator of the Delhom Gallery at the Mint, showplace of rare pieces of pottery and porcelain that make up the Delhom collection.

Speakers scheduled for the September seminar are the following:

John Austin, Curator of Ceramics and Glass, Colonial Williamsburg.

Gilbert Bradley, Lecturer and Collector of Blue and White Porcelain, London.

Joan Dolmetsch (Mrs. Carl), Curator of Prints, Colonial Williamsburg.

Ian Lowe, Assistant Keeper, Department of Western Art, The Ashmolean Museum, Oxford.

Alan Smith, Senior Lecturer, History of Art Department, University of Manchester, Manchester.

Hugh Tait, Deputy Keeper, Department of Medieval and Later Antiquities, British Museum, London.

Peter Walton, Curator, Lotherton Hall, Temple Mueseum House, Leeds.

Cleo Witt, Curator, Applied Art, City Art Gallery, Bristol.

Said Mr. Cleve Scarbrough, director of the Mint Museum:

Most important to interested scholars and collectors who will attend the September Seminar is the opportunity to browse through the Mint Museum of Art and to examine at first hand pieces of exquisite ceramic art in the famed Delhom Collection.

The September seminar is being presented under auspices of the Delhom Service League, a working arm of the Mint. Mrs. Albert Littlejohn is president of that group. Chairman of the event is Mrs. Mildred Gwin Andrews, of Charlotte.

COMMEMORATION OF ANNEXATION OF LITHUANIA BY SOVIET UNION

HON. JAMES M. HANLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. HANLEY. Mr. Speaker, I would like to take this opportunity to join my colleagues today in the commemoration of the annexation of Lithuania by the Soviet Union, which occurred on June 15, 34 years ago. This commemoration is a sad event in the history of the world; indeed this violation of the sovereignty of Lithuania is tragedy for all peoples of the world who cherish, as do we the people of the United States, freedom and personal liberty.

Since her conception as a nation in 1251, Lithuania has had a proud heritage as a country determined to obtain its freedom and independence. Through the history of Lithuania, this determination has not wavered in the face of the imposition of external rule by the nations surrounding her. After more than a century of Czarist Russian rule, Lithuania declared her independence as a modern nation in 1918, and flourished as an independent state until 1940. A tragic episode of World War II, however, was the forced incorporation of Lithuania into the Soviet Union in 1940, which brought to an end the existence of Lithuania as an independent nation.

Since that time, Soviet rule has meant the oppression of the Lithuanian people, and the suppression of Lithuanian culture. While the massive deportations of Lithuanians, which took place during the first 10 years of Soviet rule, no longer occur, the denial of freedom and liberty remains a harsh fact of Lithuanian life.

With this awareness in mind, I urge my fellow Congressmen and all the people of the United States, who know the joys of political freedom and individual liberty, to support the people of Lithuania in their efforts to obtain freedom from Soviet domination and suppression.

To this end, I urge support of House Concurrent Resolution 394 which states that—

It should remain the policy of the United States not to recognize . . . the annexation of the Baltic Nations by the Soviet Union.

And that the U.S. delegation to the European Security Conference should not agree to such a recognition by that body.

Further, in this age of closer communication and cooperation with the Soviet Union, I urge that the Congress recognize, within the context of this closer association, that it is the duty of the United States to support the cause of freedom and the end of oppression of groups of people within the Soviet Union. Today I speak with special reference to the people of Lithuania.

Let us hope that this period of Soviet domination of the Lithuanian people is but a somber interlude in this people's historic struggle for national and cultural independence, and personal liberty.

THE 1975 BUDGET SCOREKEEPING REPORT NO. 2—AS OF JUNE 7, 1974

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. MAHON. Mr. Speaker, I am inserting for the information of Members, their staffs, and others excerpts from the "Budget Scorekeeping Report No. 2, as of June 7, 1974," as prepared by the staff of the Joint Committee on Reduction of Federal Expenditures. The report itself has been sent to all Members.

This report incorporates the President's budget revisions announced May 13 and included in the Midsession Budget Review of May 30, 1974. The following summary shows the current budget estimates as compared to the February 4 estimates:

[In billions]

	Fiscal year 1974			Fiscal year 1975		
	Feb. 4 estimate	May 30 revision	Change	Feb. 4 estimate	May 30 revision	Change
Unified budget receipts	$270.0	$266.0	−$4.0	$295.0	$294.0	−$1.0
Unified budget outlays	274.7	269.5	−5.2	304.4	305.4	+1.0
Deficit	−4.7	−3.5	−1.2	−9.4	−11.4	+2.0

Of course, not a great deal of congressional action has been completed as yet this session. The "Scorekeeping Highlights" from the report, which I will include here, point up the completed action through June 7, and show the major pending legislative actions taken to date. These excerpts from the 1975 Scorekeeping Report No. 2 follow:

FISCAL YEAR 1975 SCOREKEEPING HIGHLIGHTS

OUTLAYS

The impact of congressional action through June 7 on the President's fiscal year 1975 budget outlay requests, as shown in this report, may be summarized as follows:

[In millions]

	House	Senate	Enacted
1975 budget outlay estimate as revised and amended to date	$305,439	$305,439	$305,439
Congressional changes to date (committee action included):			
Appropriation bills:			
Completed action	−300	+180	−215
Pending action	+58	+10	
Legislative bills:			
Completed action	+95	+76	+652
Pending action	+1,235	+1,410	
Total changes:			
Completed action	−$205	+$256	+$437
Pending action	+1,293	+1,420	
Total	+1,088	+1,675	+437
Deduct: Portion of congressional action included in May 30 revisions	+135	+135	+135
1975 budget outlays as adjusted by congressional action to date	306,392	306,979	305,741

COMPLETED ACTIONS

A summary of major individual actions composing the $437 million total outlay impact of completed congressional action to date on budgeted 1975 outlays follows:

COMPLETED ACTION OF BUDGETED OUTLAYS

(EXPENDITURES)

[In thousands]

Bills (including committee action)	Congressional changes in 1975 budgeted outlays
Appropriation bills:	
Second supplemental, 1974 (1975 outlay impact)	−$215,000
Legislative bills:	
Urban mass transit operating subsidy (S. 386)	+400,000
Civil Service minimum retirement (Public Law 93-273)	+172,000
Veterans disability benefits increase (Public Law 93-295)	+134,800
Civil Service survivor benefits (Public Law 93-260)	+4,600
Congressional Record, reduce postage fees (S. 3373)	−8,486
Military flight pay incentive (Public Law 93-294)	−16,700
Rejection of salary increases for federal executives (S. Res. 293)	−34,000
Total, 1975 outlay impact of completed congressional action	+437,214

PENDING ACTIONS

The major pending legislative actions affecting 1975 budget outlays which have passed or are pending in one or both Houses of Congress are shown in detail on Table 1, and are summarized below. It should be noted that only three regular 1975 appropriation bills have been acted on to date, and that several major legislative bills have not yet reached the reported stage.

MAJOR PENDING ACTIONS ON BUDGETED OUTLAYS

(EXPENDITURES)

Bills (including committee action)	Congressional changes in budgeted 1975 outlays (in thousands)	
	House	Senate
Appropriation bills:		
Legislative branch	−$5,400	
Special energy research and development	+31,300	+$10,000
Public works	+32,000	
Legislative bills (backdoor and mandatory):		
Veterans educational benefits	+898,400	
Housing and Community Development Act		+553,000
Emergency energy unemployment	(1)	+500,000
Child nutrition and school lunch		+256,000
Civil service survivor annuity modification	+202,000	(2)
Postponement of postal rate increases	+45,200	+45,200
Public safety officers death gratuity	+43,700	(2)
Food stamp and special milk programs		+40,000
Hopi and Navajo Tribes relocation	+28,800	

[1] Rejected.
[2] Action taken last session.

BUDGET AUTHORITY

The impact of congressional action through June 7 on the President's fiscal year 1975 requests for new budget authority, as shown in this report, may be summarized as follows:

[In millions]

	House	Senate	Enacted
1975 budget authority requests as revised and amended to date	$324,502	$324,502	$324,502
Congressional changes to date (committee action included):			
Appropriation bills:			
Completed action			
Pending action	+123	+5	
Legislative bills:			
Completed action	+95	+76	+652
Pending action	+1,495	+5,607	
Total changes:			
Completed action	+$95	+$76	+$652
Pending action	+1,618	+5,612	
Total	+1,713	+5,688	+652
Deduct: Portion of congressional action included in May 30 revisions	+135	+135	+135
1975 budget authority as adjusted by congressional action to date	326,080	330,055	325,019

COMPLETED ACTIONS

A summary of major individual actions composing the $652 million total impact of completed congressional action to date on 1975 budget authority requests follows:

COMPLETED ACTION ON BUDGET AUTHORITY REQUESTS

[In thousands]

Bills (including committee action)	Congressional changes in 1975 budget authority requests (in thousands)
Legislative bills:	
Urban mass transit operating subsidy (S. 386)	+$400,000
Civil Service minimum retirement (Public Law 93-273)	+172,000
Veterans disability benefits increase (Public Law 93-295)	+134,800
Civil Service survivor benefits (Public Law 93-260)	+4,600
Congressional Record—reduce postage fees (S. 3373)	−8,486
Military flight pay incentive (Public Law 93-294)	−16,700
Rejection of salary increases for federal executives (S. Res. 293)	−34,000
Total, 1975 budget authority impact of congressional action	+652,214

PENDING ACTIONS

The major pending legislative actions affecting 1975 budget authority which have passed or are pending in one or both Houses of Congress are shown in detail on Table 1, and are summarized below. It should be noted that only three regular 1975 appropriation bills have been acted on to date, and that much major legislation has not yet reached the reported stage.

MAJOR PENDING ACTIONS ON BUDGET AUTHORITY REQUESTS

Bills (including committee action)	Congressional changes in 1975 budget authority requests (in thousands)	
	House	Senate
Appropriation bills:		
Legislative branch	−$5,878	
Special energy research and development	+66,100	+$5,488
Public works	+63,159	
Legislative bills (backdoor and mandatory):		
Federal Home Loan Bank System—temporary increase in standby borrowing authority		+$3,000,000
Housing and Community Development Act		+1,650,000
Veterans educational benefits	$+898,400	
Emergency energy unemployment	(1)	+500,000
Civil service survivor annuity modification	+362,000	(2)
Child nutrition and school lunch		+256,000
Private pension protection	+100,000	+100,000
Public safety officers death gratuity	+43,700	(2)
Postponement of postal rate increases	+45,200	+45,200
Food stamp and special milk programs		+40,000
Hopi and Navajo Tribes relocation	+28,800	

[1] Rejected.
[2] Action taken last session.

A PROLIFERATION OF CONDOMINIUM AND TOWNHOUSE DEVELOPMENTS

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BROTZMAN. Mr. Speaker, in recent years there has been a proliferation of condominium and townhouse developments. Many people have found that condominium or townhouse living suits their individual needs better than detached homes or apartments. In addition, these higher density forms of living result in a fuller utilization of land in our already sprawling metropolitan areas.

There are, however, complications present whenever such developments are constructed and occupied. To varying degrees, the owners of townhouses or condominiums either own some land in common or some of the land in the development is owned by an association composed of all of the landowners. To manage and maintain these properties, it is accepted practice for the developer to establish either a condominium corporation or a homeowners' association.

Homeowners are required to belong to these corporations or associations as a condition of ownership. This is typically a provision in the covenants which run with each property. Annual assessments are imposed following the affirmative vote of a specified percentage of the owners. With the funds so collected, various items of maintenance and capital improvement may be undertaken, generally pursuant to the decision of a board of directors elected by the owners. At the minimum, these associations will provide services like maintenance of the common areas, including playgrounds, repair of the street and parking areas, which are typically not eligible for governmental maintenance, snow removal, regulation of architectural standards, and similar quasimunicipal functions. Condominium corporations will do all of these things, and they will also maintain commonly owned roofs and building exteriors. In the case of a high-rise condominium, the corporation will maintain commonly owned hallways and elevators. Some associations may provide for trash collection and maintenance of the lawns on each property. In short, homeowners associations and condominium corporations collect assessments and with those assessments, they perform the types of services that would have to be performed individually in the case of people living in detached homes on city streets.

The Internal Revenue Service has ruled that condominium corporations and homeowners associations, for the most part, are not exempt from taxation under section 501(c)(4) of the Internal Revenue Code. The IRS ruling poses a clear threat to the Nation's homeowners associations and condominium corporations. While there is no firm count on the number of these organizations, it has been estimated that there are now approximately 20,000, and that about 4,000 new ones are coming into existence each year.

Accordingly I am today introducing legislation which would create a new category of tax-exempt organizations under section 501(c) of the Internal Revenue Code to include condominium corporations and homeowners associations.

Under current IRS regulations, the expenses of these associations are deductible as business costs. This offsets a considerable part of their income. However, these associations must establish capital reserves for major repairs such as resurfacing streets and parking lots. Without tax-exempt status, the associations must pay corporate income tax on the amount they retain in their capital reserve funds each year.

Homeowners associations and condominium corporations are not profitmaking operations. They are, in actuality, more like a conduit, collecting assessments from homeowners and making disbursements to those who perform the required maintenance functions. Yet, under current regulations, receipts of assessments from homeowners are treated as income and money retained beyond the tax year is treated as profit.

Even a small association is thereby assessed a penalty of 22 percent on any money it sets aside to assure the continued quality of life in its neighborhood. This tax could well dissuade many associations from setting aside money from each year's assessment to build up needed capital reserves. Should this happen, neighborhoods will ultimately be faced with the unpleasant choice of imposing exorbitant one-time charges for capital improvements or deciding to not make improvements at all. It seems to me, Mr. Speaker, that while the IRS rulings may be correct on the law, they represent bad tax policy and bad housing policy. Our Federal tax policy should not be one of discouraging self-help efforts at providing for attractive neighborhoods over the long run. Considering the Nation's housing shortage, our efforts should be directed at encouraging homeowners to take the steps necessary to assure that their properties will be attractive and livable for many years. For those reasons, I hope the House will act favorably on the bill I am introducing.

REPUBLIC OF LITHUANIA

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RHODES. Mr. Speaker, on June 15, Lithuanian Americans remember a day of sorrow for all Lithuanian people—the day in 1940 when the Republic of Lithuania was invaded by Soviet Russia. As a result of this invasion, and forcible annexation, Lithuanians are still deprived of rights which the free nations of the world take for granted—the right of national self-determination as well as religious and political freedom.

The observance of June 15 by Lithuanians around the world is recognized with sympathy and understanding by all who affirm basic human and national rights for all people. With them, we look forward to the day when the events of that June 15 can be erased forever from their memory.

CONSUMERS WILL SUFFER IF CATTLEMEN DO NOT OBTAIN RELIEF

HON. CHARLES THONE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. THONE. Mr. Speaker, every consumer in America will pay dearly in the future unless the desperate plight of cattle feeders improves immediately. The crisis has gone on so long that it is now affecting ranchers also. Unless there is relief now, seed stock cowherds that have taken generations to produce will be liquidated. This will cause a beef shortage that will last for years.

I am working on an eight-point program to provide immediate and long-range solutions. The points are:

First. A bill to provide for immediate suspension of all meat imports into the United States has been introduced by me.

Second. A bill to provide that the President can suspend meat import quotas for no more than 60 days without the approval of Congress has my sponsorship.

Third. I have introduced legislation to make feedlot operators eligible for Farmers Home Administration loans.

Fourth. By means of this newsletter, I am urging all Nebraskans to urge Members of Congress from urban areas to support measures to give relief to cattle feeders.

Fifth. A telegram to the President from me has urged that quotas on meat imports into the United States be reimposed immediately.

Sixth. In personal visits with Secretary of Agriculture Earl Butz, Under Secretary J. Phil Campbell, and Assistant Secretary Clayton Yeutter, I have urged that pressure be put on other beef-producing nations to restrict their shipments to America voluntarily.

Seventh. During a visit with James Halverson, Director, Bureau of Competition, Federal Trade Commission, I urged speed in the FTC study of the spread between prices farmers receive and what retailers charge. This investigation can help to reduce that spread.

Eighth. I am urging the cattle industry to agree on a program of marketing and promotion similar to the one that wheat producers have.

Currently, meat imports coming into the United States amount to about 7½ percent of the Nation's consumption. Our present situation is desperate enough to shut off all fresh meat imports completely for 90 days. This shutdown for this period should be sufficient to permit recovery of the cattle market.

For the longer range, we need to strengthen the meat import quota law. Present legislation gives the President the power to suspend the quotas imposed by the law. The amendment would pro-

vide for sharing that power between the executive and the legislative branches.

My bill on Farmers Home Administration loans to feedlot operators provides that money would be available only when borrowers could not obtain commercial financing. No new money would need to be appropriated as USDA revolving loan funds are already ample.

The FTC has assured me that top priority is being given to the investigation of the "relative inflexibility of food prices at the retail level." The Agency's people are now in the field collecting data. More FTC personnel are involved in this new study than in any other investigation by the Agency.

All the groups involved in producing beef for the American consumers need to agree on a system for promoting its consumption here and abroad. When such agreement is reached, I will introduce and support any legislation needed to implement the plan.

Once the production of beef declines—and it already has dropped—it takes 3 years to increase the supply. For the sake of every consumer in America, steps must be taken now to rectify the disastrous circumstances that are causing widespread destruction of the beef producing industry.

CAPT. CLARENCE REINSCHMIDT

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. GINN. Mr. Speaker, the heroic actions of a courageous Savannahian during World War II are a part of a new book being released this month.

This book and the remarks about Capt. Clarence Reinschmidt were featured recently in the "City Beat" column that appears regularly in the Savannah Morning News.

It has been my pleasure to know Mr. Reinschmidt for many years. He is an outstanding leader in the Savannah business and civic arena and a great credit to his State and Nation.

The inspiring story of Mr. Reinschmidt and his acts of patriotism and courage is a story that should be known to all freedom-loving Americans. I insert the articles in the RECORD at this point:

CITY BEAT

Thirty years after the Allies hit the beaches of Normandy to draw the shades on the Third Reich, Pennsylvanian Jack Colbaugh has finally spilled the beans on Savannahian Clarence Reinschmidt's role in World War II.

Colbaugh has written a book, "The Bloody Patch" (Vantage Press Inc., New York, $5.95), which comes out this month to tell the story of the "Rough and Ready" 28th Infantry Division whose keystone-shaped Bloody Patch insignia left its mark forever on the history of human conflict.

In his prologue to the story Colbaugh writes: "Clarence Reinschmidt, artillery liaison captain with the much-decorated 109th Infantry Regiment, deserves special comment in any introduction to the story that follows. Here was the 'Sergeant York' of World War II who even now should be awarded the Congressional Medal of Honor, highest of all awards, for his incessant battles against the enemy from St. Lo (often one-man battles) to the Czechoslovakian border."

"Rough and ready," of course, is a common adage for many who came out of Savannah's Old Fort section, where Reinschmidt spent six years as an engineer with the Savannah Gas Co. before he was called to war in 1942. Though he's still working there and, in fact, lives there with his wife, he was not born in the Old Fort. But he "matured" there after his graduation from the University of Florida.

Reinschmidt's outfit didn't go ashore on D-Day, 30 years ago today, but a couple of weeks later the Germans knew he was on the scene. "It was Captain Reinschmidt," author Colbaugh writes, "who had nineteen battalion commanders lost in combat, who was out on the point day and night when the Germans attacked Mortain and Avaranches to close off Patton's Third Army, which had broken out in the open in Normandy. It was he who fought all around the Falaise pocket, who supplied the most artillery support in the fateful Hurtgen Forest invasion, who stood in place at Ettelbruck and stopped the Germans' Ardennes attack completely on the southern hinge of the Bulge, time after time missing bullets and shells miraculously while infantrymen fell around him; it was he who reached Colmar after the Bulge in time to be the first to invade the city through mine fields and German machine gun posts resting in the center town square, with Colonel Rudder, commanding officer, 109th Infantry, waiting for the American Seventh Army and the First French Army to follow with their divisions. It was Captain Reinschmidt who time and time again braved concentrations of German shells while calling in large concentrations of American artillery shells. . . . Reinschmidt was probably the man in the most and toughest battles of the war, expending the most damage on the enemy, surviving the longest of any war hero, who continually refused medals because he believed his dead buddies were the cream of fighting men and that they deserved the decorations. He was usually the lead man with the Bloody Patch Division, in the furtherest field forward and the closest observation point to the enemy, for the longest time, in the most ferocious fighting in all the history of warfare."

Colbaugh's knowledge of Reinschmidt is first-hand. He spent five years with the Pennsylvania division's 107th Field Artillery.

He certainly couldn't have got much from Reinschmidt, who turns the subject around when even his closet friends inquire about his war days. Like the other day when a friend brought up the subject and Reinschmidt put the spotlight on another Savannahian, Harry Butler, who was a major in command of a battalion trying to punch through the Siegfried Line when they met on the battlefield.

"Now there was one whale of a good combat officer," Reinschmidt told his friend. "He was terrific. He did a magnificent job. Imagine two Savannahians meeting on the front lines in Europe."

In nine months of daily combat, Reinschmidt depended on more than gunpowder. "I prayed day and night," he said. "I was one of the fortunate ones."

We can't resist passing along the sequel to our piece yesterday on the Savannah Gas Company's Clarence Reinschmidt, described as World War II's "Sergeant York" in a new book coming out this month on the 28th Infantry Division.

Somewhere in the story we mentioned how Mr. Reinschmidt deftly sidesteps inquiries about his battlefield days, recently singing the praises of a fellow Savannahian in the 28th. Harry Butler, when someone brought up the war.

Yesterday, we learned that Butler, a major in command of the Second Battalion of the 109th Infantry Regiment, took a few minutes between battles with the Germans to recommend the Combat Infantryman's Badge for Capt. Reinschmidt.

But because he was an artillery liaison officer to Butler's battalion, and technically not an infantryman, the award was rejected. So Butler sent in a second request, asking corps headquarters "to give Reinschmidt my combat badge."

Commenting on Pennsylvanian Jack Colbaugh's book, "The Bloody Patch," and the author's high praises of Reinschmidt, Butler added an endorsement. "It was all true and then some. If it wasn't for Clarence Reinschmidt, a lot of us wouldn't be here. In fact, I wouldn't be talking to you now."

OUR ECONOMY

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mrs. HOLT. Mr. Speaker, I would like to take this opportunity to comment on the speech dealing with the state of the economy which my colleague from Arkansas (Mr. MILLS) delivered to this body on June 10.

While I commend the chairman of the House Ways and Means Committee for his thoughtful presentation, I must take vigorous opposition to some of his recommendations. He directs us to follow a consistent policy of restraint in fiscal and monetary matters, and follows this commendatory instruction by suggesting that we return to Federal controls on wage and prices. In my opinion, reverting to a phase II structure is not only a giant step backward, but would further delay a return to normalcy through a free market economy.

Our current rate of inflation is testimony to the inequities developed during our period of economic controls—consumers were caught in an evil vise with fixed incomes on one hand and continuously increasing prices on the other. To suggest that a return to price controls would do anything to bail out the hapless consumer smacks of sheer fiscal insanity. We must not be panicked into repressive economic measures which can only lead us further down our inflationary path. Our continuing growth is entirely dependent upon economic emancipation from bureaucratic controls. We must restore a balance in the historic forces of supply and demand which provided our country with the strongest economy ever known in the world. A review of the current marketplace, with its skyrocketing interest rates, its shocking food prices, its unstable housing market, only underscores the inability of the Federal Government to stabilize prices and wages without disastrous results. During the late and unlamented Federal regulations, we saw spiraling inflation, shortages of basic commodities, and growing consumer frustration and anger—a direct outgrowth of an uncertain and chaotic Federal authority.

Mr. Speaker, I urge my colleagues not to be dissuaded by the insidious temptation to return to phase II—or IV, or VII. By restoring the authority of the Economic Stabilization Act, we will be denying our mandated obligation to exercise fiscal restraint as responsible legislators. I would applaud the chairman for the positive stance he takes relative to the proposed tax cuts. We must refrain from election year sops which would only serve to fuel the inflationary fires. It will take stern exercise of fiscal self-control to get our economy once again in hand.

A STATEMENT IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 394

HON. FRANK M. CLARK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. CLARK. Mr. Speaker, I wish to give my full support to the House Concurrent Resolution 394 which declares that—

It is the sense of the Congress that the United States delegation to the European Security Conference [the Conference for European Security and Cooperation] should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

Since the forcible annexation of the independent nations of Estonia, Latvia, and Lithuania in 1940 by the Soviet Government it has been the fixed policy of the United States to refuse to recognize the legitimacy of the incorporation of these countries into the Soviet Union. These annexations took place under the guise of applications for membership by the legislatures of these countries. But legislatures were packed and the countries were coerced into submission by a brutal occupation of Soviet troops. The acts of incorporation were therefore fraudulent. Our Government has never accepted them and continues to recognize Estonian, Latvian, and Lithuanian governments in exile as the legitimate governments of the unfortunate countries.

All of these countries are ancient nations with proud histories dating back into the early middle ages. Their strong sense of national identity and their right to independence have been attested throughout history by their indomitable will to achieve self-government. Centuries of oppressive rule as members of the Russian Empire have not dimmed their longing for freedom. The brief period of independence between the two World Wars showed the depth of this feeling. Despite this harsh oppression they have suffered since the latest Russian annexation in 1940, the spirit lives on unquenched. Many stories of protest and martyrdom prove its vitality. For the United States to turn its back on these brave peoples and to write them off as Russians contrary to the sense of this resolution would be to violate the basic principles of the American people.

DEMOCRATS' DOUBLE STANDARD

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. SHUSTER. Mr. Speaker, according to today's Washington Post, the former Democratic Vice President has been caught with his hand in a $170,000 cookie jar. I realize his cronies will probably say "boys will be boys."

We are told that he really did not know it was illegal to accept a 7.9-carat gem and 10 furs from a foreign head of state who incidentally was receiving $350 million in foreign aid from America. We are also told that the file on this matter somehow disappeared from the State Department in the last days of the previous Democratic administration.

One Vice President gets drummed out of office for accepting kickbacks—as he should be—but—it is supposedly all right for another Vice President, whose party controls this place to accept a $170,000 so-called gift—which he hurriedly returns, only after a newspaper starts asking questions about it.

I have not been around here long enough to adjust to the double standard foisted on the minority by the majority on this Hill. I call on the Justice Department, the Ervin committee and the Judiciary Committee to investigate these transgressions just as vigorously as Watergate is being pursued.

And to my colleagues on my side—I ask when are we going to stop sitting on our hands, letting these hypocrites do a job on us? We are not even toothless tigers—we are a bunch of pusillanimous pussycats.

Following is the Post story and the foreign aid given to the Congo during the previous Democratic administration:

THE $100,000 DIAMOND RECEIVED IN 1968: HUMPHREY TURNS IN GIFT GEM

(By Maxine Cheshire)

Sen. Hubert H. Humphrey (D-Minn.) returned to the State Department yesterday a 7.9-carat diamond worth more than $100,000 which his wife was given in 1968 by Congo President Joseph Mobutu.

The unset gem was removed from a safety deposit box in Minnesota and flown here by special courier. Humphrey then summoned a State Department messenger to Capitol Hill to return the unset gem to the Office of Protocol.

The delivery late yesterday followed two days of inquiries from The Washington Post on the whereabouts of the jewel and a sack of valuable baby leopard skins given Humphrey's wife, Muriel, on the same African trip by an official of Somalia.

The 10 leopard skins cannot be returned, a spokesman for the former Vice President's office said, because they were sold in 1970 for $7,500 and the money donated to a school for the mentally retarded in Minneapolis, Minn.

The diamond and the furs are officially the property of the U.S. Government under the Foreign Gifts and Decorations Act, which was amended in 1966 to bar foreign largesse to the families of U.S. officials, as well as officials themselves.

Under the law, such gifts are to be turned in to the Chief of Protocol for cataloging and disposition.

Sen. Humphrey, in a prepared statement issued by his office last night said: "I did not realize at the time that the Foreign Gifts and Decorations Act covered members of my family. In the case of both the leopard skins and the diamond, they were gifts made to Mrs. Humphrey. It was assumed that the gifts belonged to her.

"On all foreign trips," the statement continued, "I was accompanied by a protocol officer of the State Department. At no time did any officer of the State Department or any other agency of government inform me that the gifts received by me or members of my family should be placed in the custody of the department.

However, the diamond and furs were turned over by a secretary on Humphrey's staff to the Chief of Protocol's office for processing in January, 1968, the same month they were received by the Humphreys.

They were cataloged and stored in the custody of the Protocol Office for a year.

On Jan. 14, 1969, one week before Humphrey was to end his term as Vice President, his office asked the Johnson administration's outgoing Chief of Protocol to give the gifts back.

Since that time, Humphrey's press secretary Betty South said yesterday, the diamond has been kept by the Humphreys in a safety deposit box located in a bank "somewhere in Minnesota."

The furs were kept in cold storage at the L.A. Rockler Co. in Minneapolis, she said, until January 1970.

At that time, according to Mrs. South, Sen. and Mrs. Humphrey instructed the furrier, Sheldon Rockler, to sell the skins and give the money to the Louise Whitbeck Fraser School for the Mentally Retarded in Minneapolis.

In his statement yesterday, Humphrey declared that:

"At no time has the State Department or any agency of government asked for return for the diamond and furs, nor indicated that they were not Mrs. Humphrey's personal property. On the contrary, the department released these items to us. President Mobutu of the Congo, now Zaire, made very clear when the diamond was presented to Mrs. Humphrey that it was not being made to a public official or for a public purpose.

"Nevertheless, the diamond has not been mounted or worn. It is now in the custody of the State Department. The gifts were never used for personal gain. Instead of leaving the skins to deteriorate at the State Department, they were sold to aid a nonprofit school for the education and training of mentally retarded children.

"Neither Mrs. Humphrey nor I benefited in any way from the gift of the leopard skins. The State Department has not raised with me the question of reimbursement for the skins. Should such a request be made of me, I will consider the matter at that time."

Sen. Humphrey's records are incomplete on details of the furs transaction and so are those of the school. But Rockler's files show that the 10 pelts were sold in May, 1970, through the firm of D. H. Martonelli, Inc., in New York City for $750 each.

Neither company involved took a commission on the sale, Rockler said, and the entire amount of $7,500 was given to the school.

The check was made out directly to the school, Rockler said, thus eliminating any necessity for the Humphreys to declare the $7,500 on their income. Humphrey's press secretary said yesterday that the Humphreys claimed no tax deduction for the $7,500 as a charitable contribution.

Such a tax deduction would not be al-

lowed by the Internal Revenue Service, a tax expert said yesterday.

Under the U.S. Criminal Code, there is a statute which makes it a criminal offense for anyone to convert U.S. government property "to his use or the use of another . . . without authority" or to "sell, convey or dispose" such property.

Under the law, the Chief of Protocol is supposed to designate whether a gift will be sent to storage, be returned to the recipient for "official use" until he leaves office, be dispatched to another government agency or a public repository such as a museum, or be sold as surplus.

The law, State Department officials claimed earlier this week, is "weak, vague" and without teeth. It puts the responsibility for disclosing and turning in gifts with the recipient and leaves the Chief of Protocol—Congress's designated watchdog—little more than a clerk, powerless to ensure compliance.

Humphrey's office declined to supply any details on the diamond, as to its size or value. But four retired State Department employees who handled the gift when it was registered remembered an appraisal made at that time.

A reputable New York jeweler said yesterday that a 7.9 carat gem of fine quality would currently be worth "between $20,000 and $23,000 a carat."

Following inquires by a reporter, State Department officials tried vainly for two days to locate files on the diamond and the furs. Mitchell Miller, a senior attorney in the legal administration section of the State Department in early 1969 who helped draft the 1966 law, says the file disappeared from his office shortly after the two items were turned backed to Humphrey.

"We are going to look into the Chief of Protocol's reasons for giving the gifts back to Mrs. Humphrey," Miller says. "But we discovered we didn't have a file any longer."

The Chief of Protocol in 1968 was Tyler Abell, a long-time Humphrey backer whose wife was Lady Bird Johnson's social secretary.

Abell says his memory is hazy after five years, but he recalls that he was called sometime shortly before the inauguration of Richard M. Nixon in 1969 by "some girl" in then-Vice President Humphrey's office. He thinks it may have been Betty South.

The Humphreys wanted to get custody of their diamond and the leopard skins, he says.

"Frankly," Abell says, "I assume that they were acting before Nixon took over and while there was still someone there that they knew who had the flexibility to give them a fair hearing and interpret regulations their way."

He had a "long talk" with someone in the State Department's legal advisory office about the matter, but he does not remember the name of the lawyer he consulted.

"But from what he said," Abell recalls, "I finally concluded that I could go ahead and let the Vice President have his things."

Abell, who is a lawyer himself, said he would "never have violated" the 1966 law "even for an old friend."

He assumed that the Humphreys intended to turn the items over to "some Minnesota museum."

Abell personally is opposed to having such gifts "get stuck in a vault some place" where "they aren't doing anybody any good."

"Why not have them used?" he asked.

State Department officials are looking into the legality of Abell's decision to relinquish the gifts.

There are no other Humphrey gifts currently on file with the Chief of Protocol's office except the diamond and the furs. Mrs. South said that a list, dating back to 1966, is currently being prepared.

It will be turned over within a few days, she said, to representatives of the General Accounting Office.

Disclosure of the existence of the diamond and furs follows recent stories in The Washington Post on gifts of valuable jewels that have been given over the past three years by other foreign leaders to the wives of President Nixon, former Vice President Spiro T. Agnew, former Secretary of State William P. Rogers and Sen. J. William Fulbright (D-Ark.).

AMOUNT OF FINANCIAL ASSISTANCE ZAIRE—CONGO—RECEIVED FROM THE UNITED STATES FOREIGN ASSISTANCE ACT, 1962–65

Loans	$35.0
Grants	201.0
Total	236.0
1966:	
Loans	31.5
Grants	7.0
Total	38.5
1967:	
Loans	36.9
Grants	6.9
Total	43.8
1968:	
Loans	22.6
Grants	6.5
Total	29.1
Grand total	347.4

SSI

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mrs. SCHROEDER. Mr. Speaker, the 6 months that have passed since the supplementary security income program went into effect have given us ample opportunity to see the deficiencies in this new program and their disastrous impact on the lives of our aged, blind, and disabled Americans. I am today cosponsoring legislation, authored by my colleague from New York (Ms. ABZUG), which is designed to remedy some of the more obvious problems of the SSI program.

Skyrocketing inflation has had its cruelest impact on senior citizens and others living on fixed incomes. We are all familiar with the heartrending appeals from our elderly constituents whose already meager resources have been so diminished by rising prices that they can no longer afford to eat properly or maintain decent shelter. Those on SSI, the new Federal program which was to insure to all elderly persons in need the minimum level of income necessary to meet basic needs, has in many cases left the recipients worse off that they were before. Whereas in the past, such individuals could seek additional living allowances from local welfare agencies, under SSI these agencies no longer provide financial assistance. SSI has no flexibility to meet increasing costs—no matter how severe.

As inflation worsens, and despite President Nixon's optimistic pronouncements, no relief seems to be in sight, the plight of these elderly citizens becomes increasingly more critical. I believe it is essential that a cost-of-living escalator be built into SSI. The bill I have sponsored today provides for cost-of-living increases in SSI benefits in the same percentage and manner of such increases are granted to social security recipients.

The bill also gives added incentive to the States to maintain any increases they had made in benefit levels to compensate for inflation between the time SSI was enacted and the time it went into effect. Under current law, States whose payment levels in January 1972, were more than the Federal floor for SSI were given a Federal supplement to maintain their payments at the higher January 1972 level. This bill extends the supplement to the level of payment in December 1973, immediately prior to conversion from the State programs to SSI.

In recognition of the particular difficulty faced by the elderly because of increasing food prices, the bill guarantees that all SSI recipients will be eligible for food stamps and that States will not have to lower their benefit levels in order to provide the stamps. I am glad to note that favorable action is expected next week on a bill which would suspend for 1 year the food stamp cutoff which would otherwise go into effect on July 1 of this year. This extension will give Congress an opportnuity to rework the complicated eligibility standards scheduled by current law to become effective at the end of this month.

The bill provides another means of protection against inflation by insuring that persons receiving both SSI and social security do not lose the benefit of social security increases. Under the current systems, persons whose social security benefits are relatively high received a 7-percent increase in their April checks and will receive another 4-percent increase in July. Persons whose benefits were so low that they were eligible for SSI, however, received no increase, because their SSI checks were reduced by the exact amount of the increase in social security payments. My bill would prevent this cruel and senseless result.

The bill also contains a number of needed changes in administration of the program. One of the most glaring deficiencies in the current law is the failure to provide authority to the Secretary of Health, Education, and Welfare to make emergency payments to recipients who have not received their monthly payments. Currently, without such emergency authority, innocent recipients are made to bear the burden of agency mistakes, Postal Service errors, delays, and thefts. While they wait, they often must go without food or face eviction. Provisions are also made for speedy action on SSI applications, judicial review of eligibility determinations, and greater Federal-State cooperation in providing aid to the disabled prior to a final determination of disability. Other sections of the bill are attempts to humanize the program, including a provision to change the current practice whereby payments

are automatically cut by one-third if a recipient lives in the household of another, regardless of whether or not the recipient is making regular rental payments. Our senior citizens already face too much loneliness. We must not force them to choose between a shared life with others, accompanied by decreases in already minimal benefit levels, or a lonely life in some downtown pensioner's hotel.

NEW YORK CITY COUNCIL CALLS FOR GREATER EFFORT TO ACCOUNT FOR MIA'S

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RANGEL. Mr. Speaker, I wish to bring to the attention of my colleagues the following resolution which was submitted by Councilman Vallone to the council of the city of New York on March 14, 1974, and unanimously passed. I am not sure that it is common knowledge that the United States still has missing servicemen from the Indochina area. The fact that there is no full accounting of U.S. MIA's is a great stain on our peace with honor termination of the Vietnam war.

I believe that the United States should redouble its efforts to determine the whereabouts of servicemen who so gloriously served their country.

The resolution that was passed by the New York City Council is enclosed as follows:

RESOLUTION

Resolution calling upon President Nixon and the Congress of the United States to redouble their joint efforts to obtain information about Americans listed as missing in action (MIA's).

Whereas, there are more than 1200 Americans listed as missing in action in North Vietnam, Laos and Cambodia and

Whereas, North Vietnam promised to release all prisoners of war held in Southeast Asia and to supply a "complete" list of these men immediately upon the signing of the Peace Treaty, and

Whereas, since the release of some American prisoners, North Vietnam and its allies have never accounted for a single missing American, and

Whereas, the families of the MIA's are actively seeking the cooperation of all legislative bodies throughout the United States, and

Whereas, the families of the MIA's have been, and still are, suffering grievous mental suffering and grief in their lack of knowledge of the status of the MIA's, and

Whereas, a memorandum of the Senate Foreign Relations Committee, published by the New York Post on March 4, 1974, indicates that stronger pressure to obtain this information should be brought to bear, and

Whereas, it would be a decent and humane act to obtain information concerning the status of the MIA's, now therefore, be it

Resolved that the Council of the City of New York calls upon President Nixon and the Congress or the United States to redouble their joint efforts to obtain information about Americans listed as missing in action (MIA's).

OIL AND GAS PROFIT

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ARCHER. Mr. Speaker, many of the proponents of the punitive tax proposals currently aimed at the petroleum industry justify their activity by alleging that the industry's earnings are unreasonable and result in windfall profits that should be taxed away. The changes they advocate in the tax code would be immediate and would likely result in permanent disadvantage to the industry. Even if the industry profits were to continue to remain high, the increased tax burdens that would result from the enactment of these punitive and discriminatory tax changes would impair the industry's ability to find and develop new sources of energy supply.

In regard to the question of petroleum industry profitability, there was recently brought to my attention an analysis of the 1974 first quarter earnings of the selected companies in the oil industry. This analysis, prepared by the Carl H. Pforzheimer & Co. of New York City, discusses the causes for the current rise in earnings. To a very substantial extent the achievements in the oil and gas industries profit experience in the first quarter of 1974 are attributable to "one-shot" effects which cannot be counted on as recurring items in the industry's profit picture. For this reason we must proceed very slowly, if at all, in basing tax policy on the first quarter earnings experience of the industry.

Mr. Speaker, I commend the reading of this analysis to my colleagues and will insert the paper in its entirety at this point. In submitting this study, I have for the purposes of simplification only modified the accompanying table by deleting two columns showing per share earnings.

FIRST QUARTER 1974 OIL INDUSTRY EARNINGS

Record high industry profits were reported in the first quarter of 1974 with most companies experiencing exceptionally large gains. The aggregate effect of the broad-based improvement is reflected in the combined income of 36 representative companies. These organizations earned a total of $4,077,848,000 in the period, an increase of $1,949,440,000 or 91.6% over the initial 1973 quarter.

The five United States-based internationals earned $2,135,894,000, an increment of $890,269,000, or 71.5% over the same period last year. Inventory profits were the dominant factor in the higher income figure and were a reflection of the rapid rise in world oil prices late in 1973. Four United States-based internationals which quantified this source of earnings—Exxon, Texaco, Socal and Mobil—had total inventory profits of some $568 million. This income, which is likely to be non-recurring, amounted to nearly three-quarters of the overall profit improvement by these companies.

The Royal Dutch/Shell Group, with its greater Eastern Hemisphere orientation, reported first quarter earnings up 162.1% to $727.5 million. Inventory profits of $285 million accounted for 63% of this advance.

Other companies listed in the accompanying table are mainly oriented toward North American operations, and had combined earnings of $1,214,454,000, an increase of $609,271,000 or 99.3%.

The reasons for the virtual doubling of net by this group included markedly higher domestic crude oil realizations, better natural gas prices, improved chemical income, and a sharp increase in earnings from foreign operations for many companies, with inventory profits playing a large part in the overseas improvement. The profitability of refining and marketing operations was mixed as some companies experienced difficulty in recouping costs under Government price and margin guidelines.

Free-world crude production in the quarter averaged 45.8 million barrels per day. This magnitude of output was about 2 million barrels per day less than production immediately before the five-month embargo initiated last October by several Arab producing countries, but was 1.2% more than the initial 1973 quarter. In addition to restricted supplies, world-wide consumption was further constrained by actions of consumer nation governments seeking to stretch out oil on hand, and by higher prices and a mild winter.

In the U.S., first quarter crude production amounted to 9,040,000 barrels per day, a decline of 2.1% from the prior year. The rate of decrease was less than that recorded in 1973, indicating that the declining trend of U.S. production may be bottoming out. This leveling is the initial result of the recent pick-up in oil field activity which in turn was stimulated by higher crude oil prices.

First quarter domestic demand of 16,760,000 barrels per day was 8.2%, or 1,500,000 barrels per day less than a year ago. Motor gasoline consumption in the period declined 5.6%, aviation fuels 11.9%, middle distillates 6.5%, residual fuel oil 14.1%, liquified gases 9.9%, and other products 6.8%. For the remainder of 1974, assuming unrestricted availability of imports, demand is expected to approach last year's level in the second quarter and moderately exceed 1973 levels in the second half.

A number of companies pointed out that full year results are not expected to increase at the first quarter rate. Inventories have been replenished by higher cost oil. The profitability of oil moving in international trade will depend on the outcome of negotiations in progress between companies and export nations, and on trends in world prices. The latter are already showing signs of softness. In the U.S. earnings may be affected by a number of Congressional proposals. These, if passed, would phase out or retroactivity eleminate the 22% depletion allowance, initiate a "windful profits" tax on domestic oil production, or otherwise adversely impact profits.

Largely reflecting political uncertainties in the U.S. and abroad, oil shares as indicated by the Carl H. Pforzheimer & Co. Average of 30 oil stocks declined from an historic high of 594.97 on January 4 to 402.17 on May 23. The CHP & Co. Index as a ratio of the Dow Jones Industrials in this period decreased from 67.85% to 49.94%. In the present market, many important oil company stocks are selling at price-earnings ratios approaching their lowest levels in more than a quarter century.

COMPARATIVE OIL COMPANY EARNINGS

[Dollar amounts in thousands]

	3 mo, 1974 net income	3 mo, 1973 net income	Percent change, net income
Amerada Hess Corp	$49,851	$36,706	+35.8
American Petrofina, Inc	13,083	4,735	+176.3
Apco Oil Corp	3,024	889	+240.2
Ashland Oil, Inc.[1]	19,398	15,904	+22.0
Atlantic Richfield Co	93,944	50,303	+86.7
Belco Petroleum Corp	6,098	2,984	+104.4
Cities Service Co	68,800	36,800	+87.0
Clark Oil & Refining Corp	13,331	4,846	+175.1
Commonwealth Oil Refining Co	15,535	2,806	+457.2
Continental Oil Co	109,200	47,500	+129.9
Creole Petroleum Corp.[2]	43,300	37,400	+15.8
Crown Central Petroleum Corp	4,838	303	+1496.7
Exxon Corp	705,000	508,000	+38.8
General Crude Oil Co	8,456	3,514	+140.6
Getty Oil Co	73,644	33,092	+122.5
Gulf Oil Canada Ltd.[2]	41,800	20,800	+101.0
Gulf Oil Corp	290,000	165,000	+75.8
Imperial Oil Ltd.[2]	92,700	46,000	+101.5
Kerr-McGee Corp	23,619	11,876	+98.9
Kewanee Oil Co	6,142	3,605	+70.4
Louisiana Land & Exploration	27,963	15,606	+79.2
Marathon Oil Co	30,620	14,426	+112.3
Mesa Petroleum Co	1,147	4,634	−75.2
Mobile Oil Corp	258,600	155,800	+66.0
Murphy Oil Corp	27,373	7,665	+257.1
Occidental Petroleum Corp	67,769	8,289	+717.6
Pennzoil Co	41,347	19,624	+110.7
Phillips Petroleum Co	80,900	43,400	+86.4
Quaker State Oil Refining	5,330	3,604	+47.9
Royal Dutch Petroleum [3]	436,500	166,560	+162.1
Shell Oil Co.[2]	121,845	80,233	+51.9
Shell Transport & Trading [3]	291,000	111,040	+162.1
Skelly Oil Co.[2]	19,670	9,961	+97.5
Southland Royalty Co	3,039	1,312	+135.7
Standard Oil, California	292,882	152,809	+91.7
Standard Oil, Indiana	219,023	121,116	+80.8
Standard Oil, Ohio	22,600	17,500	+29.1
Sun Oil Co	90,825	49,146	+84.8
Superior Oil Co	14,495	4,747	+205.4
Texaco, Inc	589,412	264,016	+123.2
Union Oil of California	72,960	38,251	+90.7

[1] Fiscal period corresponding to calendar period.
[2] Consolidated in report of parent company.
[3] Based on 60 percent of Royal Dutch/Shell Group for Royal Dutch Petroleum, and 40 percent for Shell Transport & Trading.
Date of source: May 29, 1974.

SPIRIT OF FREEDOM ENDURES IN LITHUANIA AFTER 34 YEARS

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. COUGHLIN. Mr. Speaker, it has been 34 years since freedom was wrested away from the people of Lithuania and they have been forced to live under the domination of the Soviet Union.

While I believe that all of us want peaceful and cordial relations with the government in Moscow, I think we must always pause to remember that the basic thrust of the Russian system is to suppress liberty and dissent in contrast to the American system which has thrived and grown on these concepts.

I feel we must recall, as in the case of Lithuania, that there are millions of people in the world today who are not masters of their own destiny. The news of dissident scientists and intellectuals, of people of various religious faiths who want to pursue their own beliefs and goals provides additional evidence of the differences that so distinctly separate the American and Soviet concepts of life.

To people of Lithuanian descent throughout the world, the sorrow that has afflicted their homeland has not been eased by the years that have passed since the days of World War II. They yearn, with only the yearning that freedom-loving people can feel, for the day when once again Lithuania is a free country—free in every sense to govern unshackled from a foreign ideology that stifles liberty and the fruits that this basic principle bears.

In this country, we have come to cherish the fundamental freedom we enjoy and to recognize how important it is to the individual. Freedom served as a keystone when our Nation was founded. It has guided us through almost two centuries. And we should continue to inspire the dream of freedom throughout the world.

I commend the Lithuanian-American community of the United States for its devoted work in making, not just the Congress but the Nation as a whole, remember that Lithuania is not free. The anniversary of the Soviet occupation is a suitable occasion to recall the words adopted in August 1958, by the Lithuanian World Congress. Consisting of Lithuanian refugees and immigrants to the free world, this Congress framed a resolution calling upon free nations to "reaffirm in every suitable occasion the inalienable rights of the Lithuanian people to national independence and individual freedom."

I think I can speak for all Americans who revere personal and national freedom when I express the fervent hope that liberty and independence are soon returned to Lithuania. Surely, the Lithuanian people, in this enlightened age, are entitled to their own national identity and the right to direct their own destiny.

LITHUANIAN INDEPENDENCE

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ADDABBO. Mr. Speaker, on June 15, Lithuanian Americans will join with other people of Lithuanian descent throughout the free world to commemorate the forcible annexation of Lithuania by the Soviet Union in 1940 and to rekindle the hopes of those who are held captive.

It is particularly important that we in the Congress recognize the extent of this oppression of the Lithuanian people at a time when détente and increased trade are priority items in United States-Soviet relations. It would be tragic and foolish for the American people and our leaders to ignore the lessons of the past in our deliberations on future international policies.

That is why it is so important for our negotiators at the European Security Conference to refuse to give official recognition to the illegal annexation of Estonia, Latvia, and Lithuania by the Soviet Union. Those acts of oppression can never be legitimized and the basic international rights of people cannot be sacrificed in the name of détente now or at any other time.

This is a time to remember the events of 1940 which resulted in the cultural, religious, and political persecution of the people of Lithuania and it is a time to commemorate the past with reaffirmation of our Nation's support for oppressed people everywhere. Their hope for liberty must be continued if our own liberty is to be a lasting right.

H. F. "FRANK" CARTER

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. KETCHUM. Mr. Speaker, I am honored today to call to the attention of Congress, the accomplishments of one of Kern County, California's most distinguished citizens, the late H. F. "Frank" Carter of McFarland.

During recent ceremonies held at McFarland Elementary School, a towering flag staff was dedicated and a U.S. flag flown over the Capitol in his honor, was presented. Mr. Carter served on the board of the school for 15 years.

Mr. Carter and his wife, Catherine, moved to McFarland in 1931, originally being from Missouri. Frank Carter found work in various capacities, first as a me-

chanic for Road District No. 1, and then as a carpenter and painter. In the 1960's, he went into farming with his son, Warren. Through his skills, Mr. Carter was instrumental in the development and continued growth of McFarland.

Frank Carter leaves behind him a record of great commitment to the betterment of his community. Along with his 15 years of service on the school board, Mr. Carter also served on the McFarland Planning Commission for several years and was an active member in church affairs.

More importantly, however, he will be remembered not for his accomplishments, but for his dedication to those around him. Frank Carter was a man who gave selfishly of his time and efforts to improve his community. He possessed the qualities of those men who made our Nation great—the ability to love his country and his fellow man.

MAJOR NATIONAL HEALTH INSURANCE PROPOSALS

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DUNCAN. Mr. Speaker, I have just received from the Chamber of Commerce of the United States a "Comparative Analysis of Major National Health Insurance Proposals" which I want to share with my colleagues and those who are interested in the various national health insurance proposals. The comparison follows:

COMPARATIVE ANALYSIS OF MAJOR NATIONAL HEALTH INSURANCE PROPOSALS

Health care in the United States is big business today. In fiscal 1973, we spent $94 billion . . . up over 500% in the last 20 years. By fiscal 1975, spending is expected to jump 24%—to $116 million.

Forty percent of the nation's health bill is paid by government—federal, state and local—for Medicare, and health programs for government employees, veterans, servicemen and their dependents. The private sector picks up 60% of the tab—about $56 billion.

Business has a major stake in the health care debate because it is the largest single private purchaser of health services. Employers spent at least $20 billion in fiscal 1973 for employee health insurance programs, industrial health facilities and Medicare payroll taxes.

Passage of some form of national health insurance legislation would have far-reaching effects on employer-sponsored health insurance programs and cost. Some bills would compel employers to provide a certain benefit package for employees; others would impose a tax penalty if they did not. Still others would eliminate private health insurance and establish a monolithic, government run system.

There are dozens of national health insurance bills presently pending before the 93rd Congress. However, most health observers agree that Congress will devote most of its attention to only eight bills. Five of these attempt to improve health care by building upon the existing system, using private health insurance in the main. Two would eliminate private health insurance and establish a monolithic, government-run program. Finally, one would establish a federally run program to provide protection against catastrophic illnesses for all and medical and hospital benefits for the poor.

Detailed analysis of each bill listed in this publication is available. You may write or call the Chamber for your copy.

COMPARISON OF NATIONAL HEALTH INSURANCE PROPOSALS—93D CONGRESS

APRIL 11, 1974.

Title: Concept

Health Security Act

H.R. 22 and S. 3

National health insurance program providing comprehensive benefits, administered by the Federal Government and financed by payroll taxes and general revenues.

Endorsed by Committee for National Health Insurance and organized labor.

Health Care Insurance Act

H.R. 2222 and S. 444

Income tax credits and federal vouchers to offset, in whole or in part, the costs of purchasing a qualified health insurance policy. Endorsed by the American Medical Association.

National Health Care Act

H.R. 5200 and S. 1100

Three-part national health insurance plan covering most persons under age 65 (Medicare remains in effect for the aged). Provides tax incentives (and penalties) for employers and individuals who purchase broad coverage from private carriers and establishes a state plan for the poor. Endorsed by Health Insurance Association of America.

National Health Care Services Reorganization and Financing Act H.R. 1

Two-part national health insurance plan covering most of the population under age 65 (a revised Medicare remains in effect for the aged): (1) required employer plan for employees; and (2) federally purchased plan for the poor. Although an employer-employee plan is mandated, the bill fails to provide a mechanism to enforce the mandate.

Incentives provided to encourage reorganization of health care delivery into a system of Health Care Corporations (HCCs). Enclosed by American Hospital Association.

National Health Standards Act S. 3353

Two-part national health insurance plan covering most of the population under age 65 (Medicare remains in effect for the aged and disabled): (1) required employer-sponsored plan for employees and their families; and (2) federally-purchased plan for the poor. Endorsed by Chamber of Commerce of the United States.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Three-part Federal program: coverage of catastrophic illness which would pay expenses for hospital and medical care above a specified amount; uniform national program of medical benefits for low-income persons; certification program for private basic health insurance plans. Programs would be administered by Federal Government and financed by payroll taxes and general revenues.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

National health insurance program providing comprehensive benefits, administered by the federal government and financed by payroll taxes and general revenues.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Three-part national health insurance plan covering all U.S. residents: employer-sponsored plan for employees; federal-state purchase plan for the poor; and revised Medicare for the aged. Endorsed by Nixon Administration.

Title: Coverage

Health Security Act—H.R. 22 and S. 3

All U.S. residents, on compulsory basis.

Health Care Insurance Act—H.R. 2222 and S. 444

All U.S. residents under age 65, on voluntary basis. Those age 65 and over would continue to receive benefits under Medicare.

National Health Care Act—H.R. 5200 and S. 1100

Private plans—employer plans provide coverage of employees and their families.

Individual plans provide coverage of persons who voluntarily elect such coverage.

State plans—mandatory enrollment of those persons receiving federal financial assistance and voluntary enrollment of the near-poor and uninsurable persons.

National Health Care Service Reorganization and Financing Act—H.R. 1

Employer plan—employers required to provide plan for employees and their families.

Federal plan—Federal Government will purchase plan for low-income persons and their families and contribute towards the purchase of a plan for the medically indigent and their families.

National Health Standards Act—S. 3353

Employer Plan—employers required to provide plan for employees and their families.

Public Plan—federal government will purchase plan for "low-income" persons and their families and contribute towards the purchase of the plan for others.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Catastrophic Provision: Workers and families covered by Social Security, plus beneficiaries.

Low-Income Plan: Medicaid beneficiaries plus those with annual incomes below a specified "low income" level. Special provision included to enable those with higher income to become eligible.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

All U.S. residents, except for those covered under Medicare.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

All U.S. residents, except employees of the federal government.

Title: Benefits

Health Security Act—H.R. 22 and S. 3

Pays the entire cost of practically all personal health care needs. There are no cut-off dates, coinsurance, deductibles or waiting periods. Benefits include:

Hospital services;

Nursing home care, limited to 120 days per benefit period;

Physician services;

Dental services, initially for children under age 15 with coverage gradually increasing to include all ages;

Laboratory and X-ray services;

Medical appliances and eye-glasses; and

Prescription drugs, limited to chronic and other specified illnesses.

Health Care Insurance Act—H.R. 2222 and S. 444

Pays a portion of the cost of basic health care needs including:

Hospital services, limited to 60 days per benefit period;

Nursing home care, limited to 120 days per benefit period;

Physician services;

Dental services, initially for children ages two through six and extending to older children later, and emergency dental care for all adults;

Laboratory and X-ray services;

Prescription drugs; and
Catastrophic coverage.

Deductibles and coinsurance: institutional care—$50 per stay; non-institutional care—20 percent coinsurance limited to $500 per family. Separate deductible for catastrophic equal to 10% of taxable income.

National Health Care Act—H.R. 5200 and S. 1100

Broad range of benefits with cost-sharing provisions. Benefits phased-in over 10-year period for private plans and 5 years for public plan. Initial private plan benefits include:
Hospital services, limited to 30 days;
Nursing home care, limited to 60 days;
Physician services;
Home health services;

Catastrophic coverage: effective after an individual incurs $5,000 of charges for care within a 12-month period. Up to a life-time maximum of $250,000.

Public plan benefits: initially more comprehensive than private plans; provides additional days of hospital and nursing home coverage, prescription drugs and dental care for children under age 19.

Deferment of benefit phase-in: President is authorized by Executive Order to defer the phase-in of benefits after finding a lack of health care facilities and supplies.

National Health Care Services Reorganization and Financing Act—H.R. 1

Broad range of benefits with cost sharing provisions and specified limitations including:
Hospital services, limited to 90 days of care per benefit period;
Nursing home services, limited to 90 days of care per benefit period;
Physician services;
Dental services initially for children under age 8 with coverage gradually increasing to cover all children under age 13;
Laboratory and X-ray services;
Medical appliances and eyeglasses;
Prescription drugs; and
Catastrophic coverage.

Copayments: required for most benefits; $5 per day for hospital services; $2.50 per day for nursing home services; $2 per visit for physician services; and 20 percent of charges for most other services including dental services, medical appliances and eyeglasses.

National Health Standards Act—S. 3353

Broad range of benefits with cost-sharing provisions and specified limitations including:
Hospital services;
Nursing home care, limited to post-hospital confinement;
Physicians services;
Laboratory and x-ray services;
Medical appliances;
Prescription drugs; and
Catastrophic coverage.

Co-payments: Yearly deductible of $100 per person up to $200 per family plus co-insurance of 25 percent—maximum cost sharing of $2,500 per year.

Benefit equivalence: An employer can substitute an alternate plan if the total expected claim cost per employee of the benefit equivalent plan is at least equal to the total expected claim cost of the required benefit plan including 100 percent of expected claim cost of hospital services, inpatient physician services, surgical care services and x-ray and laboratory services.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Catastrophic Provision:

Pays for same types of benefits as Medicare. Hospital and nursing home expenses covered after first 60 days of such care, subject to a copayment of $15 per day for hospital and $7.50 for nursing home. Other medical expenses covered after first $2,000 incurred per family, subject to a 20 percent coinsurance which ends after total coinsurance payments per family exceeds $1,000.

Low-Income Plan:

Pays for basic benefits: hospital care for up to 60 days; skilled nursing and intermediate facility care; home health services; physicians' services; X-ray and laboratory services; prenatal and well-baby care; family planning services; periodic screening, diagnosis and treatment for children under 18; inpatient mental health care and limited outpatient psychiatric services.

No deductibles; $3.00 copayment for each of first 10 physician visits.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Broad range of benefits with cost-sharing provisions including;
Hospital services;
Nursing home care, limited to 100 days a year;
Physician services;
Home health services, limited to 100 visits per year;
Dental, vision and hearing care for children under age 13;
Laboratory and x-ray services;
Medical appliances;
Prescription drugs; and
Catastrophic coverage.

Copayments: deductible of $150 per person to a maximum of two per family. All services, except drugs, subject to a 25 percent coinsurance (outpatient drugs—$1 per prescription drug). Maximum annual liability for total cost-sharing of $1,000. Contains provisions for reducing deductibles and coninsurance for low-income.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Broad range of benefits with cost-sharing provisions and specified limitations including:
Hospital services;
Physician services;
Outpatient prescription drugs;
Mental health services, limited to 30 full days of inpatient services and 30 visits to community care center;
Vision, hearing and dental care for children under age 13;
Laboratory and X-ray services;
Medical appliances; and catastrophic coverage.

Co-payments: Private plan: Deductible of $150 per person to a maximum of three deductibles per family ($50 per person deductible for outpatient drugs); co-insurance of 25 percent with a maximum liability for total cost sharing of $1,500 a year.

Public plan: Deductible, co-insurance and maximum liability is income-related.

Title: Administration

Health Security Act—H.R. 22 and S. 3

Administered by the Federal Government through a five-member, full-time Health Security Board, appointed by the President and serving under the Secretary of HEW, which would establish national benefits patterns, set standards of participation and develop policy guidelines. Regional and local boards would determine their own needs and priorities and allocate funds accordingly. A National Health Security Council would advise the Board.

Health Care Insurance Act—H.R. 2222 and S. 444

An eleven-member Health Insurance Advisory Board, appointed by the President, would establish minimum health insurance carrier qualifications and develop programs to maintain quality health care and effective use of health resources. Private insurance carriers issue policies. State insurance departments certify carriers and qualified policies. Treasury Department processes tax credits. DHEW issues voucher certificates.

National Health Care Act—H.R. 5200 and S. 1100

Employer plan—administered by private insurance carriers, under state supervision. Treasury Department determines tax status of plan.

State plan—administered by private carrier under state supervision. Regulations for program established by DHEW.

National Health Care Services Reorganization and Financing Act—H.R. 1

Establishes a new federal department to administer the program and National Health Services Advisory Council to advise the Secretary on administraitve policy and formulation of regulations. Mandatory State Health Commissions would implement the program and would develop state health care plans, subject to approval by the Secretary of Health.

National Health Standards Act—S. 3353

Employer Plan: Administered by private insurance carriers, under state supervision and DHEW overview. "Pools" for small employers and the self-employed would be established.

Public Plan: Administered by private carrier under state supervision. Regulations for program established by DHEW. Carriers would participate in "pools."

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Catastrophic Provision and Low-Income Plan: Administered by Social Security Administration under which private carriers handle claims and pay providers for service.

Certification Program: Secretary of HEW would certify that health insurance policies marketed by private carriers meet certain standards of adequacy. Penalty imposed on carriers if they fail to market certified policies.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Administered by the federal government through a new independent Social Security Administration. Carriers used as intermediaries. Employers with 1,000 or more employees could select carrier to administer the program on behalf of the employees.

Health benefit card would be issued to every individual covered under the national health plan and the Medicare program.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Private plan: Administered by private insurance carriers under state supervision.

Public plan: Administered by private carrier under state supervision. Federal government would establish eligibility, prepare regulations and operate the expanded Medicare program.

"Employee" and other lawsuits and criminal penalties authorized against employers failing to comply with requirements.

Title: Estimated Additional Federal Cost

Health Security Act—H.R. 22 and S.3

$60 billion, FY 1974.

Health Care Insurance Act—H.R. 2222 and S. 444

$7 billion, FY 1974.

National Health Care Act—H.R. 5200 and S. 1100

$7 billion, FY 1974.

National Health Care Services Reorganization and Financing Act— H.R. 1

$18 billion, FY 1974.

National Health Standards Act—S. 3353

$3.6 billion, FY 1975.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

$8.9 billion, FY 1974.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

$40 billion, FY 1975.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

$5.9 billion, FY 1975.

Title: Financing

Health Security Act—H.R. 22 and S. 3

Financed by federal taxes on payroll, self-employed and unearned income, and federal general revenues: 36 percent from a tax of 3.5 percent on employers' entire payroll; 12 percent from a tax of 1.0 percent on employees' wages up to $15,000 per year and all unearned income; 2 percent from a tax of 2.5 percent on self-employed income up to $15,000 per year; and 50 percent from general revenues. Employers required to pay part or all of employees health security tax. Also, if sum of employer-employee tax is less than outlays for existing health plan, cash differences must be paid by employer to employees, former employees and survivors.

Health Care Insurance Act—H.R. 2222 and S. 444

Tax credits of 10 to 100 percent of the cost of a qualified health insurance policy, depending on annual income tax payments. Federal voucher certificates, financed from federal general revenues, issued to persons with little or no tax liability.

Tax penalty equal to 50 percent of allowable tax deductions would be imposed on employers whose plans fail to be designated "qualified employee health care" plans.

National Health Care Act—H.R. 5200 and S. 1100

Private plans—employee-employer plan premium paid by employees and employers with a maximum on the employee contribution which may be required by the employer. Tax penalty imposed on employers whose plans fail to meet the requirements of the Act; penalty equal to 50 percent of allowable business deductions for first year, 75 percent for second year and 100 percent for each year thereafter. Individual plan policy holders pay entire premium.

Public plan—no premium contribution required for lowest income group; for others, part of premium paid by enrollees, with amount varying according to family income. Federal and state governments pay balance of costs from their general revenues.

National Health Care Services Reorganization and Financing Act—H.R. 1

Private plans—employers would be required to purchase for their employees and their families a comprehensive level of benefits, paying at least 75 percent of the premium costs. Enrolees who opt into HCCs would be entitled to a 10 percent federal subsidy of their premiums.

Public plan—no premium contribution required for lowest income groups; for others, part of premium paid by enrolees, with amount varying according to family income. Individuals on Medicare would no longer be required to pay premium for physicians' benefits. Federal Government to finance costs of public plans from general revenues.

National Health Standards Act—S. 3353

Employer Plan: Employer-employee plan premium paid by employees and employers with the employer being required to pay not more than 50 percent of premium cost.

Public Plan: Financed by federal general revenues and individual premium contributions varying according to family income.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Catastrophic Provision:

Finance by payroll taxes on employers, employees and self-employed. Tax rates for employers, employees and self-employed: 0.3 percent initially, rising to 0.4 percent ultimately. Taxes apply to first $13,200 of earnings.

Low-Income Plan:

Financed by Federal general revenues and contributions by states.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Financed by additional federal taxes on employers, employees, self-employed, unearned income and federal general revenues: 3 percent on employer payroll up to $20,000 a year; 1 percent on employee wages up to $20,000 per year; 2½ percent on self-employed and unearned income up to $20,000 per year. Public assistance would be paid from general revenues, plus a continuing contribution from the states.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Private plan: Employers required to purchase plan for employees paying at least 65 percent of premium costs initially, increasing to 75 percent after three years. Subsidy available for employers whose payrolls rise by more than 3 percent due to compliance.

Public plan: Shared by state and federal government with state share (25 percent) related to current levels of state expenditures, ability to pay and anticipated future expenditures. Limited individual and family contribution required.

Medicare: Payroll taxes on employers, employees, and self-employed and general revenues, plus a small premium contribution by beneficiaries.

Titles standards for providers of services

Health Security Act—H.R. 22 and S. 3

Same as Medicare, with additional requirements; hospitals cannot refuse staff privileges to physicians. Nursing homes must be affiliated with hospital which is responsible for medical services in homes. Physicians must meet national standards; major surgery performed only by qualified specialist. All providers: records subject to review by regional office. Also, can be directed to add or reduce services, and to establish linkages with other providers.

Health Care Insurance Act—H.R. 2222 and S. 444

The Advisory Board is required to develop programs to maintain quality of care.

National Health Care Act—H.R. 5200 and S. 1100

Same as Medicare.

National Health Care Services Reorganization and Financing Act—H.R. 1

Secretary would prescribe standards of quality and comprehensiveness, and State Health Commissions would enforce such standards.

National Health Standards Act—S. 3353

Same requirements and standards as Medicare.

Establishes a Presidential council to review the quality of federal health care programs and apprise the President and Congress of their findings.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Same requirements and standards as Medicare.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Same requirements and standards as Medicare.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Same requirements and standards as Medicare.

Title: Reimbursement of providers of services

Health Security Act—H.R. 22 and S. 3

National health budget established and funds allocated, by type of service, to regions and local areas.

Hospitals and nursing homes: would receive annual predetermined budget based on reasonable cost.

Physicians, dentists and professionals: methods available are fee-for-service based on fee schedule, per capita payment for persons enrolled, and (by agreement) full- or part-time salary. Payments for fee-for-service may be reduced if payment exceeds estimates.

Comprehensive health service organizations and medical society foundations: per capita payment for all services (or budget for institutional services). Can retain all or part of savings.

Health Care Insurance Act—H.R. 2222 and S. 444

Based on usual and customary charges.

National Health Care Act—H.R. 5200 and S. 1100

Hospitals and other institutions: reasonable cost of services, based on prospectively approved rates. Hospitals prepare budgets and schedule of charges which are reviewed by a State Commission responsible for establishing charges, subject to DHEW approval.

Physicians and dentists: reasonable charges, based on customary and prevailing rates.

National Health Care Services Reorganization and Financing Act—H.R. 1

HCC and other provider charges fixed prospectively for a 12-month period, subject to Commission approval.

National Health Standards Act—S. 3353

Hospital and other institutions: Reasonable cost of services, based on prospectively approved rates. Hospitals prepare budgets and schedules of charges which are reviewed by representatives of public and private payors. Rates would be uniform for all payors.

Physicians and other health providers: Reasonable charges, based on usual and customary rates.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Same provisions as Medicare.

Hospital and other institutions: reasonable costs of services.

Physicians and suppliers: reasonable costs of services.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Hospitals and nursing homes: prospective payment system with incentive payments to certain providers.

Physicians, dentists and professionals: fee schedules established by professions and accepted by the Social Security Administration.

Other items and services: lowest cost most frequently available in locality.

Payment would not be made to any hospital not receiving the endorsement of state and local health planning agencies.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Hospital and other institutions: Reasonable cost of services, based on prospectively approved rates.

Physicians and other providers: Reasonable charges, based on amounts predetermined by providers and other interested parties. Physicians could, under private plan, bill additional charges to patient if patient is notified beforehand of such additional charges.

All persons would receive an identification card which would be evidence of financial protection for all covered services. Pro-

viders would accept the card as evidence of such coverage and would bill the indicated carrier for covered services.

Title: Delivery of resources

Health Security Act—H.R. 22 and S. 3

Health planning. DHEW responsible for health planning, in cooperation with state planning agencies.

Priority to be given to development of comprehensive care on ambulatory basis.

Health resources development fund: will receive, ultimately, 5 percent of total income of programs, to be used for improving delivery of health care and increasing health resources.

Comprehensive health service system: could receive grants for development, loans for construction, and payments to offset operating deficit.

Manpower training: grants to schools and allowances to students for training of physicians for general practice and shortage specialties, other health occupations, and development of new kinds of health personnel.

Health Care Insurance Act—H.R. 2222 and S. 444

The Federal Board is directed to develop programs for effective use of manpower and resources.

National Health Care Act—H.R. 5200 and S. 1100

Health planning: increased funding and authority given to state and local planning agencies. Approval of planning agency required before projects can receive funds under Federal programs. Also, Presidential Advisory Council on Health is created.

Health Maintenance Organizations: must be made available as an option to persons enrolled in state plan and employee-employer plans with employer paying no more than existing arrangements.

Ambulatory Health Centers: grants, loans and loan guarantees for construction and operation of centers.

Health manpower: loans and grants for students and educational institutions, with priority given to shortage areas.

National Health Care Services Reorganization and Financing Act—H.R. 1

HCCs: Would offer comprehensive health services to everyone in its area; after the first 5 years, HCC required to offer, as an option, services on a capitation basis of payment; HCC can contract with physicians, dentists, nursing homes, etc. for the provision of services.

Health providers: physicians, dentists, podiatrists and optometrists in an HCC area will be given an opportunity to practice as members of the professional staff of the HCC or as affiliated providers.

National Health Standards Act—S. 3353

Every employer covered by the act must offer his employees the option of enrollment in a "qualified" health maintenance organization (HMO). The employer would select the HMO of his choice.

Health planning: Hospitals required to submit to local health planning agencies all proposed expenditures which exceed $100,000, change the facility's bed capacity, or substantially change the facility's services If the local health planning agency finds that such expenditure is inconsistent with health needs, the hospital would not be reimbursed for any expenditures made for the disallowed expense.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

No provision.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Establishes within DHEW a Health Resources Board to assure the availability of services covered under the program. One percent of trust fund to be available for this purpose.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

All employers would be required to offer a Health Maintenance Organization (HMO) option.

Full-participating providers: Agree to accept reimbursement through the healthcard as payment in full for all patients; all hospitals would be required to be full-participating providers.

Associate-participating providers: Agree to accept reimbursement through the healthcard as payment in full for low-income and Medicare patients and as payment for the insured amount of the private plan.

Non-participating providers: Some providers would not be reimbursed from any approved plan for services provided.

Title: Relationship to other Government programs

Health Security Act—H.R. 22 and S.3

Medicare: abolished.

Medicaid and other assistance programs: would not pay for covered services.

Other programs: most not affected.

Health Care Insurance Act—H.R. 2222 and S. 444

Medicare: continues to operate.

Medicaid and other assistance programs: would not pay for services under program.

Other programs: most not affected.

National Health Care Act—H.R. 5200 and S. 1100

Medicare: continues to operate.

Medicaid: limited to aged, blind and disabled.

Other programs. most not affected.

National Health Care Services Reorganization and Financing Act—H.R. 1

Medicare: continues to operate.

Medicaid and other assistance programs: would not pay for services under program.

Other programs. most not affected.

National Health Standards Act—S. 3353

Medicare: continues to operate.

Medicaid: repealed.

Other programs: most not affected.

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Medicare: continues to operate.

Medicaid: would be replaced by new medical assistance plan for low-income people.

Other programs: most not affected.

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Medicare: expanded to include outpatient prescription drugs and long-term care.

Medicaid: repealed.

Other programs: most not affected.

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Medicaid: Terminated except for certain services not covered by the act.

Medicare: would be retained for the aged.

Other programs: most not affected.

Title: Sponsors

Health Security Act—H.R. 22 and S. 3

Committee for National Health Insurance; AFL-CIO; UAW; American Public Health Association; Rep. Martha Griffiths (D-Mich.) and 70 House members; Sen. Edward Kennedy (D-Mass.) and 20 Senators.

Health Care Insurance Act—H.R. 2222 and S. 444

American Medical Association; Rep. Richard Fulton (D-Tenn.) and 157 House members; Sen. Vance Hartke (D-Ind.) and 18 Senators.

National Health Care Act—H.R. 5200 and S. 1100

Health Insurance Association of America; Rep. Omar Burleson (D-Tex.) and 42 House members; Sen. Thomas McIntyre (D.-N.H.) and 4 Senators.

National Health Care Services Reorganization and Financing Act—H.R. 1

American Hospital Association; Rep. Al Ullman (D-Ore.) and 13 House members.

National Health Standards Act—S. 3353

Chamber of Commerce of the United States; Senator Paul Fanin (R-Ariz.)

Catastrophic Health Insurance and Medical Assistance Reform Act—H.R. 14079 and S. 2513

Sen. Russell Long (D-La.) and 22 Senators. Rep. Joe Waggonner (D-La.)

Comprehensive National Health Insurance Act—H.R. 13870 and S. 3286

Senator Edward M. Kennedy (D-Mass.); Representative Wilbur D. Mills (D-Ark.)

Comprehensive Health Insurance Act—H.R. 12684 and S. 2970

Nixon Administration; Representatives Wilbur Mills (D-Ark.) (by request) and Herman Schneebeli (R-Penn.); Senator Bob Packwood (R-Ore.).

BIESTER RELEASES RESULTS OF CONSTITUENT POLL

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BIESTER. Mr. Speaker, I am pleased to submit to the RECORD the results of my eighth annual constituent questionnaire.

The survey was distributed postal patron in the second week of April in Bucks County and the portions of eastern Montgomery County comprising the Eighth Congressional District of Pennsylvania.

The format of the questionnaire allows the respondent the opportunity to indicate the intensity of his or her feeling on various issues beyond a simple yes-or-no answer. I experimented with this approach last year. Not only has it been very well received by my constituents but it makes the results more meaningful to me.

As I am sure my colleagues who also utilize constituent questionnaires will agree, such an undertaking plays a very constructive role in the communication process between citizens and their representatives. Beyond offering residents an opportunity to make their views known on the necessarily limited number of issues covered, it serves to encourage additional comments on the subjects covered or on other issues of concern to them.

Many of the issues covered in the questionnaire will be receiving congressional consideration in the weeks and months ahead, and I would like to share with my colleagues the opinions expressed by my constituents on these most important matters.

The results follow:

RESULTS OF THE 1974 CONGRESSIONAL QUESTIONNAIRE

(In percent)

WAGE AND PRICE CONTROLS

1. The President's authority to continue wage and price controls expires April 30th. Which one of the following would you favor?

(1) Terminate all wage and price controls—28.

(2) Maintain controls only in areas of greatest increases—40.

(3) Firm controls across the board—32.

HEALTH INSURANCE

2. With regard to health insurance coverage, which action should the government take?

(1, Provide Federal coverage for all basic health needs including preventive care—40.

(2) Provide Federal coverage only for major illnesses or long-term serious illnesses—43.

(3) None—17.

3. If a health insurance program were enacted, how should it be financed?

(1) Primarily from general revenues of Federal government—41.

(2) Primarily from shared employee-employer contributions—34.

(3) Primarily through tax credits for those voluntarily subscribing to private plans—25.

THE PRESIDENT

4. With regard to the President's status, which most closely reflects your view of the President at this time?

(1) He is not chargeable with any impeachable offense—15.

(2) May be chargeable with some wrongdoing but should not be impeached—22.

(3) He is chargeable with wrongdoing and should resign—16.

(4) He is chargeable with wrongdoing and should be impeached by the House and tried by the Senate—40.

(5) Uncertain—7.

	Strong no	No	Uncertain	Yes	Strong yes
WHAT ACTION SHOULD CONGRESS TAKE IN THE FOLLOWING AREAS					
ENERGY AND CONSERVATION					
5. Require by law complete oil company profit, supply, and resource data?	3	4	3	18	72
6. Terminate year-round daylight saving time after fall 1974?	25	21	10	19	25
7. Provide operating subsidies for mass transit systems?	9	8	8	36	39
8. Postpone implementation of auto emission standards?	30	23	11	21	15
9. Delay implementation of air-quality standards to permit use of high-sulfur fuels?	29	27	14	20	10
10. Accelerate research and development of energy from nonfossil fuels?	1	1	2	25	71
11. Regulate the oil companies as public utilities?	13	14	9	19	45
12. Initiate coupon gas rationing?	58	25	9	5	3
TAX REFORM					
13. Limit deduction provided U.S. companies situated abroad for taxes paid by them to foreign governments?	5	8	12	27	48
14. Allow tax credits for higher education tuition expenses?	11	8	5	32	44
15. Impose a more effective minimum taxpayment in high-income brackets?	3	4	3	21	69
16. Allow tax credits for portion of rent applicable to property tax?	13	14	17	32	24
17. Provide deductions for costs of commuting by mass transit?	24	21	9	27	19
18. Increase the personal income tax exemptions?	7	10	10	27	46
19. Terminate the oil depletion allowance?	7	9	22	20	42
20. Reduce social security taxes, making up difference from general revenues?	22	24	16	19	19
21. Provide credits to elderly for property taxes and rent?	2	3	3	35	57
22. Provide tax credits for nonpublic elementary and secondary education expenses?	34	19	7	19	21
23. Impose a graduated tax on new cars based on their size and gas mileage per gallon?	26	17	10	22	25
ELECTION REFORM					
24. More strict accounting of contribution receipts and expenditures and more stringent enforcement of campaign laws?	1	1	2	17	79
25. Establish partial public financing of Federal campaigns with a prohibition on larger private contributions?	17	12	9	24	38
26. Establish general public financing with a prohibition on private contributions?	25	22	13	14	26
27. Limit campaign expenditures in Federal campaigns?	2	2	3	24	69

BAN THE HANDGUN—L

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BINGHAM. Mr. Speaker, a depressingly familiar event was replayed last Thursday night in Queens, N.Y. A trivial argument exploded into serious violence, because of the availability of a handgun.

Senseless shootings like this remind us once again of the need for a comprehensive Federal gun control law to limit the private possession of handguns. Even stringent local laws, such as New York City's, are rendered ineffectual, because standards elsewhere are lax.

Unfortunately, incidents like the one last week receive only passing interest, and fail to evoke any public demand for firearms restrictions. The national clamor for gun control which arises when a President or other notable is shot implies a disturbing double standard. The life of each citizen is no less precious.

I include in the RECORD an article from the June 7 edition of the New York Post relating this latest episode of senseless handgun violence:

A PARKING ROW ENDS IN SHOOTING

(By Richard Schwartz)

A Queens man and his son were shot early today in a dispute over a parking space near the son's Elmhurst home.

Police said Macevonio Luna, 62, and his son, Estanisciao, 26, were shot by a third man shortly before 1 a.m. in an argument over a parking spot the son had taken.

Police said the two were shot by James Burns, 62, of 37-38 104th St. Corona, as they were walking away from the son's car, which Burns had asked them to move.

The elder Luna, of 42-43 Elbertson Ct., and his son, of 42-09 Junction Blvd., were both in Elmhurst Hospital, where the father was reported in critical condition with four gunshot wounds of the body and Estanisciao was in serious condition, shot twice in the leg.

Burns was charged with two counts of attempted murder. Police said they recovered a .38-caliber revolver from the scene.

LITHUANIANS

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. SMITH of New York. Mr. Speaker, on June 15, Lithuanians will commemorate the forcible annexation of their country by the Soviet Union in 1940 and the subsequent deportation of their countrymen to Siberian concentration camps. As a leader of the free world, the United States must continue to condemn any action which would deprive a people of their right to self-government. Unfortunately, our pleas for a free Lithuania have been ignored through the years. While we strive for détente, let us not forget captive peoples. In our hearts we know that the Soviet Union will not release its grip on these people without a fight, something to be avoided in these times of uneasy atomic peace. But the Soviet Union does want the approval and trade of the free nations of the world, and facing our censure, may be willing to make concessions. The Lithuanian-American Community of the U.S.A., Inc., seeks four policy changes which we can strongly urge the Soviet Union to enact. These include lowering of excessive tariffs on gifts to those residing in the Baltic States; a more reasonable tourist visa limit; elimination of unreasonable tourist travel restrictions, and provision for Lithuanians to immigrate as provided for by the Charter of the United Nations, signed by the Soviet Union. Let us work for these concessions and let us continue to work and pray for a free Lithuania.

INDIA'S NUCLEAR WEAPONRY

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. GROSS. Mr. Speaker, the Government of Pakistan is deeply concerned, and properly so by the action of the Government of India in developing and exploding a nuclear weapon.

Pakistan shares a long and common border with India and only recently fought a short but bitter war with India, the repercussions of which will long be felt in that area of the world.

The U.S. Government which, through the years, has bilked the American people out of some $10 billion dollars and handed it over to India, ought to be equally concerned for different reasons. Americans were led to believe that the outpouring of their dollars would alle-

viate at least some of the widespread poverty and malnutrition that brings death to thousands of Indians each year, and that it would be an incentive to India's Government to raise the standard of living to at least a subsistence level.

Instead, Prime Minister Indira Gandhi is willing to watch the citizens of her country starve while the Government develops costly nuclear bombs. With whom does India plan to go to war? This is the grave question for which Pakistan seeks an answer.

Mr. Speaker, I offer for printing in the RECORD the Aide Memoire issued by the Government of Pakistan, followed by a communication of the date of June 5, 1974, from Prime Minister Zulfikar Ali Bhutto of Pakistan, to Prime Minister Indira Gandhi of India, seeking to learn the meaning of India's development of nuclear weaponry:

AIDE MEMOIRE

In the light of India's detonation of a nuclear bomb the United States of America's and Canada's long standing collaboration with India in the nuclear field has raised a number of immediate issues apart from its effect on the fabric of international peace and security.

(i) In which reactor was the plutonium for the Indian nuclear bomb produced and from where was the heavy water for this reactor obtained from?

India has the following reactors in operation or nearing completion:

(a) Apsara one MW pool type research reactor at Trombay critical since August 1956.

(b) Indian designed Zerlina zero power heavy water experimental reactor (400 watt) critical since January 1961 at Trombay.

(c) Purnima zero power plutonium fast fueled reactor.

(d) Two power reactors at Tarapur near Bombay supplied by the U.S.A. These are boiling light water type moderated reactors utilizing enriched uranium, developing 190 MW each and have been both critical since February 1969.

(e) Cirus research reactor at Trombay supplied by Canada under the Colombo Plan. This natural uranium heavy water reactor of 40 MW power has been critical since July 10th, 1960.

(f) Two Canadian designed and supplied CANDU type natural uranium heavy water power reactors at Dina Partap Sagar in Rajasthan. Power output 200 MW each. RAPP I became critical in 1971. RAPP II is now complete.

(h) Two reactors, MAPS 1 and 2, CANDU-type natural uranium heavy water, output 200 MW each nearing completion at Kalpakkam near Madras.

India has also announced plans to build power reactors of 500 MW size near New Delhi and in Uttar Pradesh. The Atomic Energy Commission of the Government of India in its report of 1970 "Atomic Energy and Space Research a Profile for the Decade 1970–80" has outlined as stage 1 of its nuclear power strategy the building up of plutonium stocks which will be used in stage 1 in Fast Breeder Reactors to breed yet more fissionable material, uranium-233 and plutonium.

Of the reactors which are now critical only the Canadian Cirus reactor at Trombay is completely unsafeguarded. For a short time after its criticality this reactor used Canadian fuel and was subject to some form of Canadian inspection. From then on the reactor used Indian fuel and Canada relied upon Article III of the India-Canada Agreement on CIR Trombay Reactor of April 28, 1956 which states "The Government of India will ensure that the reactor and any products resulting from its use will be employed for peaceful purposes only." The Government of Canada repeatedly stated that there was no difference between a nuclear weapon device and a so-called peaceful nuclear device and Canada made known this interpretation to India. It is clear that the plutonium employed in India's bomb could only have come from the Canadian reactor and was then refined in India's plutonium separation plant which has been operating since 1964. The President of Canada's Atomic Energy Control Board Mr. D. C. Hurst seems in his statement of May 23rd, 1974 to agree with this inevitable assessment.

The Canadian reactor at Trombay is dependent upon heavy water supplies. The US supplied power reactors at Tarapur did not become operational until 1969. Article 9 of the India-US Agreement for Purchase of Heavy Water of March 16, 1956, states ". . . the heavy water sold hereunder shall be for use only in India by the Government in connection with research into and the use of atomic energy for peaceful purposes, and shall be retained by Government and by other parties authorised by the Government to receive it, and not re-sold or otherwise distributed."

(ii) What are the parameters of India's strategic stockpile of plutonium as it now exists in its two modes—completely unsafeguarded—relatively safeguarded at the present time, and what factor of projection can now be foreseen?

As a rule of thumb a CANDU reactor utilizing natural uranium produces 0.9 grams of plutonium per megawatt in one day. Most reactors are in operation 300 days a year. Hence the Trombay reactor running for 300 days a year with a high ratio of PU 239 to total plutonium would produce 10.8 kilograms in one year. By now a stockpile of about 152 kilogrmas of unsafeguarded plutonium should be available to India. A "strategically significant quantity" of nuclear material would be its critical mass, as a sphere of the material in metallic form, inside a thick tamper of beryllium. This would of course only apply if the technology for an implosion type bomb as opposed to gun type bomb was applicable. India's explosion of May 18, 1974 resulted from a plutonium type implosion device. The lowest published critical mass for plutonium is four kilograms. India's plutonium stockpile of the unsafeguarded mode corresponds to the potential for making 38 atom bombs.

The Canadian reactors, RAPP I and RAPP II have the potential of producing 108 kilograms of plutonium a year. For the present this amount is subject to the Trilateral Safeguards Agreement between India, Canada and the IAE. The MAP 1, MAP 2 reactors at Kalpakkah which will soon become critical will also produce at least 108 kilograms of plutonium a year—27 potential atom bombs. Both the MAP reactors are not subject to any safeguards. The two projected 500 megawatt reactors will produce annually, once critical, 270 kilograms of plutonium—67 potential atom bombs. Beyond 1980 India's stage 2 and stage 3 of its nuclear strategy envisages a number of Fast Breeder reactors and Thorium Breeders, the first Fast Breeder Test Reactor is expected to be completed in 1976 and there are plans to build a Fast Breeder prototype reactor of 200 megawatt output in 1977. The rate of operation of these projected Breeder reactors coupled with the "doubling" time achieved will become a function of assessing the second stage of India's proliferating stockpiles of fissionable material.

(iii) What safeguards are now in operation, do they have any inherent weaknesses, are they subject to a time limitation and does a workable international IAEA system now exist which could embrace unsafeguarded facilities?

The Trombay reactor is completely unsafeguarded. The U.S. supplied reactors at Tarapur are covered under Articles VI–A, VI–B–2, VI–B–4 and particularly VII–A–1 of the India-U.S. Agreement for Tarapur Reactor of August 8, 1963. There could be some semantic differences of interpretation of Article VII–A–1 which speaks only of atomic weapons and military purposes. However, since these reactors use enriched uranium the end product as opposed to various articles of equipment does not readily lend itself to the manufacture of weapons grade fissionable material.

RAPP I and RAPP II are governed by Section 11–C(I) of the Trilateral Agreement which states that such nuclear materials produced in or the use of such nuclear materials shall be subject to implementation by the Agency of the safeguards provisions of this Agreement. The IAEA of course has no physical power of ensuring controls against unauthorized diversion and basically such agreements depend on the good faith of the parties concerned. Section 27 of the Trilateral Agreement states that it shall remain in force for initial period of five years and shall stand extended automatically thereafter unless terminated by any party either at the end of the first five years period or at any time thereafter upon six months prior notice. Hence theoretically the Trilateral Agreement of June 1971 can be revoked by India after five years and six months. The plutonium produced after this hypothetical termination would be completely unsafeguarded. Furthermore it is not quite clear how the IAEA, after the termination of the Agreement, would safeguard the considerable amounts already produced whilst the agreement was in force and how it would safeguard by pursuit the additional plutonium bred from this amount in other unsafeguarded breeder reactors.

An IAEA safeguards system does exist. Pakistan's KANUPP reactor, for instance, is subject to IAEA safeguards. Any country which is sincere in its desire to use nuclear energy only for peaceful purposes should have no difficulty in placing all its reactors, separation plants, enrichment plants, gaseous diffusion or gas centrifuge, and fissionable stockpiles under IAEA safeguards.

(iv) Though the Indian nuclear explosion of May 18, 1974, makes the issue of motivation now academic, can an empirical study of India's acknowledged nuclear and space research programme lead to the conclusion that the aims are entirely peaceful?

The question of peaceful uses must be viewed in the context of Article V of the Treaty on the Non-Proliferation of Nuclear Weapons. "Each party to the Treaty undertakes to take appropriate measures to ensure that, in accordance with this Treaty, under appropriate international observation and through appropriate international procedures, potential benefits from any peaceful applications of nuclear explosions will be made available to non-nuclear-weapon States Party to the Treaty on a non-discriminatory basis and that the charge to such Parties for the explosive devices used will be as low as possible and exclude any charge for research and development. Non-nuclear-weapon States Party to the Treaty shall be able to obtain such benefits, pursuant to a special international agreement or agreements, through an appropriate international body with adequate representation of non-nuclear-weapon States. Negotiations on this subject shall commence as soon as possible after the Treaty enters into force. Non-nuclear-weapon States Party to the Treaty so desiring may also obtain such benefits pursuant to bilateral agreements."

The wellspring of India's nuclear programme is apparent in the Preamble to the Resolution of the Government of India creating the Atomic Energy Commission, in 1958. ". . . The special requirements of atomic energy, the newness of the field, the strategic nature of its activities and its international and political significance have to be borne in mind in devising such an organisa-

tion. . . ." India's nuclear programme has been characterised by the desire to set up completely unsafeguarded reactors. The only logic behind an unsafeguarded reactor is to be able to produce a nuclear device. This capability has now been demonstrated by India. It is universally recognised that there is no difference between a nuclear weapon and a so called peaceful nuclear device. The same device which might move millions of tons of earth could also be used to kill hundreds of thousands of people.

Nuclear weapons can be made from plutonium, high-enriched uranium and uranium-233. High-enriched uranium U-235 has usually been obtained for weapons purposes from extremely expensive gaseous diffusion plants. An alternative potential method for obtaining U-235 lies in the development of the gas centrifuge process. India's AEC's ten year plan of 1970 estimated the cost of developing this process to be around $150 million for the period 1970-1980. S. K. Ghaswala, who was then Technical Editor of the Indian and Eastern Engineer, observed in his published analysis of the 1970 Indian AEC report:

"The difficulty is that both the gas centrifuge and the fast breeder reactor are still undeveloped even in the advanced countries of the world. In knowledgeable circles it is felt that the gas centrifuge process would cost around $200 million and its establishment would be unjustifiable, unless its products are exported. . . . Even when fast breeder reactors appear on the scene the aggregate demand for plutonium plus enriched uranium would not justify investing such a large sum on one project alone—unless of course, the country intends to go in for nuclear explosives even for 'peaceful' purposes." Uranium 233 is produced in nuclear reactors containing thorium. India has vast reserves of thorium and the long range aim of its nuclear programme is to base nuclear power generation as soon as possible on thorium rather than uranium. This aim was explained by the late head of India's AEC in his lecture "On the Economics of Atomic Power Development in India and the Indian Atomic Energy Programme" delivered on September 6, 1957, in Dublin.

In analysing India's delivery capability and its rapidly developing programme for acquiring medium range missiles coupled with the external help it is receiving in this field, it suffices to examine the Indian AEC's report of 1970, Atomic Energy and Space Research a Profile for the Decade 1970-80, presented by Chairman Sarabhai. Part II of this report entitled "Space Research" states inter-alia;

"The subject of exploration of outer space was allocated in 1961 to the Department of Atomic Energy. . . . In 1965, the Atomic Energy Commission approved the setting up of the Space Science and Technology Centre (SSTC) . . . The most important task of the Space Science & Technology Centre is to develop indigenously a satellite launch capability. . . . The first launch that would be attempted in 1974 would be to place in a near circular orbit at about 400 km. a satellite of about 30 kg. The launcher which is being designed, designated SLV-3, would have four stages and would weigh approximately 20 tons. The length of the vehicle would be about 21 meters. . . . SLV-3 would be followed in the period 1975-79 by satellite launch vehicles using more powerful motors and it is the objective of the Space Science & Technology Centre to develop by the end of the 1970's a launch vehicle capable of putting a 1200 kg. satellite into synchronous orbit at 40,000 km. This is the type of capability which is needed to fully exploit, on our own, the vast potential arising from the practical applications of space science and technology. . . ."

(v) What has been and what will be the cost of India's nuclear weapons and delivery programme?

The UN Secretary-General's expert report on "The Effects of the Possible Use of Nuclear Weapons and the Security and Economic Implications for States of the Acquisition and Further Development of these Weapons", of October 1967 estimated that it would cost $5600 million over 10 years to build up a small, high quality nuclear force consisting at the end of the first 5 year period of 15-20 nuclear weapons and 10-15 bombers, and including at the end of the 10 year period 20-30 thermonuclear weapons, 100 intermediate-range missiles and 2 missile-launching nuclear submarines. The report estimated that a "modest" nuclear capability consisting of 100 plutonium warheads, 30-50 jet bomber aircraft and 50 medium-range missiles in soft emplacements would cost $1.7 billion over 10 years. The cost estimates were based on the situation developing in an industrialised country, it being understood that the cost for either programme would increase if applied to developing countries. It was further understood that there would also be the practically unavoidable risk of escalating costs inherent in the mechanism of the arms race.

Without going into the pre-1970 costs of India's nuclear capability and delivery programme and without including the cost of India's existing jet bomber capability the most conservative estimate of overt costs for the period 1970-1975 and the period 1975-1980 is contained in the annexed cost estimates for India's Atomic Energy Programme and Space Research Programme contained in the 1970 Atomic Energy Commission Report.

[In millions of dollars]

	1970-75	1975-80	1970-80
AE programme	500	1,212.5	1,712.5
SR programme	85	131.0	216.0
Total	585	1,343.5	1,928.5
Annual average	117	268.7	

The Indian Atomic Energy Commission Report does not of course address itself to the cost factors inherent in the actual building of nuclear bombs and to the production as opposed to the research and development costs of delivery systems missiles.

2. It is clear that the acquisition by India of a nuclear capability is of grave concern to the international community and in particular to India's neighbours. It has been noted that Sections 119 and 120 of Public Law 91-194 and Chapter 1 Section 4 of Public Law 90-269, address themselves to the question of the acquisition of sophisticated weapon systems by countries and the relevance of such acquisitions to the national security of the United States.

TEXT OF THE REPLY OF THE PRIME MINISTER OF PAKISTAN TO THE PRIME MINISTER OF INDIA DATED JUNE 5, 1974

DEAR MADAM PRIME MINISTER: Thank you for your message of May 22.

2. We have taken note of your assurance that you remain fully committed to the development of nuclear energy resources for peaceful purposes only and that you will continue to condemn the military use of nuclear energy as a threat to humanity.

3. You will, however, appreciate that it is a question not only of intentions but of capabilities. As you know, in the past we received many assurances from India which regrettably remained unhonoured. India's categorical assurance regarding a plebiscite in Jammu and Kashmir in order to enable its people to freely decide their future is the most outstanding example.

4. It is well established that the testing of a nuclear device is no different from the detonation of a nuclear weapon.

Given this indisputable fact, how is it possible for our fears to be assuaged by mere assurances, assurances which may in any case be ignored in subsequent years. Governments change, as do notional attitudes. But the acquisition of capability, which has direct and immediate military consequences, becomes a permanent factor to be reckoned with. I need hardly recall that no non-nuclear-weapon state, including India, considered mere declarations of intent as sufficient to ensure their security in the nuclear age.

Furthermore, the Indian nuclear explosion is an event which cannot be viewed in isolation from its surrounding circumstances. Your rapidly developing programme for acquiring medium-range missiles and with external assistance, placing a satellite in orbit, thus obtaining a delivery system for nuclear weapons, and your projected building of a nuclear navy are most pertinent in this context. These are matters of concern not only to Pakistan but to all countries which border on the Indian Ocean.

6. Pakistan's reaction to India's nuclear explosion is, therefore, in no way abnormal or disproportionate. Indeed our reaction is shared by practically all impartial opinion throughout the world. Pakistan has additional reasons for a unique anxiety because no two among the five nuclear-weapon states, nor anyone of them and a non-nuclear-weapon state, have been involved in the kind of confrontation and unresolved disputes which have bedeviled relations between India and Pakistan. You have mentioned, rightly too, that agreements between India and Pakistan, worked out during the last two years, were reached on the basis of absolute equality. However, the fact cannot be dismissed that these agreements were but a sequel to the act of armed intervention by India which brought about the dismemberment of Pakistan.

7. You have referred to the economic compulsions behind your nuclear test. Since Pakistan faces economic problems broadly of the same kind as India, we cannot be unsympathetic to attempts at achieving a breakthrough in their solution. No one can disagree with the proposition that nuclear energy can be an immense boon. But one can have access to nuclear technology and nuclear power without having to conduct nuclear explosions. In fact, it has been made entirely possible for the non-nuclear-weapon states to use nuclear explosives for peaceful application under procedures of international control. I am, therefore, at a loss to understand why a developing country like India should choose to divert immense resources to the acquisition of a nuclear-weapon capability when these could be utilized for the alleviation of poverty and disease.

8. Our policy for the last two years has been to make every effort to establish relations between India and Pakistan on a rational neighbourly basis. We do not wish to be deflected from that policy, as I said in my statement in Lahore on the 19th of last month. Your nuclear explosion, however, introduced an unbalanced factor at a time when progress was being made step-by-step towards a normalization of relations between our two countries and we had reason to look forward to equilibrium and tranquility in the sub-continent. When Pakistan's attempts to obtain even spare parts under treaty commitments cause an outcry in India not only unjustified but totally disproportionate, it would be unnatural to expect public opinion in Pakistan not to react to the chauvinistic jubilation widely expressed in India at the acquisition of a nuclear status.

9. We find it difficult to believe that the deleterious effects of this new phenomenon can really be removed unless the nuclear-weapon powers undertake the obligation jointly or individually to defend a non-nuclear-weapon state against the nuclear threat and unless also a nuclear state, which wishes to forsake the development of nuclear weapons, does so through one or more

concrete and binding international instruments. Since you have declared that India does not want to develop nuclear weapons or to exercise a nuclear threat against any state, neither of these two components of a solution of the problem should be disagreeable to you.

10. The question of a binding agreement between a nuclear state and one or more non-nuclear-weapon states which would preclude the use or threat of nuclear weapons is something that can be taken up between the states concerned. The question of credible assurances to non-nuclear-weapon states is, however, one of global implications and, therefore, of direct concern to the United Nations. In the sixties, India was among the first to put forward the idea of a joint nuclear umbrella for the non-nuclear-weapon states.

I have, therefore addressed the Secretary General of the United Nations, which has the over-riding responsibility in this field, and the five permanent members of the Security Council, asking them to give this question their urgent attention.

11. You will agree that this matter is of tremendous importance to both your people and ours.

In view of its extraordinary nature, I propose to release to the press your letter and my answer after it will have reached you in Delhi.

This has become all the more necessary since the press has already reported the substance of your letter.

Yours sincerely,

ZULFIKAR ALI BHUTTO.

THE GREAT PROTEIN ROBBERY: NO. 26—THE STUDDS-MAGNUSON 200-MILE FISH BILL

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. STUDDS. Mr. Speaker, in recent months I have submitted a number of examples of how foreign overfishing in the waters off New England has decimated the valuable fishing fleets of my district and of New England.

However, as can be seen from the following article from the Daily News-Miner of Fairbanks, Alaska, this problem is not restricted to New England, but affects the important fishing harvests off Alaska, also. My distinguished colleague from that State, DON YOUNG, recognizes the severity of this situation and is playing a leading role in the effort to enact the Studds-Magnuson bill, legislation that will be a giant first step toward revitalizing our important U.S. fishing industry.

I include the article from the Daily News-Miner in the RECORD:

THE 24TH ANNUAL PROGRESS EDITION, 1974: FOREIGN COMPETITORS SPOIL STATE FISHING

(NOTE.—The following review and forecast of the fishing industry in Alaska was prepared by the State Department of Economic Development, Irene Ryan, commissioner.)

The 1973 fishing season produced a near record low salmon harvest of about 22 million fish, strong shrimp and crab landings and very high prices for all species at every level of production; but the wholesale value of all seafood products produced will almost certainly be the highest in history. Indications are that the costs of plant and vessel operations in 1973 also reached record levels. Commercial utilization of plant wastes was initiated by a firm in Kodiak in response to environmental requirements.

Individual commercial fishing licenses sold by June 30 were up 34 per cent from the year before. Gear license sales were up more than 41 per cent.

The unprecedented increase in gear license sales, especially salmon gear, is attributed largely to a desire by many people to establish or re-establish a history of commercial fishing before the new limited entry law passed by the last regular session of the state legislature becomes effective, although this gives them no certain priority under the law.

SALMON HARVEST

The 1973 salmon catch of about 22 million fish was one of the smallest since the fishery began to develop over 70 years ago. Harvests since 1960 have averaged about 50.4 million fish and have ranged as high as 68.5 million (1970) and as low as 20.9 million (1967). Due to fluctuations in the pink salmon two-year life cycle, fewer pinks would be expected in an odd year. By averaging pink salmon catches only for odd years between 1960 and 1972, the total average salmon catch for the period falls to 44 million fish. The 1973 harvest is more accurately assessed when compared to this figure.

Pink salmon returns to most parts of the state and red salmon returns to the western region, especially Bristol Bay, were exceedingly low. Japanese fishing on the high seas intercepting salmon bound for Bristol Bay, and the Aleutian Islands continued to aggravate a situation which began with a heavy kill of juvenile fish in the cold winters of 1970–72. Pink salmon with a short two-year life cycle were the first species to show evidence of the severe winter mortalities. Other species, particularly chums and Bristol Bay reds, which mature at three to six years, are likely to show reduced returns in the future.

The evidence indicates that commercial salmon harvests in 1974 will be very poor and will probably fall even lower than the level experienced in 1973.

SALMON PRODUCTION

While salmon harvests in 1973 were about the lowest on record, market values, due to inflation, short supply and heavy demand, were by far the highest on record.

By August, 1973, exports of fresh and frozen salmon to Japan, (from the U.S.) had already reached an all time annual record of 15.4 million pounds. The previous high was in 1969 when 14.1 million pounds were exported. Japanese buyers have purchased more frozen salmon from Alaska and Puget Sound areas than can readily be sold.

*** quota system and except for the Chignik area most quotas are being filled. The Aleutian Island areas around Unalaska and Adak produced 27.9 million pounds in 1972 and 36.7 million pounds in 1971.

Based on 1967 average prices paid to fishermen, the value of king crab increased over 600 per cent from 12 cents to 78 cents per pound in September of 1973. From a total of some 30 different product groups (including most major species taken by U.S. fishermen) which were compared by the National Marine Fisheries Service, king crab showed the greatest increase in value during the seven-year period from 1967. By November 1973 the price had again increased to 84 cents per pound. In November 1972, the price was pegged at 46 cents to 47 cents. Statistics released recently indicate that king crab products produced in 1972 were valued at about $44 million at wholesale.

A catch of 5.4 million pounds of dungeness crab was reported through September 1973 compared to 4.7 million pounds in the same period during 1972. About 5.3 million pounds were caught during the entire year of 1972 and 3.7 million pounds in 1971.

The catch of tanner (snow) crab reached a record high 54.2 million pounds through September 1973, compared to 23.6 million pounds caught during the same period in 1972. The total harvest in 1972 was 29 million pounds and in 1971 was 12.9 million pounds. Prices to the fishermen are currently 20 cents per pound compared to 13 cents to 13½ cents in November of 1972. Increased tanner crab production is related to current good Japanese markets for shellstocks, improved methods of meat recovery and an absence of quota restrictions (except in Prince William Sound). The health of the tanner crab industry in Alaska is highly dependent on sales to Japan. The Japanese market has fallen off noticeably due to good domestic production in the Bering Sea and a more restrictive Japanese monetary policy (energy shortgage related). Unexpectedly high inventories have been created and it is likely that the market will soften in 1974. Prices in Alaska may be adversely affected.

SHRIMP

Shrimp harvests through September 1973 reached 79.0 million pounds compared to 59.6 million during the same period in 1972. Total annual harvest for 1972 was 81.3 million pounds and for 1971 was 94.9 million pounds. Most of the increased production last year came from the Chignik area where 17.5 million pounds were harvested compared to only four million pounds for the entire year of 1972. An additional increase of about three million pounds appears to be coming from the Alaska Peninsula area. These areas are not subject to catch quotas, while at Kodiak, the major production area, the quota is set at 55 million pounds. Plant expansion into the Shumagin Islands and plant requirements at Kodiak are primarily responsible for increased harvests.

HALIBUT

About 30 million pounds of halibut were delivered into West Coast ports in 1973. These fish are primarily caught off the Alaska coast by U.S. and Canadian vessels. In 1971 about 51 per cent of the catch was delivered into Alaska ports. The total catch last year of 30 million pounds compares to 43.0 million in 1972 and 46.7 million in 1971. Prices to the fishermen reached about 83 cents per pound last year compared to 65 cents per pound in September 1972.

Halibut catches have dropped considerably over the past ten years and concern is expressed over the condition of the resource. Much is known about the life history of Pacific halibut, and the management program developed and maintained by the International North Pacific Halibut Commission has had a long history of success. Responsibility for the current situation is apparently due to increasingly large catches of halibut by Japanese high-seas trawlers taken during other fishing operations. Harvest this year by the Japanese alone is estimated to be 15 million pounds, a high percentage of which is believed to consist of immature fish. The official Japanese position seems to be that conservation measures would interfere with major trawler operations and, thus, are economically impractical. U.S. and Canadian fisheries people feel that trawling operations could bypass known halibut nursery areas.

HERRING

Herring catch data for 1973 has not yet been compiled, however, utilization of this resource is escalating rapidly. In 1972, 1.9 million pounds were frozen whole, 5.3 million pounds were frozen as bait, 451,200 pounds of herring sac roe and 873,800 pounds of herring eggs on kelp were processed. Prices to the fishermen for herring were around $50.00 a ton in 1971. In 1973 processors were paying $150.00 to $160.00 a ton.

REGULATIONS

Regulations for implementing the limited entry law are currently being formed by the limited entry commission and are not expected to substantially influence the outcome of the 1974 season.

Fuel supplies during the existing shortage are being allocated to plants and vessels on the basis of purchases during 1973 on a month-by-month basis. Currently, operators can obtain about the same amounts as purchased from a given dealer at the same time last year. Obviously, if a plant was operating at a reduced schedule for some reason last year or of a vessel was not fishing, sufficient supplies may not be available for full scale operations this year.

The system will cause confusion, and in areas of Alaska where storage is inadequate and transportation time and distance are factors, fuel may temporarily be unavailable or vessels may put to sea with partially full tanks. Problems of supply will be compounded if allotments are reduced below the 1972 level.

The influx of new fishing and processing operations (those that did not operate in 1972) and the expansion and development of existing operations will be hampered by the fuel shortage. Records of average vessel operating costs indicate that fuel and lubricating supplies amount to about 10 to 15 per cent of total expenses (excluding depreciation, interest on investments and shared returns) for most operations.

FOREIGN TAX HAVENS AND FOREIGN SITUS TRUSTS: TAX LOOPHOLES THAT MUST BE PLUGGED

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. VANIK. Mr. Speaker, one of the fastest growing tax loopholes is the use of foreign situs trusts and foreign tax havens.

On March 1, I asked the Treasury Department for the latest information on the use of foreign trusts. The Department replied that—

While they do not know how much tax avoidance is involved, the primary reason why an American would choose to use a foreign trust rather than a domestic trust is to reduce or defer U.S. taxes.

In essence, the tax advantage involved in the use of a foreign trust is summarized by the Department:

The effect of the unlimited throwback rule in the case of a foreign trust may be characterized as an interest-free loan to such trust of the U.S. taxes which would have been paid had the trust distributed its income currently.

The full text of the Department's letter describing how foreign trusts work follows:

DEPARTMENT OF THE TREASURY,
Washington, D.C., May 17, 1974.

Hon. CHARLES A. VANIK,
House of Representatives,
Washington, D.C.

DEAR MR. VANIK. Thank you for your letter of March 1, 1974, regarding the taxation of foreign trusts. The principal tax advantages accruing to foreign trusts stem from the fact that foreign trusts are generally treated as non-resident aliens for U.S. tax purposes. As such, they are taxable only on their U.S. source income or their income which is effectively connected with the conduct of a U.S. trade or business; they are not taxed on U.S. source capital gains or interest from U.S. bank deposits unless such income is effectively connected with the conduct of a U.S. business.

The U.S. beneficiaries of a foreign trust are not taxable on the trust's income until they receive trust distributions. Upon such distributions, the beneficiaries pay taxes which equal what they would have paid had the accumulated income been distributed currently. This rule, known as the "unlimited throwback" rule, has applied to foreign trusts since 1962 and it was extended to distributions by domestic trusts by the 1969 Tax Reform Act.

Although the unlimited throwback rule assures that U.S. tax will ultimately be paid, it still allows unlimited deferral of the tax. During the period a foreign trust accumulates income, it does not pay U.S. tax on its foreign source income, U.S. capital gains, or interest on U.S. bank deposits. Although U.S. tax must ultimately be paid in the year of distribution to a U.S. beneficiary, this may be many years later, and in the meantime the trust has had the use of the money which would otherwise have been paid in taxes. By contrast, a domestic trust is taxable currently by the U.S. on all of its worldwide income. Accordingly, the effect of the unlimited throwback rule in the case of a foreign trust may be characterized as an interest-free loan to such trust of the U.S. taxes which would have been paid had the trust distributed its income currently.

During consideration of the 1969 Tax Reform Act, the Senate Finance Committee proposed that there be a special interest charge on beneficiaries receiving accumulation distributions at the rate of three percent per year from the time of accumulation to the time of distribution. This proposal was not enacted.

Our office does not at the present time have any statistics regarding the use of foreign trusts by U.S. citizens. However, all U.S. persons who establish or make transfers to foreign trusts are required to file with the Internal Revenue Service a regular gift tax return (if a gift is involved) and a special information Form 3520. Failure to file either form involves both civil and criminal penalties. Gift tax returns are subject to normal audit procedures regardless of the person or entity to which a gift is made.

Form 3520 requires data regarding the name of the trust, place of creation, name of trustee, the names, addresses, and birth dates of beneficiaries, terms of the trust regarding distribution and termination, and data regarding the kind, cost, and description of property transferred to the trust as well as the amount, if any, paid by the trust for property transferred. This form is filed with the IRS Office of International Operations and is immediately distributed to the Internal Revenue district where the taxpayer files his returns. The information on the form is then available to the agent who audits the taxpayer's return.

You asked whether the use of foreign trusts by Americans constitutes a serious problem of tax avoidance. Although the seriousness of the problem is debatable, it seems likely that in most cases the primary reason why an American would choose to use a foreign trust rather than a domestic trust is to reduce or defer U.S. taxes.

I hope this information will be of assistance to you.

Sincerely yours,

FREDERIC W. HICKMAN,
Assistant Secretary.

The Treasury Department's letter is a rather dry statement of the problem—others are much more imaginative.

There is a new publican called Tax Haven Review. In the first issue, the editor states:

A regular and up-to-date information source on tax havens was urgently needed by lawyers, auditors, bankers, individual and professional money managers.

Starting with this issue Tax Haven Review can inform you regularly about legal changes, political, economic and other facts affecting the safety of your investments in 35 tax havens.

The first issue describes the political and tax situation in Hong Kong, the Bahamas, Costa Rica, the Isle of Man, and the Cayman Islands. The tone of this new "newsletter" is well conveyed by some of the quotes from the Cayman Islands section:

With a total population of 13,100, they [the Cayman Islands] now rate some 140 banks and trust companies and about 5,000 registered companies, one for every inhabitant of the capital, Georgetown.

The Caymans also came relatively late to the tax haven scene, another big advantage. The authorities have deliberately enacted legislation which makes the islands an attractive tax shelter. . . .

No area in the world is less taxed than the Caymans. There is an import tax, and stamp duties and registration fees are charged—and every male citizen over 18 pays CI$2 a year. But there are no income taxes, capital gains taxes, inheritance or other kinds of taxes.

The new publication also provides a "not-so-grim fairytale" of how the foreign situs trust can help avoid taxes. Following are portions of the "fairytale":

THE FOREIGN SITUS TRUST: A NOT-SO-GRIM FAIRY TALE

(By Lloyd E. Shefsky and Lee R. Barbakoff)

INTRODUCTION

Once upon a time, in the Kingdom of Alltax, there lived a knight who had accumulated great wealth. The knight lived with his wife and three children in a beautiful palace, and wanted for nothing that could be needed or desired by man. The knight had accumulated this great wealth by favor of the King, for whom he had fought great battles, expanding the jurisdiction and improving the economy of the Kingdom. However, the jurisdiction required maintenance, and the economy required constant priming. The King was therefore left with little alternative but to assess increasingly by heavier taxes. So the King assessed a tax on income, a tax on death, a tax on gifts and other taxes far too numerous to mention. All the inhabitants of the Kingdom felt the burden of the heavy taxation.

The knight, after reviewing the various tax decrees and discussing them with the various counsellors of the court, so arranged his affairs that his properties and his valuable assets would be transferred to a nobleman of another kingdom, to be held in safekeeping in accordance with the knight's instructions. The knight was most careful in his planning and implementation of the transfers to the nobleman in the other kingdom, and, in so doing, the knight managed to avoid most of the burden of the income tax, the death tax, and the gift tax. And the knight and his family lived happily ever after.

There is only one thing wrong with this fairy tale: It need not be a fairly tale, it can, and does, happen.

UNITED STATES TAXES

The impact of that fairy tale becomes most startlingly apparent, when we examine the various tax laws imposed in the U.S. Unlike many countries in the world which have adopted a "mind and management"

concept of taxation, the basic and underlying principle of taxation in the U.S., is one of universality. A person (which includes a citizen of the U.S. and a trust whose situs is in the U.S.) is taxable by the U.S. on all of his income, regardless of the source or derivation of that income. This burden may be alleviated in some cases by granting credit for taxes paid to foreign jurisdictions, and by excluding some income earned abroad by persons absent from the U.S. for substantial periods of time. However, by and large, the principle of universality of income does apply. Substantially, the same principle applies to the U.S. estate tax imposed on the estate of a deceased U.S. citizen. Keeping in mind that principle of universality, let us examine the nature and impact of the various taxes in the U.S. persons establishing or dealing with trusts in other jurisdictions.

CASE STUDY

Perhaps, the effect of such programs can best be seen by analyzing a hypothetical example.

Mr. I. M. Taxed, a U.S. citizen, resident in Chicago, Illinois, is 52 years old, a widower with three adult children and five minor grandchildren. He started his own business (High Flyer, Inc.) thirty years ago. The business prospered, and, four years ago, High Flyer, Inc. was acquired by Stable Industries, Inc., a publicly held conglomerate, whose stock is traded on the New York Stock Exchange. The stock in Stable Industries, Inc. which Mr. Taxed received presently is valued at $5,000,000 and is readily tradable. His other assets are valued at $1,000,000.

Despite his success and fortune, Mr. Taxed is somewhat concerned, because Stable Industries, Inc. is highly growth oriented and pays extremely low dividends. He anticipates retirement in about 5 years and would prefer diversified investments with reasonable yields, enabling him to live comfortably without invading principal. He would like to sell $4,000,000 of Stable Industries, Inc. stock and reinvest the proceeds in diversified municipal bonds. He goes to his tax counsellors to learn the tax ramifications of such a transaction and to review his overall estate plan.

The following is a summary of the analysis which his tax counsellors presented:

Sale of $4,000,000 of Stable Industries, Inc. Stock:

Basis of stock—approximate = zero.

Effective Federal tax rate, including tax preference = 40%.

Tax on sale: $4,000,000 × 40% = $1,600,000.

State Tax at 2.5% = $100,000.

Investment of $2,300,000 remainder:

Reasonably secure 6% tax free bonds that will yield $138,000 tax free income, which will be sufficient for his needs and will be expended each year. (It is assumed that Mr. Taxed will not purchase highly leveraged tax shelter investments, which might effectively preclude his purchasing tax free bonds.)

Estate Tax:

Assuming that a taxable estate of $4,300,000 remains after payment of the tax on sale of the stock:

Estate and Inheritance Tax = Approx. $2,300,000.

Summary of Results:

	Amounts	Percentages
Estate at beginning of example	$6,000,000	100
Less—		
Federal and State tax on sale	(1,700,000)	(28⅓)
Federal and State death taxes	(2,300,000)	(35⅓)
Remainder to heirs	2,000,000	33⅓

The example may seem extreme, but, in fact, may reasonably aproximate many actual situations. In the example, 66⅔% of the estate will be consumed by taxes, with only 33⅓% left to distribute to Mr. Taxed's heirs. Even if he does not sell the stock, death taxes would approximate $3,500,000, leaving only approximately 40% for his heirs, and meanwhile, he would not have the income flow for retirement. Mr. Taxed, upon viewing the result, may wonder why he worked so hard to build up a business for the sake of the government.

Mr. Taxed, somewhat stunned and highly motivated by the analysis, would no doubt inquire of his tax counsellors how the potential taxes might be minimized without disrupting his plans and goals. His tax counsellors, might propose one of the sophisticated methods of utilizing foreign-situs trusts to achieve the desired result. The effect of such a transaction, on the same factual situation, might be as follows:

Assume that a trust had been settled in the Bahamas, with a Bahamian trust company acting as trustee, for the children and grandchildren of Mr. Taxed. Mr. Taxed could enter into a transaction with the trust, whereby he sells $4,000,000 of his stock to the trust, in exchange for which the Trustee promises to pay him $366,000 per year, for the rest of his life, on a private annuity basis.

Mr. Taxed:

Sale of $4,000,000 of Stable Industries, Inc. stock to a foreign trust in exchange for a private annuity:

Tax at time of Sale: None

Return to Mr. Taxed on Private Annuity:

Annual Payment	$366,000
Capital Gains	[1] 166,000
Tax on Capital Gain	(66,400)
Ordinary Income	[1] 200,000
Tax on Ordinary Income	(120,000)
Annual After-Tax Cash Flow	180,000

Number of Years Life Expectancy: 24.

Estate and Inheritance Taxes:

Balance of Estate (all assets not transferred in private annuity)	$2,000,000
Estate and Inheritance Tax	(900,000)
Available for Distribution to Beneficiaries of Estate	1,100,000
Trust:	
Investment Principal	4,000,000
Annual Return on Investment (Assumes 10% Return) [2]	400,000
Annual Annuity Payments	(366,000)
Estimated Fees and Costs	(24,000)

Net Annual Cash Flow: $10,000.

Estimated Term of Trust: 24.

Estimate Compounded Cash Flow over Life of Trust	885,000
Aggregate Principal and Income Distributable to Beneficiaries	4,885,000
Tax on Repatriation of Funds on Distribution	$1,221,000
Net to Beneficiaries	3,664,000

[1] Since there was a zero basis in the stock, there could not be any recovery of capital.

[2] The 10% return is used to equate the 6% municipal return in the prior example with the theoretical after-tax return on capital gains. In fact, certain trusts have achieved returns for in excess of the assumed annual rates of 10%. To the extent the 10% yield is exceeded, the balance in the trust will grow geometrically because of the absence of tax and the compound interest factor.

Summary of Results for Mr. Taxed and Trust:

	Amounts	Percentages
Estate at beginning of example	$6,000,000	100.0
Estate in United States at death	2,00,0000	33.0
Less Federal and State death taxes	(900,000)	15.0
Distribution to heirs from foreign trust	4,885,000	81.4
Less capital gains tax	(1,221,000)	20.3
Remainder to heirs	4,763,000	79.5
Estimated additional cash Flow to annuitant over life expectancy [($180,000–138,000)×24]	1,008,000	16.8
Total benefits	5,771,000	96.3

The net result is that Mr. Taxed's heirs will be left an additional $2,763,000 which they otherwise could not have received, and that Mr. Taxed would have an additional $42,000 per year of cash flow throughout the rest of his life or an aggregate cash flow over expected life of $1,008,000. Additional savings might be recognized, since personal property taxes would not be assessable against the trust property, which would be held outside the U.S. The procedure and result are not substantially different than that of the knight in the fairy tale. (Another alternative might be for Mr. Taxed to sell his stock to the trust on an installment basis. The installment receivable would remain in Mr. Taxed's estate; however, the payments could be deferred over a longer period of time than his estimated or actual life.)

The rather substantial benefits derived in the example are partially a function of the amounts involved; however, similarly significant benefits are available in smaller estates with proper planning.

Mr. Speaker, I am not for high taxes or against individuals legally reducing their taxes. But I believe that our tax system should be as fair as possible—and that tax shelters available to only the wealthy should be eliminated. The foreign trust is a tax shelter for the rich, and I am hopeful that the Ways and Means Committee will be able to take action this year to eliminate the foreign situs trust gimmick.

BALANCING MAN AND NATURE IN THE CHESAPEAKE BAY—PART III

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BAUMAN. Mr. Speaker, America's largest and most important estuary, the Chesapeake Bay, is the object of considerable serious scientific study. Earlier this week, I inserted in the RECORD the first two installments in a series of articles on the bay by Woody West, of the Washington Star-News, and today I am inserting part three, which examines in detail this scientific study.

As Mr. West notes, one of the most important aspects of the scientific study under way is a project known as the Chesapeake Bay Hydraulic Model, now under construction at Mattapeake, on Kent Island, an area I am honored to

have within the congressional district I represent. The model was established through the efforts of my predecessors as U.S. Representatives from the First District of Maryland, the late Bill Mills, and Interior Secretary Rog Morton. Only last week the House appropriated an additional $3 million for continued construction of the model. I strongly support this project, and hope that the potential it offers is augmented by the creation of a formal Chesapeake Bay Compact, to study and implement the knowledge gained by this model and other scientific study of the bay.

Mr. West's article notes the fact that, along with 16 cosponsors from Maryland, Virginia, and Delaware. I introduced legislation several months ago to permit creation of such a compact to study and guide the Chesapeake Bay's future. But he also notes the reluctance with which it has been met, and I must admit that I am disappointed by the fact that the Judiciary Committee has chosen to ignore the bill in spite of the obvious need for quick action. As Mr. West writes at the end of this article:

It is a race against time.

The article follows:

MAN AND NATURE IN A RACE AGAINST TIME

(By Woody West)

This is the third of a four-part series on Chesapeake Bay, the forces that threaten it and its future with regard to the millions of people in this area who depend on it for work and pleasure. Today: The role of science in Bay affairs.

As the pressures from a frantically swelling urban population continue to multiply around the Chesapeake Bay and its tributaries, science has a focal role in determining the future of this extra-ordinary resource.

The present population of more than 8 million people—stretching from the Susquehanna River basin to Norfolk-Newport News—is projected to more than double, perhaps as soon as the end of the century.

There is apprehension among leading Bay scientists and administrators that the public, whose lethargy about environment has only begun to diminish in recent years, may decide to pass the word to the scientific community one of these days: Take care of the problem and do it on the double.

"If we can put a man on the moon, why can't we . . ." became a tedious chorus after the epochal Apollo flight.

But Dr. William J. Hargis Jr., director of the Virginia Institute of Marine Science, deflates that simplistic view as applied to the Bay "In the space program" he said, "they were dealing with hardware and predictables far beyond what can be done in the environment, in the Chesapeake.

"Public consciousness about the environment has not yet translated into providing the means to gain timely and essential data that is necessary to deal with many of these pressures on the Bay. And, remember, it always costs more to do studies under a deadline. In many of these areas you just can't rush. You're dealing with Mother Nature and as the margarine ad says, she doesn't like to be trifled with." Hargis added.

A striking example of this complexity was provided in a key study for the National Science Foundation in 1972, which called for a mobilization and coalescence of research about the Chesapeake and its application to the needs of society.

Suppose, the study posited, that both Maryland and Virginia were to ban the use of selected pesticides. What could happen?

There would be gains: Cleaner water from reduced agricultural runoff, more sports fisheries, increased commercial fishing, and additional water recreation with related employment opportunities.

Then the study dropped the inevitable "on the other hand." There would be potential losses from the prohibition: Reduced agricultural yields, decline in vital poultry production caused by higher prices for feed grains, reduced employment in poultry processing, and increased consumer prices for poultry products.

So intricately interwoven man and nature that the complexity of the problem grows. On the side of potential gains for the pesticide ban, the study reflected further, could come these questions: Given cleaner water, what would be the increased biological activity. If there were increased biological activity, what would be the effect on employment, on land values and use for sports and commercial fisheries, as well as for boating and recreation.

But the potential losses, too, would raise other questions: If the prohibition reduced agricultural yields, what new crop patterns might emerge and what effect could this have on employment: Given a reduced production of feed grains, would there follow a contraction of the poultry industry and jobs in processing plants?

Finally, might these various potential changes, or a combination of them, have an impact on migration of people into or out of particular areas of Virginia and Maryland? Would potential gains require new schools, roads, hospitals or on the contrary, stimulate pressures to abandon some of these facilities? Would changing employment create new demands for more skilled workers or more service workers?

The formidable chart of possibilities from one specific effect is a daunting example of what Johns Hopkins University's Dr. Donald W. Pritchard calls the fundamental precept of environmental research: "There are no simple answers."

Pritchard, Hargis and Dr. L. Eugene Cronin, director of the University of Maryland's Natural Resources Institute, have for decades constituted an influential triumvirate in Bay scientific affairs. They no longer are lonesome.

The magnitude of scientific scurrying becomes apparent in the "Chesapeake Technical Conference and Chowder and Marching Society," a whimsically labeled creation of Dr. Donald W. Lear Jr. one of the Annapolis field office of the Environmental Protection Agency.

A few years back, Lear decided it would be helpful if all the institutions, agencies and private firms engaged in Chesapeake-related research were to meet informally each year to find out who was doing what and when. Some 40 representatives turned out for the first get together, appropriately held at a Southern Maryland crab house.

This year's session had a roll call of 51 groups, which ranged from the obvious governmental agencies and academic contingents to the Ichthyological Association from Delaware, the Martin-Marietta Corps., the Westinghouse Ocean Research Laboratory and a consultant in phytoplankton taxonomy.

One of the first collective efforts was the Chesapeake Research Council. It is composed basically of Hargis, Cronin and Pritchard. It is, as Cronin says, "almost unstructured—it was organized on my back porch one afternoon when we decided we needed a mechanism for cooperative programs, to approach the Bay as the unified.

A more recent groupings, and potentially the most significant development on Chesapeake Bay thus far, is the Chesapeake Research Consortium. Its incorporation in 1972, as an umbrella administrative unit for much Bay research and as a conduct for a sizable wad of federal research dollars, embodies a major policy direction for environmental investigation and seeks to include the "managers" of the Chesapeake—the local, state and federal agencies that have a daily jurisdiction in Bay affairs.

Essentially, it provided the marching orders for much of the scientific energies available around the Chesapeake. Increasingly, the emphasis is toward what Pritchard calls 'the early application of research results to the needs of society."

The still-young consortium has not been without growing pains, which its director, Dr. Theodore Chamberlain, describes as "highly sensitive." However, there is agreement among Bay observers that the consortium is an essential beginning toward cooperation, scientific and managerial, even if it is not the final mechanism.

The motivation of many researchers has been that of "pure" science, committed to rigorously pursuing a natural phenomenon wherever it might lead. However a more pragmatic dictate to solve the Bay's environmental problems has encountered a degree of resistance from some of these investigators.

Another criticism of the still-young consortium at this stage is that it is not sufficiently broad-based, both in academic participants and sources of financing. The consortium's board of directors has set up a committee to study ways to enlarge both areas.

For now, however, the consortium remains the broadest-based and dominant group of its kind. Its director, Dr. Chamberlain, puts its aim this way:

"We're going to have to put a social value on everything we do. It's no longer possible to make statements about aspects of the system without doing this. Right now, there's what might be called a dynamic equilibrium in this entire area—everything's changing in every way."

Maryland's Coulter, whose Natural Resources Department has major responsibilities for the state's portion of the Bay, feels the consortium "has the potential to be the best thing that has yet come down the pike. For the first time, the major institutions of science and government are talking, planning with each other. We're over the hump of bringing these competing organizations together."

It is co-ordinating, for instance, a massive study of waste-water disposal, the most critical development pressure on the Chesapeake and its tributaries. Another current study involves minute investigation of the fragile wetlands and shorelines of the Bay area—over 8,500 miles of sensitive shoreline buffeted both by man and weather.

Concurrently, the various institutions are continuing their own studies—on the life cycle and culture of the valuable oyster and marketing processes; on the effects of heavy metals—zinc and lead, copper and mercury—on studies of parasites and exotic forms of aquatic plant life; on spawning grounds and migratory patterns of Bay species; on nutrient loading, spoil disposal from dredging, tides and currents, sediment control, pesticides and biocides.

Much of this diverse scientific engineering information, as well as socioeconomic aspects of the Bay area, now is being collated by the Army Corps of Engineers in what will be the first comprehensive inventory of such data. This "existing conditions" study will be followed by a "future conditions" report,

projecting what can be expected to happen on the Bay in coming years.

The "existing conditions" study, a massive compilation, has taken nearly five years.

Part of the congressional directive under which the Corps is working is a sophisticated hydraulic model of the Chesapeake, a 14-acre shelter for which is now being completed at Mattapeake or Kent Island just east of the twin Bay Bridge.

That model will duplicate in miniature the physical properties of the Bay, tides and currents, tributary flows, and salinity levels so that an event—the onslaught of a Tropical Storm Agnes, for instance—can be simulated in the device to indicate what results will follow. It will be able in three days to process a year's accumulation of data, Corps spokesmen say, and thus permit a speedy calculation of the effects of a major storm's effects.

But beyond the present mechanisms and those institutions attempting to act as catalysts to preserve the Bay, there should be some more formal, more potent structure, according to many scientists and administrators who are thinking of, perhaps, a semi-autonomous bistate agency.

Maryland's Cronin said, "I've hoped for many years that the two states can find an effective way for bi-state action, based on aggressive and positive action and supplemented by the federal government, to approach and to manage the bay as the single unit it is—the single physical, chemical, biological and environment entity that it obviously is."

He added, though, that he had seen on effective movement by Maryland and Virginia toward that concept."

Discussion of such a regional governing body has bobbed about the Bay for half a dozen years, inconclusively. A Chesapeake Bay Compact has been discussed but, so far, has met with reluctance at key points.

The most recent wave in this direction came in April when Rep. Robert E. Bauman, a Republican from Maryland's Eastern Shore, introduced legislation to permit formation of such an inter-state agency. Bauman was joined by 16 colleagues from the Bay states and Delaware.

So there it stands—a vast store of scientific energies and capabilities, a mountain of often conflicting interests, and a groping attempt to bring these vital functions into something approaching a unified whole. It is a race against time.

COMMUNICATION WITH CONSTITUENTS

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BRAY. Mr. Speaker, next to the mailman the Member of Congress is the Federal official closest to the individual citizen. This is often overlooked or ignored. Also seldom realized is the fact that through the Congressman the citizen has a direct and rapid pipeline to the Federal Government—any part of it—at any time on any matter. This is a very real freedom that must be preserved and strengthened.

A public opinion poll is probably the very best way of keeping this pipeline open and in constant use. It enhances the regular communication I have with my constituents and generates new and widespread interest in pending issues. As in past years, the results from the poll will be tabulated and inserted into the RECORD, with everyone being polled getting a copy of the insert.

The questions follow, for "Your Opinion, Please—1974":

(1) If busing school children for racial reasons is not banned by the Supreme Court, would you favor a constitutional amendment?

(2) Should there be Federal legislation requiring registration of rifles and shotguns, and prohibiting private ownership of handguns?

(3) Should the U.S. keep control over the Panama Canal?

(4) Should there be Federal Government regulation of the use of privately-owned and state-owned land?

(5) Should political campaigns be financed out of the Federal Treasury?

(6) Should there be a Federal law setting the death penalty for "terrorist" crimes, such as kidnapping when the victim is harmed, sky-jacking and assassination?

MINIMUM WAGE LAW

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ROUSH. Mr. Speaker, the minimum wage law became effective on May 1 of this year, after several years of serious, protracted effort on the part of the Congress to increase the below-poverty level minimum wage rate.

I was personally shocked to find out that the Department of Labor is evidently not equipped to handle the questions of people who are subject to the new provisions of that law. A constituent from my district in Indiana contacted the local Labor Department office, was referred to the Indianapolis office and in despair, finally gave up and called me. It seems to me that if people are required to abide by the law, at least we owe them the decency to make sure that they know what it is. Do not we have a tradition in this country that all laws are printed because otherwise the citizenry is not responsible to those laws? Well, with the complexity of present day legislation I think it is incumbent upon the departments of Government that administer these laws to provide full, detailed, specific, and understandable explanations of these laws.

The Education Amendments of 1972 are not fully implemented because HEW is still working over the part dealing with equality of education in physical education. And I found out, purely by accident, that a tax bill passed in 1969 could not be implemented until 1972 because that's when the regulations were finished. I am afraid we will not be able to fund communities that wish to make use of the funds provided under the emergency medical services bill last year because regulations are still in the works on that. Legislation we pass that has a termination date is ready to expire before people find out about it and use it. I do not think any of this fair to the American people and I do not blame them when they complain.

THE NATION'S LIVESTOCK FEEDER CRISIS

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ZWACH. Mr. Speaker, during the past few days I have received numerous calls and telegrams in regard to the falling beef market prices.

Tuesday's market dropped to 35 cents on beef in St. Paul, and hog prices have dropped to pre-1972 levels.

With your permission, Mr. Speaker, I would like to insert into the RECORD a mailgram I received from the National Livestock Dealers Association. It hits the nail on the head, and reads as follows:

[Mailgram]

BRIGHTON, COLO.,
June 11, 1974.

Representative JOHN ZWACH,
Committee on Agriculture, U.S. House of Representatives, Washington, D.C.:

Each day while the Nation's livestock industry continues to call attention to the crisis situation that exists, and urges immediate action for relief. Economic disaster reaches further into all segments of the industry. As the result of the tremendous losses being suffered by the nation's livestock feeders, the industry unable to purchase replacement stock even if such businesses can find any feasible economic basis for so doing. As a result, the nation's livestock marketing system is in a severe situation and its entire existence as known is threatened.

Livestock marketing businesses around the country report business off up to 75 percent to 80 percent during the past several months, with some closings, at least temporary, and others reporting employee layoff others are threatened with actual bankruptcy, a continuation of the critical and unpredictable market situation dangerously threatens the nation's livestock marketing industry.

The board of directors of the National Livestock Dealers Association meeting in Chicago, Illinois, on June 8 and 9 adopted the following four-point proposal which it urges be immediately implemented to provide relief to the critically dangerous situation in the livestock industry:

1. Implementation of an immediate embargo on all meat imports entering the United States to be effective until January 1, 1975, and followed at that time by a reimposition of quotas under the Meat Import Act of 1964.

2. Authorization for the SBA and/or the FHA for loan guarantees to the livestock industry and funding of $1 billion to support such guarantees.

3. Limiting of U.S. purchases of meat and meat products, including military purchases, to those products produced in the United States.

4. Changing meat grading standards so that over feeding of cattle will not be encouraged, but so that the consumer will be guaranteed a leaner product with the same degree of quality now enjoyed.

All segments of the industry face bankruptcy if relief is not forthcoming, the

American consumer will suffer the consequences. We urge immediate action.

NATIONAL LIVESTOCK DEALERS ASSOCIATION,
JOHN C. AUGUSTINE, *Executive Director.*

ABOUT AMERICANS IN FOREIGN JAILS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. WOLFF. Mr. Speaker, as Americans contemplate traveling outside the United States this summer, they should be aware of the stiff drug abuse laws that exist in many foreign countries. Most of the Americans held in foreign jails are now facing drug charges or convictions, with some offenders facing sentences of up to 30 years.

U.S. News & World Report has written an informative article on this subject, and I would like to insert it in the RECORD for the attention of my colleagues. In an attempt to end the misinformation and lack of information on foreign drug laws, I have introduced legislation which would direct the Attorney General to prepare a pamphlet explaining the drug abuse laws of certain foreign countries and to require the distribution of the pamphlet to passengers traveling on an air or water carrier to foreign countries. The U.S. News & World Report article, which points out the need for the legislation I have introduced, follows:

[From the U.S. News & World Report, June 17, 1974]

ABOUT AMERICANS IN FOREIGN JAILS

You often read of American visitors abroad being arrested, frequently on narcotics charges, and then sentenced to long terms in foreign prisons. How big a problem is this?

At the latest count, the State Department had records of 1,492 Americans detained in jails of 59 countries. Most of them—1,013—were being held on drug charges or convictions. The remainder had been arrested on charges including robbery, assault, extortion, rape and murder.

Which countries hold the most American prisoners?

Mexico, with 470 imprisoned Americans, heads the list. Canada, Germany, the United Kingdom and Spain follow, in that order. Forty-two Americans are still in Cuban jails, 11 of them on drug charges.

What help are U.S. authorities able to give these Americans in trouble?

Very little—unfortunately so, in the cases of some prisoners.

What many Americans seem to forget when they are in another country is that they are no longer under the protection of U.S. law. Many are shocked, after they are detained by police, to discover they are liable to punishment under a largely unfamiliar legal system. Prison sentences may be far more severe than they would be for similar offenses committed in the U.S.

Aren't there any actions that U.S. officials can take?

Yes—but always with the recognition that under international law each country has the right to punish violators of its laws.

For example, U.S. consular officials watch to be sure that Americans are not treated more harshly by the courts than nationals of the country.

The U.S. Government is also concerned when prison sentences, even though applied equally to both Americans and nationals, appear to be excessive. Consular officials are also supposed to be of assistance in finding lawyers and verifying that adequate opportunity has been given to prepare a defense.

Consuls are instructed to visit Americans in foreign jails; see that they receive sufficient food, toilet articles and medicines, and, when possible, attend their trials.

Several American youths were recently tried and sentenced in Turkey on drug charges. What happened there?

Those still imprisoned in Turkey from that case are Katherine Zenz, 28, of Lancaster, Wis.; Jo Ann McDaniel, 29, of Coos Bay, Oreg., and Robert Hubbard, 23, of San Antonio. All were accused of smuggling hashish and were sentenced to death, although Mr. Hubbard testified that the women were unaware of the narcotics.

Later a court commuted the sentences to life imprisonment. However, an amnesty law recently passed in Turkey is expected to make all three eligible for release after 12 years.

In another case, William Hayes, a 27-year-old American, was arrested as he was leaving Turkey and charged with possession of hashish. He was given a five-year sentence. The Turkish Government, dissatisfied with the sentence, appealed to a higher court which ruled that Mr. Hayes should serve a 30-year term. However, the new amnesty law would permit his release in eight years.

Even though international law provides no legal justification for protesting against an "excessively harsh" sentence, the State Department has stated that it considers the life sentences much too harsh.

Unofficial talks have been held with Turkish leaders in an effort to get the sentences reduced.

It seems as though countries which are major producers of narcotics are the ones that impose the toughest penalties when they detain an American. Why is this so?

Some countries—Afghanistan, Turkey and India, for examples—only a few years ago thought of drug usage as a habit of foreigners. They now realize that their own youths have been infected, and they are far less lenient.

There's another side to the story, too: In country after country, there is a growing revulsion against the influx of "hippies" from the U.S. and some Western European nations.

A reaction has set in against "hippie" colonies and drug usage by their inhabitants. Countries are now expelling, or turning back, foreign visitors with long hair and unacceptable forms of dress.

Can Americans arrested abroad be released on bail?

Generally not. And their confinement before trial can last as long as a year in various countries.

Foreign courts in some cases make little distinction between the possession of "hard" drugs, such as heroin, and the possession of marijuana. Often there's no line drawn between possession for personal use and for sale. First-time offenders may get the maximum sentence.

Some examples of what can happen:

Possession of a drug in Mexico, except in the case of an addict, calls for a prison sentence of from two to nine years and a fine of from $80 to $800. Trafficking in drugs brings a jail term of from three to 10 years and a fine of from $160 to $1,600. Pretrial confinement in Mexico lasts between six and 12 months.

Possession for personal use in Greece is punishable by a prison term of not less than two years. Maximum sentence for trafficking is 10 years. Of the 27 Americans now detained in Greece on drug charges, several are serving four and six-year sentences.

The present cosponsors of the resolution are Representatives ABZUG, ADDABBO, BADILLO, BRASCO, BROWN of Michigan, BROWN of California, BUCHANAN, CEDERBERG, COLLINS of Illinois, CONYERS, DELLUMS, DE LUGO, DENT, EDWARDS of California, EILBERG, FRASER, HARRINGTON, HELSTOSKI, KOCH, METCALFE, MCKINNEY, MITCHELL of Maryland, MOSS, STARK, THOMPSON of New Jersey, CHARLES H. WILSON of California, and HOLTZMAN.

SHORTAGES AND THE ENERGY CRISIS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ARCHER. Mr. Speaker, there has been much concern in this Congress over our energy shortage and the steps necessary to meet that problem. I recently received a letter from Mr. Hiram I. Walker, president of the Walker-Huthnance Offshore Co., in Houston, Tex.

Mr. Walker details in his letter the problem he has been experiencing in securing equipment to run and operate his drilling rigs which are necessary to produce energy. He sent with his letter a list of the supply company's estimated delivery date for equipment necessary to run his drilling rigs. I call it to the attention of my colleagues. I have selected only a number of items to illustrate the problem.

The letter follows:

WALKER-HUTHNANCE OFFSHORE CO.,
Houston, Tex., May 24, 1974.

Hon. WILLIAM R. ARCHER,
Washington, D.C.

DEAR BILL: In regard to our conversation of this week, enclosed is a supply company's estimated delivery date for equipment we might purchase from them to run and operate our drilling rigs, which, of course, is a source for oil and gas.

We ordered some tool joints this year from the Hughes Tool Company and we were informed we could expect delivery in 1979.

Also in regard to our conversation the following pertain to the ranch business:

1. In order to obtain steel fence posts and barbed wire, I had to drive 120 miles past Kansas City, Missouri to get them.

2. Baling wire was obtained at $30.00 a roll, this is up from $13.00, after approximately 6 months of searching.

3. A dual wheel pick up truck, I obtained after a 7 month wait. (wheels and hubs were unobtainable)

4. I waited 8 months to obtain a goose neck cattle trailer because of the shortage of wheels. I finally gave up and I'm going to drive them to the market, but I will need a chit from the environmentalist as we will raise a lot of dust.

The United States is a country of shortages and in my opinion, it is due to governmental regulations and the government being anti free enterprise.

If I can ever help you, please let me know.

Yours very truly,

HIRAM I. WALKER.

MANUFACTURERS ESTIMATED DELIVERY LEAD TIMES

Baylor Company (Brakes), 9–12 months.

Bear Manufacturing Company (Automatic Drillers), 2 months.

Cameron Iron Works (Blowout Preventers and Manifolds), 12–14 months.
Caterpillar Tractor Company, 9–12 months.
Dresser-Swaco (Automatic Drillers), 3 months.
Drilling Well Control (Chokes), 4–6 months.
Goodall Rubber Company (Hose Goods), 3–6 months.
Gray Tool Company, 4–6 months.
Ingersoll Rand (Air Hoists), 4–5 months.
Philadelphia Gear (Mud Mixers), 8–10 months.
Rucker Shaffer (Valves), 8–12 months.
Well Control (Degasser), 3–4 months.

MOUNTAINSIDE NAMED BICENTENNIAL COMMUNITY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RINALDO. Mr. Speaker, of the 588 county and municipal entities in the State of New Jersey, 37 have been designated as Bicentennial communities. In reviewing a list of these today, I was extremely pleased to note that six of them—or 16 percent of the total—are part of the 12th Congressional District.

I make this observation because Mountainside, N.J., has been designated as the sixth Bicentennial community in my district. On Saturday, June 15, the Mountainside Cultural and Heritage Committee will hold a special observance at the local library to commemorate the honor that has come to the borough.

As you know, the American Revolution Bicentennial Commission has set rigid standards for municipalities seeking official recognition as Bicentennial communities. Any municipality that aspires to fly the flag signifying its right to observe the 200th anniversary of the signing of the Declaration of Independence must propose a program of true historic and cultural import.

The resourceful and determined members of the Cultural and Heritage Committee in Mountainside have prepared such a program and won their Bicentennial flag. Chairman Matthew Powers and his committee have planned a series of projects that are intended to remind citizens of the future of Mountainside's historic role in the building of this great Nation of ours.

When Mountainside began its planning for the Bicentennial observance, the borough encountered a problem facing many relatively young communities. Only a few years past the observance of the 75th anniversary of its own incorporation, Mountainside as such did not exist in 1776.

However, the committee came up with an ingenious approach that has been commended by officials of the Bicentennial Commitee in Washingon. They proposed burying a time capsule containing contemporary accounts of life in 20th century Mountainside, plus records and artifacts regarding the public officials of our time. One hundred years from now, when the United States will be celebrating its Tricentennial, the 21st century residents of Mountainside will have an accurate record of how their 20th century predecessors lived.

I believe this unique approach of the borough of Mountainside deserves the sincerest form of flattery on the part of other communities in this Nation, which would do well to emulate Mountainside's example.

Additionally, the committee decided to restore the Badgely house, a structure that dates back to 1695. In prerevolutionary times, the Badgely house served as an outpost for settlers along the ridge of the Watchung Mountains. During the war itself, it was pressed into service as a refuge for colonists sought by the British troops who roamed through the area.

The Mountainside Cultural and Heritage Commission has already sponsored a display as part of its Bicentennial celebration. And plans are in the works for an international festival this coming September.

So, Mr. Speaker, I believe that the borough of Mountainside deserves to be commended for its creative and innovative approach to marking the 200th anniversary of the founding of our Nation.

ON THE RIGHTS OF THE LITHUANIAN PEOPLE, ANNIVERSARY DATE IS SATURDAY, JUNE 15

HON. JOSEPH P. VIGORITO

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. VIGORITO. Mr. Speaker, with much frustration and sorrow, millions of Lithuanians throughout the free world are commemorating the forcible annexation of Lithuania by the Soviet Union on June 15, 1940, and the subsequent mass deportations of thousands of Lithuanians to Siberian concentration camps.

Lithuanian-Americans who live in our free society note that 34 years have passed and still their brothers and sisters in Lithuania are denied the right of self-determination. These people are unable to freely express themselves politically and certainly do not have freedom of religion. The people of Lithuania are frankly being denied their basic human rights.

Free Lithuanians throughout the world are justly asking the United States to remain steadfast on its policy of nonrecognition of the forcible incorporation of the Baltic States, including Lithuania, into the Soviet Union. In the face of talks about détente with the Soviet Union, the United States should not agree to the recognition of the Soviet Union's annexation of Lithuania, Latvia, and Estonia.

In discussions with the Soviets, our U.S. representatives should press for the loosening of Russia's stranglehold on the people of Lithuania by allowing the following measures: Lowering of excessive tariffs imposed on gifts to relatives and friends residing in the Baltic area; increase the current 5-day tourist visa to Lithuania to a more reasonable limit; elimination of unreasonable travel restrictions on tourists to Lithuania, and provisions for Lithuanians to immigrate to other countries as provided by the Charter of the United States and signed by the Soviet Union.

The Soviet Union can only expect détente and most favored nation trade status if it at least allows a small degree of freedom for its people in relation to the rest of the world.

Lithuanian-Americans are especially concerned about the continuing strife of their fellow Lithuanians. They are freedom-loving people who wish only the basic human freedoms which are not yet theirs. I call upon Congress and the people of the United States to back the citizens of Lithuania in their quest for freedom.

FINANCIAL STATEMENT

HON. STANFORD E. PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. PARRIS. Mr. Speaker, as an elected official in a position of public trust, I have felt an obligation in the past to make public information regarding my personal finances. In past campaigns as a candidate for public office, I have disclosed to the residents of my district the facts of my financial condition.

As you know, I am a candidate for reelection to Congress this year. Because of that candidacy, and because of my belief that responsible financial disclosure is an obligation of every public official, I take this opportunity to insert into the RECORD a statement of my assets and information about my tax payments—even though such information is not required by law.

Mr. Speaker, the bulk of the net worth of my wife and myself, as well as my personal income comes from my salary as a Member of Congress, an automobile agency which I own, a small commercial property an interest in an office building, a family trust and listed securities.

For the RECORD, I have the following net assets: Value of real estate, less mortgages, including the automobile agency and the commercial properties which I just mentioned, my home in Fairfax Station and an interest in unimproved farmland in Fauquier County, Va., $861,900; notes receivable and limited partnership interests, $117,000; unlisted securities representing ownership interests in various commercial enterprises, $483,185; listed securities totaling $86,692; family trusts with an approximate value of $160,000; and personal property of limited and indeterminate value. My liabilities at this time amount to $88,000, excluding mortgages on real property.

Mr. Speaker, as you can see, the private enterprise system has been very kind to me. I have tried to repay this kindness by working hard to assure others the same opportunities I have had and by paying a substantial portion of my income to the State and Federal Governments as taxes. I would like the RECORD to show that during the years 1968 through 1973, I have paid $177,220.25 in State and Federal income taxes. Paying my fair share in taxes has been a privilege and I only hope that as an elected official I can have some part in seeing that not only the taxes paid by me, but the taxes paid by every American are not squandered but expended by the Government with wisdom and a sense of fiscal responsibility.

HOW TO END INFLATION

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. COLLINS of Texas. Mr. Speaker, I want to share with you some concise observations in a letter I received this morning. He writes about inflation, Congress, and overspending; and ties it all together. I have known Bill for 25 years. He is dynamic and, as chief executive officer, built from scratch one of our Nation's major businesses. He puts inflation where it belongs, and that is in the lap of Congress for overspending the budget.

America will have to face an economic crisis by 1976, unless we wake up today. We cannot spend money we do not have; issue money with no gold base, or borrow money at higher interest rates without a reverse impact. Spend and spend, and we will repeat history's famous statement, "It ain't worth a Continental Dollar."

Bill wrote me a personal letter so I am not using his name. But I hope the businessmen back in your State are as aware of where the ship of state stands as is my good friend back in Texas. I hope you will agree with the logic of his letter:

You may add another voice to the country's growing impatience with our serious leadership gap and disturbing inflationary trend. I write to you as a deeply concerned businessman.

Indecision in economic policy is the order of the day in the face of growing inflation. There seems to be but little awareness of the serious sensitivity of domestic monetary affairs to the strong winds and tides of international events.

When a leadership void exists, our country cannot tolerate a void in the competent management of our public affairs. Better plans for the national utilization of our resources must be developed. Accountability and control has to be applied over all governmental expenditures. Plans made require a relevance not only to the desires of the electorate but also to our ability to pay.

Those who say that only a portion of our Federal budget is controllable make a terrible error in judgment. Congress does have the ability—and the responsibility to control the full spectrum of the budget. Now especially is the time for Congress to assert its leadership in fiscal responsibility. It is urgent that our government move quickly towards a balanced budget.

I will be pleased to have suggestions on how we may best support your efforts towards this objective.

NEW TOWN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. LAGOMARSINO. Mr. Speaker, enclosed is an article prepared by one of my constituents, Mr. Leon B. Sager of Santa Barbara, Calif., which will be of interest to those concerned with the "New Town" concept.

The article follows:

EXPERIMENTAL NEW TOWNS AROUND THE WORLD

(By Leon B. Sager)

The sudden worldwide environmental concern is culminating for many in a new interest and involvement in their communities.

Since the beginning of time nature has presented man with his greatest challenge. He has built his civilization by mastering nature and drawing on its vast resources. But in his devotion to human progress he has often destroyed nature. Lately he has awakened to the realization that nature, too, is essential to his well-being. Contamination of the air and water and other forms of "progress" now threaten the very environment on which he depends for life.

Ours is an age of urbanization and motorization for which older cities are simply not prepared. Higher density and narrow streets have been on a collision course. Pollution alone has reached the stage where in Los Angeles physicians are telling some of their patients to move away. In Tokyo traffic policemen are often required to wear gas masks. Gas masks were also recently ordered for 50,000 workers employed in the petrochemical plants in the vicinity of Venice, Italy.

Evidence is accumulating that, at least in part, pollution as well as unplanned and excessive urban concentration can be avoided; that it is possible to achieve a healthier environment for living. With the development of technology, transportation, and communication, governments can now guide growth in a more enlightened and beneficial way.

The controlled growth movement started at the turn of the century when Ebenezer Howard laid out the original greenbelt around London. The first satellite new towns were created. Not only has England continued to expand in this direction; the whole Western world has followed and the movement has spread to Asia as well. Spectacular evidence of the shift from conventional urbanization to the planned community is provided by New Delhi and Chandigarh in India, Petaling Jaya, in Malaysia, and the satellite towns surrounding Singapore, in Indonesia.

New communities limit private automobile usage. In its place paths for walking and bicycling as well as public transportation are provided. Many European cities have set up streets exclusively for walkers: for example, Amsterdam, Cologne, Copenhagen, The Hague, Stockholm, and Barcelona, New York City, Philadelphia, Chicago, and Los Angeles are experimenting with the idea, and the movement is growing.

One example of the new towns is Stevenage in Britain. Stevenage is a planned community 30 miles north of London. Six large neighborhoods of 10,000 persons each were built in a semicircle around the town center, and each of them is provided with its own shopping center of four to 12 shops. The main shopping center is reached for the most part by bus, bicycle, or pedestrian walkway. By 1972, more than 18,000 industrial workers were employed in the 400 acres devoted to industry on the west side of town. Of all employed residents of Stevenage, 85 per cent work inside the town.

But even in Britain, which has the longest history of new town building, vast changes have been found necessary. Perhaps the most important change has been in size: Harlow and Stevenage have doubled their original population while Milton Keynes, the most recent new town, is planned for 250,000 residents.

Citizens of satellite cities also require efficient, rapid transit to central cities. The movement to meet this problem coupled with the effort to solve congestion, pollution, discomfort, and loss of time is worldwide. It takes the form of the greatest construction of subways in history, greatly expanded provision of buses including exclusive bus lanes, and a variety of new people-moving devices such as guided-rail lines, monorails, and a dial-a-bus service. Massive efforts are underway to find new solutions by employment of science and technology.

There are many European examples of comprehensive community planning. In Belgrade, for example, the response to central city congestion was to move across the Danube and erect a whole new city on 10,000 acres of agricultural land, of which 40 per cent is in parklands with broad open spaces along the river-front for museums, exhibition halls, and public buildings. Another planned community immediately adjacent to an established city is Esposizione Roma (E.U.R.) which is only 15 to 20 minutes ride by rapid transit from the center of Rome and close to the airport and the Mediterranean. An attractive city of 100,000 has arisen. At the center, an artificial lake is surrounded by promenades and gardens. The subway station opens onto the lake front.

France has designated eight growth centers in a nationwide regional urbanization plan to counter the attractions of Paris. Ten new communities are planned or have been started in less congested parts of the country. Sweden provides an example of metropolitan development that encompasses both the old city and the suburbs. In Stockholm, it has been public policy since the early part of the century to buy property outside its borders in anticipation of long-term growth. A series of small suburbs of 10,000 to 15,000 people, and an occasional main center of 50,000 to 100,000 people were created, all with easy access to Stockholm.

The new town movement is about to come of age in America. Powerful forces—public and private, natural and directed—are converging all over the U.S. The decade of the Seventies will see scores, if not hundreds, of new developments spring up, transforming not just the physical landscape, inside and outside of cities, but the human affairs of millions of Americans as well.

Many of the new cities are being built entirely by private entrepreneurs, among them Columbia, Maryland and Reston, Virginia, both near Washington, D.C. The federal government began sponsoring a movement to aid in the development of new communities and to guide future urban growth in 1968. Legislation under the direction of

the Department of Housing and Urban Development provided loan guarantees totaling $250 million, enlarged two years later to $500 million. Individual new communities may apply for loan guarantees as high as $50 million. Fifteen new communities have been approved; 20 more are in the process of final application.

One such community is The Woodlands, Texas, a 17,000 acre forest tract 28 miles north of Houston, Texas. More than one million dollars was invested privately in master planning the new town. One of every four acres will be preserved as open space or developed as recreation areas. Land use, sewage treatment systems, storm drainage, roadways and paths have been designed to assure minimum air, ground and water pollution. Seven villages and a town center are planned, the residential areas to contain 49,000 dwelling units on 6,200 acres. They will provide a mix of income and ethnic groups in both homeowner and rental dwellings. The Woodlands, which anticipates a population of 150,000 people, has received a $50 million loan guarantee.

The sudden worldwide environmental concern is culminating for many in a new interest and involvement in their communities. Life enrichment, if not sheer survival, requires that all individuals learn to give part of their time to social planning. Though, ultimately, this must extend to the region, the state, the nation, and the world, a good place to start is one's own community.

A good example is Santa Barbara, California. Internationally known for its beauty, the city's quality of life has become endangered by a dramatic increase in population, mostly new residents. The expansion rate between 1960 and 1970 was twice that of the state and four times that of the nation. Confronted with the conversion of pleasant orchards and open land to drab unplanned housing and commercial units, Santa Barbara faces the question: Can rapid growth and poorly planned urbanization be stopped?

Fortunately, there is among the citizenry a strongly motivated group of capable and concerned individuals willing to devote a large amount of time to civic affairs. Recognizing that the basic problem was land usage, citizen groups developed a movement to create coordinated country and city general plans. Many thousands of citizens belong to such organizations as the Citizens Planning Association, the Committee for Santa Barbara, and the Community Environmental Council, to name a few. Their efforts to control growth are beginning to show results.

Concerned citizens groups have found that even political bodies cannot necessarily be relied upon. Politicians must be persuaded and sometimes threatened with loss of political position to act for the overall community interest. When politicians fail to provide desired legislation, Californians have developed an effective technique, the Initiative.

JOE MOAKLEY FIGHTS FOR POSTAL WORKERS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. WALDIE. Mr. Speaker, seldom has a freshman Member of Congress demonstrated the vigor and determination in working for the benefit of postal workers and Federal employees as my distinguished colleague from the Commonwealth of Massachusetts, the Honorable JOE MOAKLEY.

During his freshman term in the Congress, JOE has served on the Post Office and Civil Service Committee. As chairman of the House Subcommittee on Federal Retirement and Employee Benefits, I have seen JOE prove himself to be a diligent and hardworking legislator in the finest tradition of the House of Representatives.

Accordingly, the committee has grown to respect his sound judgment and legislative expertise.

As we all know, the civil servant has unjustly shouldered the burden of skyrocketing prices for food, energy, health, and other vital consumer products.

Unlike most members of the private sector, postal workers and Federal employees have been both underpaid and underappreciated. JOE, as we can clearly see from his record, is keenly aware of this inequity. Because of his efforts and those of other progressive members of the committee, Federal employees now enjoy some of the benefits they so justly deserve.

Permit me to name just a few of the areas in which JOE has introduced or sponsored legislation:

First. Cost-of-living increases for retirees;

Second. Decreased cost of health benefits;

Third. Right to strike for postal employees;

Fourth. Early retirement for certain employees; and

Fifth. Government pay more of life insurance.

In all, JOE has sponsored more than 40 bills in the field of postal service. This impressive record, matched by only a few of his colleagues, is an example of the productive capacity of this tireless Congressman.

A breakdown of the legislation sponsored by JOE clearly shows his outspoken support of the Federal employee.

NOW PUBLIC LAW

Provide retirement benefits for Federal employees separated from service before eligibility date;

Increase Government share of health insurance costs effectively increasing your takehome pay; and

Increased annuities for Federal employees.

PASSED IN HOUSE

Reclassify position of U.S. marshal;

Reduce deductions of Federal employees for retirement; and

Increase multiplication factor for hazardous duty retirement.

REPORTED OUT OF COMMITTEE

Finance cost of mailing matter free or at reduced rates of postage;

Establish arbitration board between supervisors and Postal Service; and

Allow claims for overpayment at GPO.

PENDING BEFORE THE COMMITTEE

Allow postal employees to attend veteran's funeral without loss of pay or leave;

Enforce conflict-of-interest statutes;

Include locally recruited personnel in granting overseas differentials;

Permit postal employees to strike;

Improve workweek or firefighters;

National Guard technician to receive some benefits as Federal employees;

Increase employment opportunity of persons unable to work regular hours;

Age and service total 80 for immediate retirement;

Access to licensed providers of health services in Federal health benefits program;

Prohibit Civil Service Commissioner from holding another job;

Special assistance for employees separated involuntarily;

Access to social workers, services under Federal health benefits program;

Supplementary coverage to medicare program for enrollees of Federal health benefits program;

Free letter mail when writing to President, Vice President, Congress or Federal agencies;

Reemployment of recovered disability annuitants;

Government pay all costs of Government life insurance;

Supplemental retirement benefits for State and local law enforcement officers; and

Improve mail service; method of reimbursement for public service.

Through this type of decisive action, JOE has demonstrated his concern for the welfare of those Americans who have devoted their working life to years of public service. It is indeed an honor to serve in the Congress with such a man.

POLISH DAY PROGRAM IN ELIZABETH, N.J.

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RINALDO. Mr. Speaker, this Sunday, I will have the privilege of being the principal speaker at the 37th Annual Polish Day program in Elizabeth, N.J. I consider this a special honor, for the heritage of the Polish and American peoples are inextricably linked together. Indeed, the whole Western civilization owes a profound debt to Poland.

Over 500 years ago, one of the greatest scientists of all time was born and nurtured on Polish soil. Nicolaus Copernicus has had no equal in the field of astronomy, and his theories and insight revolutionized our views of the world. In fact, it would not be going too far to say that Copernicus is one of those great men who shut the door forever upon the Dark Ages and led us into the light of modern times.

But he is not alone in the hall of Polish heroes. Where would the United States be today without Casimir Pulaski, who came to the Thirteen Colonies from Poland and helped them throw off the yoke of British servitude. This great

man even gave his life at the battle of Charleston.

But, Mr. Speaker, I will not be recounting tales of heroes this weekend. I will be speaking of the Polish heritage and Polish people. Anyone who knows the least bit of history knows that Polish history is more than a few men, no matter how great; it is more than stories in yesterday's newspapers.

It is a vibrant, living tradition that makes itself felt in the United States of the 20th century. It is the story of people who have contributed so much and are so vital to the lifeblood of this congressional district. And I want to congratulate the Polish people who have contributed physically through their honest hard work. They have also contributed spiritually; the Polish people that I know are strongly religious, highly energetic, and full of national pride with a spirit that endeavors to strive for self-fulfillment and intellectual accomplishments.

Mr. Speaker, I am proud of the Polish people who have come to this country and joined us, and I am positive that we are a better country for their participation in our affairs, because it is their kind of contribution to the United States that continues to make this a land of opportunity and freedom for everyone.

CONNECTICUT OPERA ASSOCIATION HONORS FRANK PANDOLFI

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mrs. GRASSO. Mr. Speaker, this Tuesday evening members and friends of the Connecticut Opera Association and the Connecticut Opera Guild will gather to honor Frank Pandolfi, whose 33 years of unparalleled service to the cultural well-being of my State has justly earned him the title: "Father of Opera in Connecticut."

Frank is retiring as executive director of the opera association, an organization of dedicated and hard-working opera patrons which he founded in 1941. Over the years, under Frank's loving and careful guidance, the association has brought numerous works of operatic art to our State. Since 1949—when it was given official civic organization standing with Frank as its head—the association has produced an average of six operas a year in Connecticut and surrounding States. It has also sponsored a splendid children's program which is designed to instill a desire for opera and an appreciation of this musical art in the youngsters of our State.

Both Frank and the association have come a long way since those first days in 1941 when Frank's music students made their own scenery and costumes and presented "La Boheme" and "Traviata" before a capacity crowd of 250 opera buffs at the old Avery Theater in Hartford. As a matter of fact, just 1 year later Frank produced the world-famous work "Carmen" with the famous Metropolitan Opera star Winifred Heidt playing lead soprano to a sellout audience of over 3,000 at the Bushnell Memorial in Hartford.

Together with his association, Frank has always worked diligently to bring the finest of opera to Connecticut. Indeed, through his gracious efforts, Connecticut's national image has blossomed culturally and musically. Frank's most recent production was a staging of the "Daughter of the Regiment," starring Metropolitan Opera diva Beverly Sills.

Frank's long love affair with the finely intoned word and phrase—the intense pathos and exuberant joy that is opera—is well known by Connecticut patrons of the arts, who have benefited over the years from his enthusiastic and persistent pursuit of culture of our State.

Born in Mormanno, Calabria in Italy, he moved to this country and Connecticut at the age of 10, bringing with him an outlook and a creative energy that have captivated his native land and made it the center of opera in the world and the birthplace of greats such as Verdi and Puccini.

As a child in the new world, Frank developed tuberculosis and was forced to endure a long period of convalescence during which time he listened to and learned to love and appreciate the precise and beautiful nuances of opera as sung by the great Italian tenor Enrico Caruso.

Frank has always had a truly lovely voice, and in those early days he began a process of self-education by singing in Hartford area choirs. At the age of 20 he traveled to New York City where he studied first under Silvio Garavelli, a renowned baritone, and then under Ferrari Fontana, a famous dramatic tenor at the Metropolitan Opera. He auditioned for the great Sigmund Romberg and was given a role in the Romberg-Shubert production of "The Prisoner of Zenda." Later he obtained a singing role in the NBC national radio program "Gene and Frank."

In the 1930's Frank returned to Hartford, set up a studio and soon met, fell in love with, and married his accompanist, Carmella Cavalier. It was from this studio that Frank launched his active and long career in opera in Connecticut.

Since that time and now for more than three decades, Frank, working through the Association, has given spirit, breath and life to opera in our State. He has brought the masters to Connecticut, and we are deeply indebted to him. Indeed, one such master—Dorothy Kirsten, Metropolitan Opera diva—is planning to attend Frank's testimonial Tuesday. She is serving as honorary chairman of the event.

I would like to join other friends of opera in Connecticut in wishing Frank years of happiness and peace in deep enjoyment of many performances to come.

LITHUANIAN INDEPENDENCE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. WOLFF. Mr. Speaker, on June 15, 1940, through forcible annexation by the Soviet Union, Lithuanians lost their independence. While the people of Lithuania are denied the right of national self-determination, suffer continual religious and political persecution, and are at loss of basic rights, Lithuanians have not given up their fight for liberty.

Between 1940 and 1952, about 30,000 Lithuanians lost their lives fighting for the freedom of their countrymen. During 1972 there were many demonstrations in Lithuania against the Soviet presence, and rioting followed the self-immolation of Romas Kalanta. Two others beside this young Roman Catholic burned themselves in protest.

On such an occasion we should give thanks for the civil rights and liberties that are ingrained in our heritage. Such liberties should be among all men throughout the world. The anniversary of the invasion of Lithuania should stand as an appropriate hour to recognize the plight facing the people of Lithuania. It is only through such recognition that the hope for Lithuanian freedom is kept alive.

WILL WAR ON POVERTY BE CRIPPLED BY SHIFT OF OEO PROGRAMS TO OTHER AGENCIES?

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RANGEL. Mr. Speaker, we in the House have just passed a Community Services Act which shifts many of the programs formerly administered by the Office of Economic Opportunity to the Department of Health, Education, and Welfare. Although I supported this shift as a means of achieving a bill which would have majority support in this body, I had questions and continue to raise questions about what will happen to some of these important programs once they are shifted to a larger, unwieldy Government bureaucracy.

A possibly ominous portent is the recent complaint of the National VISTA Alliance about the effect upon VISTA, the 10-year-old poverty program which was merged in 1971 with the Peace Corps and other small agencies to form ACTION. According to the National VISTA Alliance VISTA has become little more than a national media campaign which encourages citizens to spend their weekends in clean-up efforts in communities. When it began VISTA permitted dedicated college students and others to lend their skills to meaningful social changes within communities.

It appears to me that this program is now being deemphasized and that students are no longer being encouraged to work in our inner cities and rural areas on the problems of the poor. I place in the RECORD for the information of my colleagues a news report from the Community News Service concerning the complaint by the National VISTA Alliance about a deflection of VISTA talent away from fighting poverty. It reflects the need for us to be certain that the programs we shift into other agencies will maintain their character once within a new bureaucracy whose essential purpose has nothing to do with the fighting and eradication of poverty.

The news report follows:

GOVERNMENT CRIPPLING VISTA FIGHT AGAINST POVERTY

(By Lovett Gray)

VISTA, a 10-year-old anti-poverty program under the Office of Economic Opportunity (OEO), has been de-emphasized and diverted from its original aims of fighting poverty, according to the National VISTA Alliance (NVA). The Federal Government is now reportedly asking VISTA volunteers to work for various governmental agencies that have nothing to do with fighting poverty. These moves are being made under the direction of a former White House aide who has been a frequent critic of VISTA.

"VISTA (Volunteers In Service To America) has been turned into a government token poverty program," said Della Mancuso a regional representative for the 1,500-member Alliance. "In the beginning there was a lot of community organizing, now there are just service type projects. My general feeling is that the people being recruited now are not really interested in organizing the community."

Organizing the community, she said, means work that "could not be done by paid staff workers—organizing rent strikes, affecting change in institutions and putting power into the hands of the people."

VISTA, formed in 1964, grew out of the "War on Poverty." It was designed to strengthen efforts to eliminate poverty and poverty-related human, social and environmental problems.

In 1971 the organization merged with the Peace Corps and seven other smaller agencies to form ACTION. At that time the NVA argued that the merger was designed by the Nixon Administration to downgrade VISTA and submerge its activity for the poor in a broad, multi-purpose agency dominated by the Peace Corps.

This sentiment was strengthened with the appointment of Michael Balzano, Jr., former White House aide and critic of the VISTA program, as director of ACTION.

Robert Coombe, regional vice-president of the four-year-old NVA said a recent agreement with the Federal Disaster Assistance Administration to provide 50 volunteers in the event of a publicly declared disaster will cause volunteers to "sacrifice their work in the community."

Ben Conti, VISTA Program Coordinator for the region covering New York, New Jersey, Puerto Rico and the Virgin Islands, said that more than 100 VISTA workers have already volunteered and gone through preliminary orientation for the FDAA program. In-depth training for volunteers who, Conti said, will man "one-stop centers" and coordinate the efforts of all the federal agencies at the disaster site, will be held within the next three months.

But Coombe said the volunteers will not man these "one-stop" centers. He pointed to the 1972 Pennsylvania flood where VISTA volunteers shoveled mud from basements, a job which he said should have been done by the National Guard.

Coombe also charged that the volunteers were not fully aware of all facets of the FDAA program when they signed up, especially of the fact that the program was mandatory.

Tom Page, a VISTA volunteer since February, is a para-legal intern at the Delancey Street Mobilization for Youth Legal Services. Page said he was under the impression that the list he signed for the program was just a "resource list" of volunteers who might be available at the time of a disaster. Page said he had no idea he was signing anything that contained mandatory provisions.

Coombe said the FDA agreement and another one with the Federal Office of Petroleum Allocation, where a volunteer did clerical work, exemplified the shift away from anti-poverty work. Other VISTA volunteers have reportedly been sought by the Office of Petroleum Allocation.

AID FOR SYRIA?

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ROUSH. Mr. Speaker, after being assured on one day that the United States had made no financial commitments in the Middle East, I read just the next day that $100 million in aid will be asked for Syria.

It is incredulous to me that we should be asked to make such an unusually large expenditure when there are so many needs here at home. Is our commitment to the rest of the world so great that we must neglect our own people?

Does our relationship with the rest of the world depend upon our money and our wealth rather than our goodwill and our willingness to just be good neighbors? If that is the case, then we are building on sand instead of rock, and our house is bound to come tumbling down.

It seems to me we should start asking ourselves some very basic questions:

Wherein do our priorities lie?

What kind of commitments have we made all over the world?

Can we really afford to do all that the administration is asking in the way of foreign aid?

Is it in our best interests to furnish arms and military equipment to governments whose philosophy is foreign to ours in the recognition of basic rights and freedoms?

What are we getting in return for all we give? Is there any tradeoff for all we give?

Mr. Speaker, one of the latest administration proposals to come along is the cleaning of the Suez Canal. We are being offered the "privilege" of cleaning the canal at the cost of $30 million. They say if we do not do it, Russia will.

Mr. Speaker, may I remind you that the Suez Canal was not blocked by this country. I would also remind you that the greatest benefit from reopening the canal will accrue to some of the wealthiest nations in the world—the oil-rich nations of the Middle East who are today wallowing in American dollars.

I would like just once for the United States to be in the position of having other countries fighting among themselves to see who can give us money.

Come to think of it, Mr. Speaker, the way we are going that day may not be far off.

BOATING SAFETY

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. STUDDS. Mr. Speaker, the summer boating season is upon us and every year literally thousands of people are rescued by the Coast Guard. But hundreds of people die each year despite the efforts of the Coast Guard and various State and local groups to point out the dangers of water sports. We can reduce this toll by educating the public to safe boating practices.

The Cape Cod Standard-Times of Hyannis, Mass., should be commended for making space available for the local Coast Guard unit to inform the public about safe boating practices. I urge my colleagues to read the following safe boating article from the May 12, 1974, Sunday Cape Cod Standard-Times and to pass the information on to their local newspapers.

The article follows:

COAST GUARD LOG: SIGNALING DISTRESS

EDITOR'S NOTE: This weekly feature is produced by the staff of the Coast Guard Air Station at Otis Air Force Base.

Boats, like cars, can break down and often do. Nine times out of ten when it happens, there is some one within easy hailing distance to call on for help.

However, if you run into trouble and there is no other boat nearby, there are a number of recommended distress signals to use, depending upon the equipment you have on board and upon the visibility at the time.

If your radio works broadcast on 2182 KHz (or on Channel 16, 156.8 MHz) "Mayday, Mayday, Mayday." Give your boat's name, the exact nature of your trouble, and your exact position.

But note, a Mayday should be sent out ONLY when a life or death situation exists, such as fire, danger of sinking, drifting ashore on a rocky coast, etc. A simple call for assistance will suffice in such cases as engine breakdown, out of fuel, etc.

Small wooden and plastic boats show up poorly on radar screens. It is a good idea to carry a metal reflector (available at moderate cost in a fold-up version). In case of emergency, hoist this to assist vessels or planes searching for you.

Two new pleasure craft distress signals which are not required but are recognized by the Coast Guard are: (a) A simple orange-red flag of any size waved from side to side. (b) The Canadian Surface to Air Signal

which is a 72x45 inch fluorescent orange-red panel cloth with an 18 inch black square and an 18 inch black circle 18 inches apart. Tie it across the cabin top or deck.

More conventional and commonly used signals include: (a) Fire a gun about once every minute. (b) Blink your white range light, or a spotlight, to signal SOS. It's 3 dots, 3 dashes, 3 dots. (c) Reverse your flag or ensign so that it flies upside down. (d) Sound your horn, bell or whistle rapidly and repeatedly. (e) Send up emergency flares. Special kits are available for small boats and come in day and night types. (f) If you are equipped with International Code Flags, the signal "NC" means "I am distress and require assistance." (g) A man waving, his arms can be an effective way to summon help on the water. But the signal is easily confused and misunderstood unless done correctly.

The Coast Guard introducted a distress signal (1965) which is "Slowly and repeatedly raise and lower both arms outstretched at the side". Don't confuse this with a general greeting or friendly wave, and don't use it unless you mean it. But when you need it, do it the right way.

Coast Guard search and rescue activities for the last two weeks:

Rescue missions: 19.
Lives saved: 2.
Persons materially assisted: 13.

COMMUNIST OCCUPATION OF LITHUANIA

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. McCOLLISTER. Mr. Speaker, Saturday, June 15, will be the 34th anniversary of the Communist takeover and occupation of Lithuania. I would like to join with Lithuanian Americans and Lithuanians throughout the world in taking special note of this day.

Currently, Lithuanians are denied the right of self-determination, and suffer religious and political persecution at the hands of the Soviet Union. Despite such oppression, Lithuanian citizens continue to defy the Communist regime in an effort to reinstate freedom, equality, and justice to their country.

The Association of Young Lithuanian Americans and the Lithuanian-American community have asked that we, as Americans, do more than applaud these efforts. I call your attention to the following statement they have issued in commemoration of the 1940 annexation of Lithuania by the Soviet Union:

The Soviet Union is now seeking détente as well as "Most Favored Nation Status" with the United States. This desire on the part of the Soviet Union presents the United States with a unique opportunity to ease the plight of the people of Lithuania and the other captive nations.

The policies which we recommend be pursued are:

(1) Lowering of excessive tariffs imposed on gifts to relatives and friends residing in the United States;

(2) Increase current five-day tourist visa to Lithuania to a more reasonable limit;

(3) Elimination of unreasonable travel restrictions on tourists to Lithuania;

(4) Provision for Lithuanians to immigrate to other countries as provided by the Charter of the United Nations and signed by the Soviet Union.

Mr. Speaker, it is hoped that Congress will extend renewed assurance to Soviet Lithuanians that their plight has not been forgotten and that steps will be taken to ease their burden.

THE PUBLIC IS IN THE MOOD FOR CAMPAIGN REFORM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BROWN of California. Mr. Speaker, my own State of California recently answered one of the questions that has been asked in the wake of the Watergate revelations. That question was, What do the voters want? The answer, as thunderously expressed last week in California, is clean up politics and get money out of the political process. In California the issue was put before the voters through an initiative campaign that was spearheaded by Common Cause. It passed by nearly 70 percent of the vote, in spite of the credible arguments made against the ballot measure. I was one of the early supporters of that initiative, just as I am a supporter of the Udall-Anderson Clean Elections Act. I hope that the Congress will now recognize the need to pass meaningful campaign reform, including a public financing provision.

An article from a paper in my district pointed out that 21 States have approved campaign reforms this year. I wish to insert this article and an article and an editorial about the California Campaign Reform Act for the benefit of Members who do not have an opportunity to read California papers.

The articles follow:

[From the Daily-Enterprise, June 7, 1974]

TWENTY-ONE STATES HAVE APPROVED CAMPAIGN REFORMS THIS YEAR

(By Louise Cook)

Worries over Watergate and its implications have turned 1974 into a year of political reform. An Associated Press survey showed reforms have been approved by lawmakers or voters in 21 states this year.

Most of the measures are similar to, but not so far reaching as, the one passed by California voters in a referendum on Tuesday. They limit campaign contributions, make candidates account for the money they've spent, curb activities by lobbyists and require public officials to disclose their financial holdings.

Common Cause, the self-styled "citizens' lobby" that spurred the California referendum, has been a leader in the drive for reform in other states. Legislators themselves also expressed concern over public loss of confidence in elected officials and sought to regain the trust of the people.

"Out of the rubble of 'Watergate' and the Agnew affair,' the 1974 . . . . legislature rose as a body to support reform in its conflict-of-interest laws and in its laws relating to the conduct of elections," said Republican Robert Bennett, president of the Kansas Senate and a candidate for his party's gubernatorial nomination.

The Kansas lawmakers passed two bills: one dealing with the conduct of state officials, the other limiting campaign contributions and requiring spending reports before and after elections.

Other states where reforms have been approved are: Alaska, Arizona, California, Connecticut, Florida, Georgia, Indiana, Kentucky, Maine, Maryland, Minnesota, Nebraska, New Jersey, New York, North Carolina, Oklahoma, Ohio, Rhode Island, South Dakota and Wyoming.

Nine other states passed bills in 1973 and two approved some reform legislation prior to last year. Measures are pending in four states and have been defeated or allowed to die in six states. The issue has aroused little or no interest in eight states.

Some of the reform measures had been pending for years, but gained little support until the disclosures about campaign spending during the 1972 presidential election.

A. G. Lancione, a Democrat and speaker of the House of Representatives in Ohio, where a code of ethics bill was enacted, said reform measures had been pending for some time. "I think Watergate expedited their passage," he said. "If it hadn't of been for Watergate, they may not have passed."

The Florida legislature established an ethics commission with subpoena powers and passed a measure requiring all public officials to disclose their financial holdings.

Both measures are before Gov. Reubin Askew, who had urged an even-stiffer disclosure bill. He said the legislation that passed was "a meaningful step toward meeting the most important challenge today—that of winning the confidence and trust of the people."

The new measures will mean more paperwork. "There's going to be a lot more bureaucracy for campaign organizations which we hope is worth the effort," said Connecticut Gov. Thomas Meskill who signed into law four election reform bills on May 22.

Among the Connecticut laws is one prohibiting any group from spending organization funds for political contributions. The groups may set up special committees to collect funds for candidates, but must list all contributors.

State scandals provided the impetus for reforms in some areas. Arizona legislators, who established controls on campaign spending and lobbying and required financial disclosures by public officials, were spurred to action by conflict-of-interest charges involving two lawmakers.

The Texas legislature passed several reform measures in 1973, most resulting from the 1971 Sharpstown scandal in which the House speaker and two aides were convicted of conspiracy to accept bribes concerning banking bills.

Reform advocates in states where measures for change were defeated say they won't give up. Idaho lawmakers defeated bills that would have required registration of lobbyists and disclosure of campaign funding. But supporters of the measures, led by state Sen. John Peavey, a Republican, are circulating petitions to get the 25,000 signatures necessary to put the measure on the November ballot.

Those states that passed reforms in 1973 are: Alabama, Hawaii, Iowa, Massachusetts, Michigan, Nevada, Oregon, Texas, and Wisconsin.

Washington and Arkansas passed reform legislation earlier; measures are pending in Pennsylvania, Louisiana, Illinois and Delaware; they were defeated or died in New Hampshire, Missouri, Vermont, Tennessee, New Mexico and Idaho.

No action has been taken in Utah, North

Dakota, Mississippi, Colorado, Montana, South Carolina, Virgina and West Virginia.

[From the Sun-Telegram, June 6, 1974]

REFORM IS THE MOOD

Out of Tuesday's primary election in California two results are not included in the tabulations of returns but emerge with impressive significance:

—Fewer than half of the registered voters cared enough to cast ballots.

—Those who did care and did vote gave notice that they demand campaign reform and honesty and integrity in government.

If the forecasts of voter turnout were gloomy, the actual turnout was gloomier at a time when citizen concern with government should be wide and deep.

San Bernardino County voters, in better than the state pattern, nevertheless made a poor showing. Only 52.2 per cent of those registered went to the polls.

By parties, 53.2 per cent of registered Republicans voted, very low for GOP voters who usually have a considerably better record than Democrats. And 53.8 per cent of the Democrats registered voted, a rarity insofar as exceeding the Republican percentage.

Republicans, it seems, with Watergate and all, are plainly discouraged and disenchanted. It now remains for them to rekindle their enthusiasm before November to infuse their party with the strength it obviously needs.

However, members of both parties, by giving Proposition 9—the political reform initiative—a whopping majority, placed probably the strongest regulations in the nation covering campaign spending, financial disclosures and lobbying into state law.

It was passed over the opposition of the California Chamber of Commerce, organized labor and legislators who were quite content with the largesse of lobbyists under existing loose control.

Some other indications of the mood for reform of voters:

Assemblyman John P. Quimby was beaten by Terry Goggin, a young lawyer, for the Democratic nomination in the 66th District. Quimby's close ties with Sacramento lobbyists were well known, and Goggin capitalized on them as one of his campaign issues.

Quimby opposed Proposition 9, while Goggin gave it heavy support.

Secretary of State Edmund G. Brown Jr. campaigned on political reform issues and won the Democratic nomination for governor. He beat San Francisco Mayor Joseph L. Alioto and Assembly Speaker Bob Moretti just as handily as pre-election polls indicated.

State Controller Houston I. Flournoy beat Lt. Gov. Ed Reinecke for the Republican gubernatorial nomination. Reinecke was once considered a shoo-in for the nomination. Then Watergate changed things and counted him out.

He was indicted by the Watergate grand jury on three counts of perjury. He was steadfast in his protestations that he is innocent of the charges, but his efforts failed to quash the indictment or have his case brought to trial before the election.

However, voters refused to select him over Flournoy, who had no Watergate millstone around his neck or other association with Nixon administration scandals.

And in general throughout the state, candidates who pledged themselves to political reform found most favor with the voters of both parties.

It now remains for candidates and political leaders to carefully assess the results of the election and begin their preparations for the November general election. An early start may help keep politics lively through the summer and generate voter alertness to the issues which will develop as campaigns keep moving toward their fall climax.

One conclusion can be safely drawn from what happened last Tuesday. The voters who voted had an overriding concern for all political and governmental reforms which will reduce the ability of selfish special interests to influence legislators and their positions on bills before the state Legislature.

The mood appears bound to continue. Candidates who do not respect it and conduct their campaigns in accordance with it will face rejection.

[From the Sun-Telegram, June 6, 1974]

IT'S "EASTWARD HO" FOR COMMON CAUSE, PROP. 9

(By Vic Pollard)

SACRAMENTO.—Backers of Prop. 9 were exuberantly laying plans yesterday to parlay California voters' approval of the country's toughest political reform law into a national movement.

"Our motto from now on is Eastward ho!" said Jack Conway, the national president of Common Cause, the citizen group that was a major sponsor of the initiative.

Prop. 9, which will impose campaign spending limits, new conflicts of interest provisions and strict lobbying regulations, was the major specific issue in a generally lackluster primary election campaign that focused mainly on Watergate-related issues of integrity, campaign finance and special interests.

While the voters turnout was low, those who did cast ballots favored the reform proposal by a margin of better than 2 to 1.

The measure was drafted by young attorneys in the office of Secretary of State Edmund G. Brown Jr., who won the Democratic gubernatorial nomination Tuesday.

When the legislature refused to adopt its major provisions, the measure was qualified for the ballot by initiative petitions circulated largely by longhaired young people under sponsorship of Common Cause, the People's Lobby, and Ralph Nader's California Citizen Action Group.

Kenneth Smith, statewide chairman of Common Cause, said the voters' action "really shows California is now leading the way in political reform and we think people in other states are beginning to follow."

Common Cause Chairman John Gardner added: "The citizens victory on Prop. 9 in California sounds a trumpet blast that will be heard throughout the state capitols and in the Congress of the United States."

He said it shows people "want a political and governmental system that is open, accountable and unbought."

Although Common Cause officials hailed the California vote as the start of a trend, it is not the first such measure in the nation.

Washington voters approved a similar measure sponsored by a coalition of groups including Common Cause, two years ago.

However, enforcement of that law has been plagued with controversy and financial difficulties. The California initiative which has built-in financing for a special campaign practices commission, was seen by its supporters as a refinement of the Washington experiment.

Smith also noted that there is a tough conflict of interest measure on the Oregon ballot in November and citizens' groups were trying to qualify an initiative similar to Prop. 9 for the November ballot in Arizona.

Beyond that, he said, Common Cause has plans to launch initiative campaigns or buttonhole state legislators in order to push similar reform measures in about 30 other states where it has significant organizations.

However, Gardner's statement made it clear that any momentum generated in California will be used first in an effort to prod Congress into action on federal campaign reform.

The Senate has passed legislation providing for campaign spending limits and public financing of federal campaigns. Similar legislation has been bottled up in the House, however, for more than a year.

"The California action," he said, "should send a shock wave through the House of Representatives, which has been putting off—in one of the great stalling acts of the century—campaign finance reform."

The landslide victory for Prop. 9 was somewhat surprising in light of the fact that it was opposed by leaders of both parties, organized labor, business and most other groups with a sizable piece of the established political action.

The measure will create a bi-partisan, appointive Fair Campaign Practices Commission with power to enforce the new regulations and suggest changes and additions.

The new rules include campaign spending ceilings tied to the number of votes for each office, new and stricter laws on conflicts of interest for public officials and more detailed reporting of campaign contributions.

It will also outlaw campaign contributions by lobbyists—but not by their employers and other corporations—and limit wining, dining and other gifts from lobbyists to $10 per month per legislator.

ANDY STEPANIAN TO BE NEW PRESIDENT OF MONTEREY PARK CHAMBER OF COMMERCE

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DANIELSON. Mr. Speaker, on June 22, 1974, Mr. Andy Stepanian will be installed as president of the Monterey Park Chamber of Commerce. I am looking forward to his year as president because I know he is going to do a great job for the chamber and for the city.

Andy Stepanian already has developed his goals for the 1974–75 business year. He wants to attract more business activity to the Monterey Park area, and has adopted the theme "Buy in Monterey Park." Under his direction, the chamber will work toward promoting local shopping and encouraging business development.

Mr. Stepanian is very well-qualified for his leadership role. Last year, he headed up the Monterey Park Lions Club, which experienced one of the best years in its history under his guidance. He has also been very active as a member of the board of directors of the Monterey Park Boys' Club and as a past chairman of the United Fund. He is currently working on the Los Amigos District Boy Scout Sustaining Membership Enrollment campaign, and he often works for several other community service organizations.

Andy Stepanian has had extensive business experience as the owner of S & S Janitorial Service, which has customers in Monterey Park and throughout southern California. His abilities, and those of the new vice president Judy Winchell, assure me that next year will be a rewarding one for the chamber of commerce and a fruitful one for the city of Monterey Park.

MEMORIAL DAY

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ZWACH. Mr. Speaker, my fellow Minnesotan and good friend of every Member of this body, the Honorable ANCHER NELSEN of the Minnesota Second Congressional District, delivered a Memorial Day address in Waconia, Minn., which was outstanding.

In order to share this address with my colleagues and to give it the wide readership which it deserves, I insert it into the CONGRESSIONAL RECORD:

MEMORIAL DAY

(By ANCHER NELSEN)

Good Morning, Everyone: And thank you all, particularly Mrs. Van Eyll who handled the correspondence, for inviting me to come and share your observance of Memorial Day. Since I am approaching retirement after almost 40 years of public service, you can be sure that I feel a bit like "an old Soldier" myself. So it is a great pleasure and honor to be here with the members of your VFW post, your auxiliary, and the others of your community.

We meet, of course, to honor America's war dead—those who gave the last full measure of their devotion for us. We also pay tribute on this day to all others whose service and sacrifice in the armed forces have helped to preserve, protect and defend the United States.

Our custom of decorating the graves of our patriots with spring flowers dates back well over 100 years, to a time just after the Civil War. And one of the largest and most famous resting places for our fallen is located just a mile of two from the Capitol where I work in Washington. It is called Arlington. There, in this national military cemetery, the whole history of our country is reflected.

There, you will find the grave of 14 unknown Revolutionaries of the War of 1812, killed in the cellars of Fort Washington when the British burned the city. There you will find the obelisk of General Joe Wheeler, Confederate cavalry commander, later Congressman and finally a general in the Spanish-American war. There rest the remains of Abner Doubleday, gunner at Fort Sumter, corps commander at Gettysburg, inventor of American baseball. There is the statue of Geronimo's surrender, marking the grave of the great Indian fighter, General George Crook. There you can find the graves of General Pershing, General George Marshall and General Wainwright.

Arlington is the final home for thousands of Civil War dead, the war in which more Americans lost their lives than in all the other wars of our history combined. Many of them were very young. The average age of Union men at Gettysburg was 19. The Confederates were a few months younger. You can tell the Southerners' graves at Arlington because of the pointed-top markers. They were designed, I've been told by a Southerner, "so no damn yankee can set on their graves."

It is at Arlington that the mast of the U.S.S. Maine stands, taken from the sunken battleship at Habana Harbor. There you can see the magnificent Iwo Jima Memorial, depicting the brave Marines struggling to raise our flag on a bloody hill. There also is the Tomb of the Unknown Soldiers. Guarded 24 hours a day by an elite corps of soldiers, it is dedicated to all those who fought and died in the wars of this century.

Presidents Kennedy and Taft lie buried at Arlington. They are being joined even now by the last of our men to come home from Vietnam.

Arlington, like cemeteries everywhere, speaks solemnly of the awesome sacrifices Americans have been willing to make for the things in which we believe.

Today, much that we believe in is under sharp attack, especially by our young people. One recent poll claims that doctors and trash collectors are two of the only groups or institutions in the whole country that retain the confidence of even a simple majority of Americans. I don't even want to mention where the President or Congress rank in this particular poll. It is too saddening.

There is, of course, a tendency on the part of each generation to think that its problems and challenges are the worst ever. Yet when we look back over American history, we always find plenty of those who recognized the clouds were temporary, and who remembered the sun above. Perhaps we need a few more Americans with a long view today.

In his book, "Profiles in Courage," John Kennedy tells the story of Edmund G. Ross. Ross was a Senator from Kansas during the time of the impeachment trial of President Andrew Johnson. Ross had a background which made him seem highly sympathetic to those who thought Johnson had violated the Constitution and our laws. Yet astonishingly, he was the only Senator who refused to declare his position on impeachment before he heard all the arguments in the case. Ross came to realize that beyond all the name-calling and partisan passions of that turbulent era, lay the principle of Constitutional government with divided powers. Ross held the crucial vote. When he cast it against impeachment, he saved the President by a single vote.

Ross himself later wrote: "I almost literally looked down into my open grave. Friendships, position, fortune, everything that makes life desirable to an ambitious man were about to be swept away by the breath of my mouth, perhaps forever." For years afterward, Ross was villified and his family was harassed. His political career was ruined.

Yet according to Kennedy, only many, many years later did those who had so viciously attacked realize the Constitutional importance of the Ross position. In Kennedy's words, Johnson's impeachment was an effort "to make the Legislative Branch of the government supreme." Kennedy felt that Ross' vote "may well have preserved for ourselves and posterity Constitutional government in the United States."

A second story from our history illustrates another fundamental worth preserving in the American system. The time was 1770. The place was Boston. A bloody riot occurred between the British troops quartered in the city and the colonists. Several English soldiers were put on trial for murder. Feeling ran so high, no one wanted to defend the accused.

Finally, a lawyer stepped forward who was to become the second President of the United States. His name was John Adams. In the trial that ensued, Adams is credited with establishing a first principle of justice that Americans cherish to this day, and it helped to get two of the English acquitted. What was the principle? As Adams put it: "It is of more importance to the community that innocence should be protected than it is that guilt should be punished."

Reverence for the essential good of our country was never better demonstrated than by a man named Robert E. Lee. After the Civil War, General Lee encountered a bitter Southern woman who vowed she would never be reconciled to the North, nor obey its laws. Lee told her: "Madam, don't bring up your sons to detest the United States Government. Recollect that we form one country now. Abandon all these local animosities and make your sons Americans."

One of the things we prize most in America is its spirit of equality, which in turn has opened up so many opportunities for our people, regardless of their birth or station. One of my favorite illustrations involves Booker T. Washington. He was born a slave in Virginia in a one-room shack with a dirt floor. He had to walk 500 miles to find a school where he could become educated. He worked as a janitor to earn his schooling. But he became the founder of one of the most famous Negro institutions in the United States, the Tuskegee Institute. He received an honorary degree from Harvard. He was welcomed by Teddy Roosevelt at the White House table. He became the friend of many of the greatest leaders of his time.

All these episodes serve to remind us of the essential greatness of our country. Despite all the stresses and strains, our Constitution has stood firm for nearly 200 years. Our system of justice remains strong and vigorous. The equality and opportunities available to each generation of Americans are unmatched anywhere else in the world.

And for all this, may we ever remain grateful to those whom we honor on this Memorial Day. Congressman William Hudnut of Indiana expressed our sentiments perfectly in a prayer he delivered on Flag Day. It is worth repeating:

"O God our Father, we are gathered in this ceremony to express our gratitude to Thee for all that our Star-Spangled Banner symbolizes, and to recommit ourselves to making these symbols more real and meaningful parts of our national life.

For the drum beats of history held mute in her folds, we thank Thee, Lord.

For the roll call of heroes—from the mountains to the prairies, from the bayous to the oceans, from the ghettos to the suburbs, from the red clay of Georgia to the snowy caps of Alaska, from the rock-ribbed coast of New England to the sun bleached shores of Hawaii—who have marched with loyalty and courage under her colors down the hallowed corridors of American history, from Valley Forge to Omaha Beach, from Bull Run to Iwo Jima, from the forests of Germany to the rice paddies of Korea and the prison camps of Vietnam, we thank Thee, Lord.

For the ideals and hopes enshrined in her star-studded field, and for the dreams and aspirations she betokens of a better future and a better way of life, where there will be more justice, more brotherhood, more peace, more liberty, and more equality built into the sinews of the human community, we thank Thee, Lord.

O God, we want to live out our days under Thee and make ours truly a nation "under God."

Save us from the idolatry of making a god of our particular country or creed or party or race or way of life or point of view. Remind us of your transcendent sovereignty before which the nations rise and fall, and your beneficent providence under which they keep their rendezvous with destiny.

Where we are wrong, correct us; where we are weak, strengthen us; where we are corrupt, purify us; where we are divided, reconcile us; and where we are right, confirm us.

And grant, O most merciful Father, that in our day and generation, we may achieve something worthy to be remembered, so that when we pass the Flag on to our own children, they will receive it with pride, and we will be able to rest from our labors secure

in the knowledge that we have built constructively if not completely, and served faithfully if not perfectly. And to you be the glory and the praise, now and forever, world without end. Amen." Thank you.

THE ENERGY RESOURCES DEVELOPMENT ACT OF 1974

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. OWENS. Mr. Speaker, on May 9, 1974, the Senate passed and sent to the House S. 3009, a bill to amend the Mineral Leasing Act of 1920 to provide that moneys due the States from development of oil shale resources may be used for purposes other than public roads and schools. Legislation similar to S. 3009 is currently under consideration by the Subcommittee on Mines and Mining of the House Interior and Insular Affairs Committee.

I am convinced that some updating of the Mineral Leasing Act of 1920 as amended, is necessary. Therefore, after months of conferring with several oil shale experts and urban planners, I am today introducing a bill which would accomplish the objectives of S. 3009, but additionally establish an "Energy Resources Area Impact Fund" which is supported in part by increased royalties charged on the production of shale oil. Essentially what I have done in my bill is to extend and modify an existing bill (H.R. 13178) which was introduced by our respected colleague, Congressman TENO RONCALIO of Wyoming. Before I present the details of my bill, let me present the rationale for my legislation.

The energy crisis that we experienced in recent months has produced a national commitment to develop our domestic energy resources. Our mineral resources, like oil shale, coal, and tar sands, which we have in abundance, but which have lain largely untapped, are soon to be the raw material which will contribute to the goal of national independence in energy. Development of these mineral resources for the production of energy will benefit the National as a whole, whatever our jobs may be and wherever we live and work.

But the impact of massive development of these mineral resources will be experienced where the coal, oil shale, and tar sands are extracted and processed, especially in the surrounding communities which will support the workers and the families of workers who process these minerals. In many respects, such development will be a great boon to the economy of affected regions, but in other ways, the communities in the coal, tar sands, and oil shale regions will have to bear great new costs.

People will be drawn to the jobs created by the new industries. Economists and planners foresee roughly 200,000 people migrating to areas where the Green River formation occurs in Colorado, Utah, and Wyoming to support a 1-million-barrel-per-day oil shale industry. The growth of coal gasification and liquefaction industries will result in added populations to regions of the sparsely populated West. If the tar sand deposits of Utah are developed, eastern Utah will experience additional growth.

The impact on existing communities will be enormous. The expanding population will need and demand additional housing, roads and streets, expanded water systems, sewage collection and water treatment systems, health care facilities, shops and stores. To obtain these services, new populations will be attracted to the existing small towns in the region or to newly established communities. The expected population growth in these areas will strain whatever services already exist, and expansion of their capabilities will be required if the needs of existing residents and new residents are to be met.

Small towns may suddenly find themselves considerably bigger and their growth rates changed spectacularly, but they may also find themselves with little capability to plan for the new growth and without money for providing the new services and facilities. Such a situation could be chaotic, a situation where great social costs would be placed on those who come to work the oil shale, tar sands, and coal deposits, and on the local governments that must serve these workers. These socioeconomic impacts will be disproportionately distributed unless all citizens who will benefit from the energy so derived act to prevent such an imbalance.

In order to prevent this imbalance, I am today introducing a bill to create an "Energy Resources Area Impact Fund," which would channel funds to impacted areas to help them bear the cost of new social, urban planning, and community development needs of these areas. By creating a fund that would receive a portion of the royalties paid for the extraction of certain mineral energy resources and supplemented by Federal appropriations, we can create a mechanism for assisting communities where the new population will reside, and we will enable localities to respond to the needs of their present and prospective populations.

The bill that I am introducing would create a community planning and development assistance program tailored to the special and unique needs of the areas impacted by mineral resource development. It is entirely proper and just that such a special program be created for special needs. Because energy development is a clear national priority, it is not a partisan matter. We all agree that if our Nation is to continue in its world role, it must draw fully on the strength of our domestic energy resources.

We must provide for those who will work to make these resources available, and we must do this by channeling community planning and development dollars to the governments within whose jurisdictions these people must be served.

This is not simply another Federal spending program. The fund the bill would establish is designed to channel a portion of the wealth created primarily by coal and oil shale extraction and processing to meeting community needs. The Federal appropriations that would be authorized would be needed only during the initial period of resource development, the period during which royalties do not flow. After such flow is established, the appropriations, which would be refundable advances, would be repaid from the impact fund.

Besides creating an energy resources area impact fund, the legislation which I am introducing today also requires that the moneys due to the States under the provisions of the Mineral Leasing Act of 1920, as amended, where those are derived from the development of primarily oil shale and coal resources, may be used for purposes other than public roads and schools at the option of the State. This legislation is essential if we are to provide for the balanced growth of the impacted areas resulting from development of these mineral resources.

The last issue which my bill addresses is the royalty payment due the Federal Government on a barrel of shale oil. Under the current lease stipulations of the prototype oil shale leasing program of the Department of the Interior, a royalty fee of 12 cents per ton of oil shale—30 gallons of shale oil per ton—is levied. In other words, the oil companies which will process oil shale from public lands will have to pay the people of the United States less than an 18 cent royalty for every barrel of shale oil produced. Are the people of the United States receiving fair compensation for the exploitation of this publicly-owned resource? The royalty payment on a barrel of crude oil is currently about 66 cents on oil produced at the controlled price. It is around $1.25 for new oil which is not subject to price control.

Accordingly, I have tied the need for additional moneys to the impacted area to an increased royalty charge which will be placed on a barrel of shale oil. The legislation which I am introducing requires the payment of not less than 6¼ percent royalty charge on the gross value of the shale oil produced. Because of the tremendously large capital investment required to establish an oil shale processing plant and because the economic competitiveness of the oil shale industry has not been tested, I decided that from a policy point of view it was more reasonable to place a 6¼ percent royalty charge on this new industry rather than the conventional 12½ percent charge, as suggested in H.R. 13178.

Mr. Speaker, in order that other Members of the House and their staffs can study my bill and discuss its merits, I insert a copy of the bill in the RECORD at this time:

H.R. 15398

A bill to provide assistance for community planning needs required by development of mineral resources for energy production, and to amend the procedure specified in the Mineral Leasing Act of 1920 relating to royalties paid on shale oil produced on Federal land, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Resources Area Development Act of 1974".

SEC. 2. It is the purpose of this Act to—

(1) establish an Energy Resources Area Impact Fund;

(2) provide assistance for community social and urban planning needs required by development of mineral resources for energy production; and

(3) amend the Mineral Leasing Act of 1920 to provide for a minimum royalties payment to the Federal Government for shale oil produced on Federal lands.

SEC. 3. The Congress hereby finds that—

(1) development of our domestic energy resources such as coal, oil shale, and tar sands is of much importance to the Nation;

(2) development of these domestic resources can create adverse and beneficial social and economic impacts on those areas of the country containing such materials;

(3) the Federal Government should help reduce the adverse social and economic impacts resulting from development of these energy materials; and

(4) the Federal Government should provide assistance for the economic and social readjustment of the area should development of these mineral resources prove to be economically unattractive or environmentally prohibitive.

SEC. 4. (a) Notwithstanding any provision of the Mineral Leasing Act of 1920, and any other applicable provision of law, for the privilege of mining, extracting, and disposing of any oil shale from any land leased from the United States, the lessee shall pay to the United States, according to regulations prescribed by the Secretary of the Interior, a royalty which shall not be less than an amount equal to 6¼ per centum of the gross value of such oil mined, extracted, or disposed of during any year from the lands subject to such lease, and an annual rental, payable at the beginning of each year, at the rate of 50 cents per acre per annum, for the lands included in the lease; the rental for any one year shall be credited against the royalties accruing for that year and such royalties shall be readjusted at the end of each twenty-year period by the Secretary of the Interior.

(b) Notwithstanding any other provision of law, all money received from sales, bonuses, royalties, or rentals of public lands under the provisions of section 7 or 21 of the Mineral Leasing Act of 1920 (30 U.S.C. 207 and 241), shall be paid into the Treasury of the United States and distributed according to the following:

(1) 37½ per centum thereof shall be paid by the Secretary of the Treasury as soon as practicable after December 31 and June 30 of such year to the State within whose boundaries the leased lands are located. Such money shall be used by such State or political subdivision thereof for the construction and maintenance of public roads and transportation systems, and the support of public schools or other public education institutions and for planning, construction, maintenance costs, and assistance to communities directly impacted by mineral resource development for the production of energy, as the legislature of such State may direct.

(2) 10 per centum thereof shall be paid into the Energy Resources Area Impact Fund, established under section 5 of this Act, which shall be used for the purposes specified in such section.

(3) All other such moneys shall be paid into the reclamation fund established by the first section of the Reclamation Act (43 U.S.C. 391).

(4) In addition, there are authorized to be appropriated such sums to the Energy Resources Area Impact Fund deemed necessary to carry out the purposes of this Act.

SEC. 5. (a) There is hereby established in the Treasury of the United States a fund to be known as the Energy Resources Area Impact Fund (hereafter referred to as the "fund"). Such fund shall consist of revenues covered into such fund as provided in section 4. In addition there are hereby authorized to be appropriated to the fund, as repayable advances, such additional sums as may be required to carry out the purposes of this Act. Moneys paid into the fund shall be available for expenditures to provide loans and grants to States, counties, multicounty districts, and units of general purpose local governments for the purposes of—

(1) the planning, acquisition, construction reconstruction, or installation of public works, facilities, and site or other improvements, including neighborhood facilities, utilities, streets, street lights, solid waste collection and disposal facilities, water purification, treatment, storage, and distribution facilities, health care facilities, and other facilities needed for the provision of necessary social services;

(2) the maintenance and operation of such facilities and the provision of necessary social services during the period of initial mineral resource development impact, not to exceed a period of 15 years;

(3) the improvement of State and local governmental planning and management capacities with regard to community growth associated with the rapid development of mineral resources for production of energy; and

(4) the economic and social readjustment of areas seriously affected by declining production or closing of mineral resource extraction and processing operations.

Such grants and loans shall be made available to those specific jurisdictions recommended by the Governor of such State affected and determined by the Secretary of the Interior (hereafter referred to as the "Secretary") to be directly impacted by significant population growth due to energy or by resource development. Moneys covered into the fund shall be available for expenditures for such purposes only when appropriated therefor. Such appropriations shall be made without fiscal year limitations.

(b) The fund shall be administered under the direction of the Secretary within 90 days after enactment of this Act. The Secretary shall prescribe such regulations as are necessary and reasonable to assure that loans and grants made from the fund are used by the State or political subdivision thereof receiving such assistance for the purposes specified in subsection (a). No more than 50 per centum of the moneys available in the fund shall be used for grants. In approving such loans and grants, the Secretary shall consult with the Governor of the State, the Secretary of the Department of Health, Education, and Welfare, the Secretary of the Department of Housing and Urban Development, the Secretary of the Department of Transportation, the Secretary of the Department of Agriculture, the Administrator of the Environmental Protection Agency, the Administrator of the Small Business Administration, and the heads of such other departments and agencies of the Federal Government which may be engaged in programs or activities applicable to meeting the needs for which such loans and grants are provided under subsection (a). Loans made under the provisions of this Act shall be made for a reasonable period and shall be repaid with interest, and on terms and conditions, satisfactory to the Secretary. Such loans shall bear interest at a rate specified by the Secretary, which rate shall not be less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus one-eighth of 1 per centum.

(c) Assistance under this section shall be made available only to those eligible jurisdictions for which officially adopted comprehensive plans for growth and development have been certified by the Secretary, in consultation with the Secretary of the Department of Housing and Urban Development, except that jurisdictions without such plans, but otherwise eligible for assistance under this section, may receive assistance to develop such plans after providing assurance to the Secretary that such assistance will in fact be used for that purpose. No assistance shall be provided under this Act to activities or projects that conflict with such officially adopted and certified plans.

(d) No assistance for sewer facilities shall be made under the provisions of this Act unless the Administrator of the Environmental Protection Agency certifies to the Secretary that any waste material carried by such facilities will be adequately treated before it is discharged into any public waterway so as to meet applicable Federal, State, interstate, or local water quality standards.

(e) No assistance shall be provided under this Act unless the Secretary determines that the activity or project is necessary because of the impact of mineral resource development for the production of energy, that it will contribute to the maintenance or improvement of the quality of life of the people in the community to be served and that service delivery systems, public works, facilities, and site or other improvements to be assisted have been designed so as to serve the foreseeable growth needs of the area.

(f) The Secretary shall encourage cooperation in preparing and carrying out plans for meeting growth needs among all interested municipalities, political subdivisions, public agencies, and other parties in order to achieve coordinated development of entire areas. The Secretary is further authorized and directed to take such other actions as he deems necessary and appropriate to encourage areawide approaches to meeting growth needs associated with rapid development of mineral resources for the production of energy. The Secretary shall take such action as he deems necessary to assist in the coordination of actions of Federal agencies in providing assistance to jurisdictions eligible for assistance under this Act.

(g) Applications for assistance under the provisions of this Act shall be subject to review and notification provisions of title VI of the Intergovernmental Cooperation Act of 1968, and section 204 of the Demonstration Cities and Metropolitan Development Act of 1966.

(h) The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance in planning for growth in areas impacted as a result of mineral development for the production of energy and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.

SEC. 6. Budgetary reserves shall not be established, out of any of the funds authorized to be appropriated by this Act, for fiscal policy purposes or to achieve less than the full objectives and scope of this Act.

I urge my colleagues to support this proposal because it is clearly needed in

order to meet the needs of those areas of the country which will be impacted by minerals development for the production of energy. I hope that the House Interior and Insular Affairs Committee will seriously consider this legislation during their upcoming hearings on development of our domestic resources for energy needs.

JAMES WECHSLER ON IMPEACHMENT SPEED-UP

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Ms. ABZUG. Mr. Speaker, James A. Wechsler, noted columnist recently had an article in the New York Post, June 6, 1974, regarding the need for urgency in the House impeachment inquiry. Mr. Wechsler's article is succinct and to the point. He states, and I agree, that the attitude of ranking Democrats in both the House and the Senate is disturbing. They are dragging their feet in this matter. A solid foundation exists for impeachment proceedings to begin. This coming fall is an election year and there is an increasing danger that feet-dragging on this grave issue will prevent its resolution.

On October 23, 1973 I introduced a resolution of impeachment (H. Res. 625) which charges the President with seven separate violations of the Constitution. Mr. Nixon has defied Federal court orders to release certain tapes, documents, and materials for inspection by the court. Mr. Nixon has usurped war-making and appropriation powers of Congress by authorizing secret bombing in Cambodia and by impounding funds appropriated for domestic programs by the legislative branch. Earlier this year Judge Gerhard A. Gesell of the U.S. District Court for the District of Columbia ruled that the dismissal of Special Prosecutor Archibald Cox was clearly illegal. This decision constitutes a serious ground for impeachment.

The time is past for contemplation, there is already sufficient evidence to warrant the House's voting to impeach Mr. Nixon and order him to stand trial before the Senate. Chairman PETER W. RODINO, JR. of the Judiciary Committee should act expeditiously and report to the House immediately.

I urge we delay no further. We need to move on to the pressing domestic needs of the American people. This is a serious matter, and, as I share Mr. Wechsler's views on this subject, I commend the New York Post article to the attention of my colleagues:

IMPEACHMENT SLOWDOWN

(By James A. Wechsler)

At the start two perils confronted the men running the impeachment proceedings. One was any sign of a partisan "rush to judgment." The other was a slow-motion exercise so prolonged by the desire to avoid any appearance of unseemly haste that the ultimate Senate trial carried over into the next Congressional session.

It became quickly evident that John Doar and Albert Jenner, the committee's able, conscientious counsel, would effectively resist any stampede. Even most of their early detractors have by now conceded their scrupulous respect for fair procedures and the diligence of their quest for truth.

But there are now ominous indications that their fastidiousness is being cynically exploited by the Administration's operatives, and by the weakness of some Democrats in high places. There is growing danger that what has steadily assumed the dimensions of an Administration filibuster will succeed in averting completion of a Senate trial before November's elections. And that could fatally obstruct resolution of the issue.

Richard Nixon's strategy is plainly subject to change without notice. Charles Colson's defection may be the prelude to other bombshells; the trap seems to be inexorably closing. As one of my colleagues perhaps wistfully suggested in these pages yesterday, Nixon may decide on his return from Moscow to proclaim his mission accomplished and abdicate in a flourish of self-righteousness.

But devoutly as that result may be wished, it can hardly be deemed a sure thing. Others hold to the darker view that Nixon will have to be dragged kicking and screaming from the White House even after he has exhausted his last legal remedy against eviction. It is probably most plausible that what he does will depend in important measure on his apparent ability to postpone the Senate's judgment day until next January.

In these circumstances Nixon must have derived large comfort from recent statements by the top two Senate Democrats—Mansfield and Byrd—blandly asserting that a Senate impeachment trial begun this year could be continued when Congress reconvenes in January.

The effect of these pronouncements was to dilute any mood of urgency in the House impeachment inquiry. It was sadly consistent with the tendency of the Democratic leadership in both chambers to minimize the importance of speeding the case of U. S. vs. Nixon to a decision climax—either by his resignation or through a Senate trial.

The longer one contemplates their performance, the harder it is to suppress the suspicion that they are exposing their political vested interest in his survival—at least through this year's Congressional balloting and perhaps even until November, 1976. For there is serious doubt about the validity of their claim that a Senate impeachment trial can be resumed as if nothing had happened after new members take their place in that body.

Over long years many statesmen on Capitol Hill have affirmed their conception of the Senate as a "continuing body." But the frail precedents they cite are unpersuasive. In fact what they are arguing is that newly-elected Senators who have not heard the presentation of previous evidence could step into the role of jurors and participate in the verdict on Nixon's guilt or innocence.

At the very least such a procedure would give Nixon a chance to seek a Supreme Court ruling on the question of whether he had been denied due process of law. Legal scholars who widely agree that an impeachment conviction would not be reviewable by the high court on evidentiary issues believe this would present a wholly different and difficult question. Certainly many Americans would be troubled by the spectacle of a trial that violated traditional requirements about the continuity of jury service.

What is perhaps most disturbing about the attitude of Mansfield, Byrd and other ranking Democrats is the intimation that the case already amassed against Nixon—bulwarked by key passages in the edited transcripts—is still highly "inconclusive," requiring many more long weeks of exploration and evaluation.

It is a matter of record that he discussed the payment of "hush-money" with top aides (whether he finally ordered it or not). He was informed of perjury and did nothing about it. He vowed his resolve to use government agencies to punish his enemies. While the Ellsberg trial was in progress, he sanctioned the offer of the FBI directorship to the presiding judge. His spokesmen have reaffirmed that he is unprepared to pledge compliance if the Supreme Court rules he must turn over the hidden tapes.

These are only a small fragment of the devastating facts now beyond dispute. Certainly there may be unsettled allegations worthy of final pursuit, but a solid foundation for an impeachment resolution based on obstruction of justice—among other things—exists. There is no excuse for extended delay, and for relaxed confidence that the Senate faces no serious deadline. It will not be too long before the country begins to address harsh questions to dawdling Democrats who are playing Richard Nixon's game.

PRIESTS' SENATE RESOLUTION ON AMNESTY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Ms. ABZUG. Mr. Speaker, I have received from Father Raymond M. Rafferty, chairman of the Senate of Priests of the Archdiocese of New York, a resolution on amnesty which I would like to insert into the RECORD. The Senate of Priests represents over 1,300 diocesan and religious priests working in the archdiocese of New York. They spent 2 months polling their constituents and conducting seminars on the question, in order that the final vote would be truly representative.

The resolution which follows was also sent to the President, the Members of the House of Representatives Judiciary Committee, the priests of the archdiocese of New York, and other religious and civic officials:

RESOLUTION ON AMNESTY

Whereas, many young men have left this country or have gone to prison rather than be involved in what they considered to be an immoral and unjust war in Souhteast Asia, and

Whereas, the American Bishops, in their October and November, 1971 NCCB statements, urged that the civil authorities grant amnesty for convictions incurred under the Selective Service Act, be it

Resolved, That the Senate of Priests of the Archdiocese of New York urge the President and Congress of the United States to grant an immediate and general amnesty to those who have evaded the draft, left the country, or have been imprisoned because of their opposition to compulsory military service in the Indo-China war, and that amnesty be granted on an individual basis to those who have deserted the Armed Forces for reasons of conscience when no other serious crime was involved.

THE OTHER SIDE OF BILL COSBY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RANGEL. Mr. Speaker, I wish to shed light on the concerned, humanitarian side of a man who is best known merely for his wit. Bill Cosby, as described in the following article from the Christian Science Monitor, is a Ph. D. candidate in education at the University of Massachusetts. He is most interested in developing techniques to educate deprived, inner-city children. Through an ingenious employment of the media, and with full advantage of his pleasing personality, he has become, for thousands of such youngsters, a friend, a confidant, and a hero. I commend him in his efforts and hope that his pursuits can inspire Congress to deal with its problems in a humane, imaginative fashion.

The article from the Christian Science Monitor of May 20, 1974, follows:

BILL COSBY, STUDENT AND EDUCATOR

(By Polly de Sherbinen)

AMHERST, MASS.—The lights in the graduate school office fade, and Bill Cosby settles back with a coterie of University of Massachusetts deans to watch a film he has made.

The projector whirrs. On screen, Mr. Cosby reminisces with a young prison inmate about the neighborhood in which they both grew up. The inmate killed a man, by mistake, while a rumble was on. Mr. Cosby speaks of his own gang, switch-blades, street fights.

What can this have to do with academia?

Mr. Cosby walks out of the inner sanctum where he showed the film as part of his comprehensive examinations at the UMass School of Education. Three years after enrolling there, he has taken the first major step on his way to becoming Dr. William Cosby.

Granny glasses reinforce his seriousness. He is almost conservatively dressed—maroon sports shirt, checked jacket, modish shoes. His speech, in contrast to the showman's skillful timing, is consistently slow and measured.

HOPES TO HELP YOUTHS

He soberly explains that he has made this film to help encourage low-income urban kids to take hold of education. For this reason, he went to the Pennsylvania state prison to film "A Date at Graterford."

Mr. Cosby, after listening to an inmate talk, probed a tragic irony, "You had to kill someone and be laid away almost for life before you found you're an intelligent human being." He found the same was true of many others.

Mr. Cosby persistently sought an answer: Does it have to be that way?

In the film, Mr. Cosby asked the youth: "If you had something to say to some young dudes now, what would you say?" The inmate, an appealing young man, reflected: "Life on the corners is kind of glamorous . . . if you give it up, what do you replace it with?"

Mr. Cosby pressed the question. The reply came earnestly, hesitatingly. "One of the things that I've always felt I needed in my life was people who understood me, so I feel that maybe a lot of the problems the young children or the young adolescents are encountering, can be possibly overcome, or some solutions can be found if they can just sit down and talk with somebody."

LACK OF UNDERSTANDING

Another inmate, sentenced to life, is studying in prison to become an Episcopal clergyman. "What was your failure?" Mr. Cosby asked him. "Not understanding where I was going," the sensitive, handsome young man replies.

Five years ago in "Cool Cos," a book published for schoolchildren, Mr. Cosby dreamed of making a million as actor and entertainer, and then going back to school to teach. "If I can keep even one confused, unhappy kid from going down the drain, from dropping out of school, I'll have made a real contribution," he said.

Since then, he's decided to use television, films, and other media for teaching. He's kept youngsters on the edge of their sofas yelling "There he is!" as actor Cosby pops in and out of fast-moving Sesame Street and Electric Company scenes, and he's introduced Fat Albert and the Cosby Kids to television audiences.

On Saturdays, when kids crowd around the TV set to see Mr. Cosby commenting on his cartoon friends living it up in the junk yard, they can hardly guess he is the 12th partner in an all-out effort to teach them sound values. The others are 10 UCLA scholars and Dean Dwight Allen at the UMass School of Education.

HUMOR TEACHES VALUES

In Fat Albert, Mr. Cosby uses humor to teach values. In the Graterford film, he is intent upon the message, touched, with humor, that education pays. On film, he settles into spontaneous, plainspoken, and relaxed conversation with prison inmates. He is easy to talk with.

In one conversation, an inmate tells Mr. Cosby he hopes to go to Temple University after he's released. Mr. Cosby replies, "You have to go there, man. You have to go there. I'll give you my football jersey."

Mr. Cosby was reported in "Cool Cos" to be making over $1 million a year at the end of the last decade. If making educational films cuts into his income, he sees it as "a matter of a human being doing what he enjoys doing. Some people would rather go out and fool around with a boat, or write a book."

He continues, "It's a matter of what one wants to do. You're still running. It's a matter of how you feel when you're running."

PRESENT FOR HIS MOTHER

Part of his reason for wanting the doctorate is personal. The "biggest present" is for his mother, who will be assured that her son has "something to fall back on." And he wants his children to know that "their father can do something besides being an entertainer." His fourth child and third daughter is a year old.

Mr. Cosby and his wife, Camille, live in a secluded house on a country road near Amherst where the UMass School of Education is located. It is their only home. He estimates spending seven months a year there, away from show biz life.

Mrs. Cosby cooks their meals. Her husband testifies, "My wife works very, very hard at being probably one of the greatest mothers." She was a psychology major in college.

Moving to the country seems to have made Mr. Cosby's earlier dream a reality: living in a place where he can "basically just kind of get up in the morning and look out and see what kind of a day it is and just go." And go he does.

He describes how going after a doctorate feels. "You look at things and you say, gee whiz, this is interesting, all these things keep popping up. Then you find out, gee whiz, you know, this is going to take me 800 years before I'm finished with this, and you got to close it off, but you're enjoying it."

ANNEXATION OF LITHUANIA

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mrs. GRASSO. Mr. Speaker, June 15 marks the 34th anniversary of the forcible annexation of Lithuania by the Soviet Union—a criminal act abhorred by freedom-loving people throughout the world. Truly this is an anniversary filled with sadness and somber reflection.

In 1940, a full 20 years after the Soviets had signed a peace treaty with the Lithuanians, the suppression of freedom in this Baltic State began. The Soviet Union occupied and colonized its smaller neighbor, and 45,000 Lithuanians died during the takeover, while 30,000 more were deported to Siberia. Yet, in the face of the iron cruelty of Soviet domination, Lithuanians have continued to nurture a longing and a deep resolve for freedom. Their spirit remains irrepressible, their drive for liberty resolute. Truly Lithuanians are valiant men and women who desire a better life for themselves and their families.

We in America share with Lithuanians a full and complete love of freedom, and a desire to see that each human being has the right of setting and following a chosen, peaceful course in life—fulfilling their hopes and dreams as free men and women.

The deep dedication of Lithuanians to cherished ideals of brotherhood and equality for all is clearly reflected in the commitments and the many accomplishments of Lithuanian-Americans in Connecticut and throughout the Nation. These people are admirably tied to their heritage and to the traditions of Lithuania, and through hard work and diligence they have made for themselves a lasting place in the history of our country.

Together with Lithuanian-Americans, we are resolved to press for freedom for Lithuania and the other forcibly annexed Baltic States of Latvia and Estonia. Today I have introduced a resolution supported by many who long for a free Lithuania. This measure expresses the sense of Congress that the U.S. delegation to the European Security Conference should not agree with the recognition by the Conference of the Soviet Union's annexation of Lithuania, Estonia, and Latvia, and that it should remain U.S. policy not to recognize in any way this Soviet annexation. It has also been my privilege to cosponsor a resolution expressing sympathy for Simas Kudirka, that valiant and courageous Lithuanian seaman whose jump to an American ship and much deserved freedom was thwarted by the arcane mysteries of international law, and who is now suffering because of his overwhelming desire to live as a free man.

In this time of détente we must not forget those suffering in captive nations. For this reason it is my hope that efforts

will be made to affect the following changes in Soviet policy.

First. Lowering of excessive tariffs imposed on gifts to relatives and friends residing in the Baltic States;

Second. Increases in the current 5-day tourist visa to Lithuania to a more reasonable limit;

Third. Elimination of unreasonable travel restrictions on tourists in Lithuania;

Fourth. Provision for Lithuanians to emigrate to other countries as provided by the Charter of the United Nations signed by the Soviet Union.

These are important considerations—steps that would be important strides toward the realization of the dream of millions of Lithuanians and their comrades in that country—a Lithuania filled with freedom and happiness for all.

CLOSING LOOPHOLE IN CONTROLLED SUBSTANCES ACT

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. HASTINGS. Mr. Speaker, last week the U.S. District Court for the District of Columbia handed down a decision whose practical effect will be to significantly increase the responsibilities of the Drug Enforcement Administration in preventing abuses in the distribution and use of methadone. Specifically, in American Pharmaceutical Association against Weinberger, Civil Action No. 1485–73, the court held that the Food and Drug Administration lacks statutory power to restrict the channels of commercial distribution of drugs for which an approved new drug application, or NDA, is in effect. Since methadone is an approved analgesic, the court held that the FDA had no right to permit its sale in hospital pharmacies while denying the right of nonhospital pharmacies, even though registered under the Controlled Substances Act, to sell it upon the prescription of a duly registered physician.

If this decision had come a few months earlier, Federal authorities might be faced with a much more serious problem than now confronts them. Fortunately, last month the President signed a bill which requires separate registration under the Controlled Substances Act to dispense methadone—or any other narcotic drug—in the maintenance treatment or detoxification treatment of narcotic addicts. This separate registration can be revoked if the practitioner fails to observe standards prescribed by the Secretary of Health, Education, and Welfare for the conduct of such treatment.

Mr. Speaker, I am today introducing legislation to close the last remaining legal loophole left to those who might be tempted to be careless or unscrupulous in prescribing narcotic drugs for maintenance or detoxification, under the guise of prescribing drugs for analgesia. My bill would very simply provide that anyone who dispenses a controlled substance for maintenance or detoxification without possessing the requisite special registration, could have his general controlled substances registration suspended or revoked.

The bill enacted last month provided an effective sanction against those who are registered to provide maintenance or detoxification treatment and who then violate the conditions of such registration. My bill rounds out the picture by providing an equally effective sanction against those who may be even more culpable, that is, those who fail to register in the first place. Suspension or revocation of their general narcotic registration would be at once far more expeditious and far less drastic a remedy than criminal prosecution or the revocation of their license to practice, yet would be fully as effective in curbing all but the most blatant criminal acts, such as outright sales where no physician-patient relationship is ever involved.

Mr. Speaker, I believe that this legislation can significantly strengthen the regulatory structure for the control of methadone, a regulatory structure which may in any case have to be revised in the light of last week's court decision.

ESSENTIAL IMPROVEMENTS IN SSI

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BINGHAM. Mr. Speaker, the Supplemental Security Income—SSI—program, designed to provide a secure income for those aged, blind, and disabled members of our society who are in dire financial need, has drastically missed its mark. The arrow has been diverted by complexities that have surfaced in the few months that SSI has been in effect. Many SSI recipients, those people who desperately need Federal assistance in order to sustain themselves in the most rudimentary fashion, soon discovered that as participants in the SSI program, they were compelled to manage on less than they had when they were originally deemed eligible for Federal supplemental assistance.

Examples of letters from participants in the SSI program express more keenly and dramatically than could I the frustration and disappointment that the SSI program is creating. Surely a program with such positive potential deserves further review and reform to enable it to become responsive to the needs of those citizens whom it was designed to help. I, along with several other concerned colleagues, have introduced comprehensive legislation to improve the SSI program. The attention of Congress must be drawn to this legislation as soon as possible so that the technical oversights and complicated requirements that have caused unforeseen yet intense hardships can be eliminated.

The examples of letters follow:

JUNE 6, 1974.

Representative JONATHAN B. BINGHAM,
New York Center,
New York, N.Y.

DEAR REP. BINGHAM: At the outset, as a disabled person, I wish to state that I am in strong opposition to having been transferred to the new federal program, and doubly so in view of its inadequacies in comparison to the state welfare program, without even given a choice. For one to be on the SSI program, I think it should be strictly on a voluntary basis.

I question the reasoning behind the federal government's takeover of the disability division of the welfare department. Is this Mr. Nixon's concept of "cleaning up the welfare mess"?

I feel it is grossly unfair—a disabled person living alone receives the gold check (which isn't that large) and that's the extent of the SSI benefits. Just why is it that the welfare department still finances telephone service, travel and moving expenses, etc. for AFDC cases while all the disabled get is cutbacks?

Representative Bingham, will you please push for repeal, as opposed to introduction of additional bills, for complete and total repeal of Public Law 92603 and help to bring the disabled back to the state welfare program where we were obviously better off.

Sincerely,

GLADYS MCCARTNEY.

BRONX, N.Y.,
March 11, 1974.

Hon. JONATHAN BINGHAM,
East Fordham Road,
Bronx, N.Y.

DEAR MR. BINGHAM: On January 1, 1974 I was transferred from the New York City Welfare rolls to the Supplemental Security Income Program. This had been heralded in the newspapers as a great advance for the elderly, the blind and the disabled (I fall in this latter category) but from where I sit this seems to be no improvement at all.

As you may know, being eligible for the SSI program automatically disqualifies the recipient from food stamp benefits. Although the money grant that I received while on welfare did not change the loss of food stamps resulted in a fifteen dollar a month loss in my total budget and in these times that leaves quite a hole in my pocketbook. I do not see this as an advantage over what I received while on welfare.

In the New York Times last month it was reported that Congress had voted a ten dollar increase (effective in March) for SSI recipients, but my check of March 1 did not reflect any such increase. It had been my suspicion that the state would merely deduct the ten dollar increase in the federal contribution from its own contribution. I called up my Social Security office and they told me that to the best of their knowledge that was exactly what happened. They said that possibly the only people who would benefit from the increase would be those whose total grant did not exceed the $206 limit set by Congress. I know several people who fall into that category and their grants also did not show an increase.

I would like to say that although I get a higher allotment that is because my rent is higher and my welfare budget had been adjusted accordingly. Therefore, I and anyone receiving more than $206 a month would be in a position to benefit from any increase in the SSI grant just as well as those who re-

ceive less but whose rent is less. Right now I have $94 to live on after my rent is paid. I live in a decontrolled apartment and my lease expires in May. And as there is no allowance in the SSI program for increased expenses that ten dollars could have gone to alleviate the stress of the rent increase I can expect in May (which will undoubtedly be at least $15 and probably more). If the increase results in a rent I cannot afford I will have to move. Welfare pays one month's rent, one month's security, one broker's fee and mover's fees. SSI pays nothing. The stigma of being a "welfare bum" is more than offset by the advantage of a program which is not based on a rigid, inflexible grant. True, in three years there has been no increase in the size of my grant despite increases in the cost of living (which does effect poor people as well as wage earners), at least when I was forced to move the last time Welfare provided the necessary services.

If it was Congress' intent that this ten dollar increase be passed along to the SSI recipients I feel that you ought to be informed that in New York State this was not done. If it was not Congress' intent and that ten dollar increase was voted on merely to reduce the size of the state contribution, then it was just another reflection of the total cynicism afflicting politicians at all levels of government, and not merely the executive branch. The SSI program, with its lack of food stamp benefits and emergency provisions, is, in social terms, a step downward for the elderly and sick who were transferred onto it from the welfare rolls. In political terms it can be construed as a cowardly attack on the group that constitutes the smallest percentage of all those receiving welfare (the group that has the least political pull and the least ability to fall back on their own resources, legal or illegal, because they have none at all) to win a few more votes from an unthinking, ignorant electorate. I feel it is cheap and cynical to campaign at the expense of blind, aged and disabled people.

I would like to know your feelings on this matter and what, if anything you would consider doing to alleviate the plight of the SSI recipient. Did you vote for the SSI program? And if you did, were you aware that there were no benefits to be accrued to the people in it; that, indeed, there would be a loss of benefits and added insecurity? Did you vote for this increase? Did the bill specify to whom the benefit of this increase would fall? Are you aware that, if this pattern continues, there will never be a cost of living increase for those in the SSI program? Only an increase in the Federal budget?

I would again remind you that the SSI program constitutes the smallest group of people receiving Public Assistance and that the transfer of this group from the welfare rolls did not result in a tremendous decrease in the welfare budgets of the various states. Politically there is nothing to be gained from this program and, as I have said, there have been no social gains whatsoever. I would hope that you can help to do something about this disastrous situation and I would greatly appreciate hearing from you your feelings on this matter.

Sincerely yours,

LAURIE GILBERT.

Impeach Nixon!

LITHUANIAN INDEPENDENCE

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DELANEY. Mr. Speaker, June 15 is the 34th anniversary of the annexation of Lithuania by the Soviet Union. In the years since the Second World War, thousands of Lithuanians have sacrificed their lives, while others are in exile or in Siberian concentration camps. The Lithuanians are proud people. Their loyalty and desire for freedom have more than passed the test of time. We can do no less than to stand firm in our support for their freedom and self-determination.

It was not too long ago that our forefathers came to this land in search of religious and political freedom, in search of the basic human rights denied them in Europe. Lithuanians too, want that which is rightfully theirs. With the spirit of '76 almost upon us let us not forget those less fortunate than we. I join with my colleagues in expressing the hope and prayer that this year will finally bring both freedom and independence to Lithuania.

THE CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 42

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. HARRINGTON. Mr. Speaker, an article appeared in the Oil Daily of June 12, 1974, concerning the development of synthetic energy.

In addressing the Oil Daily Annual Forum on Synthetic Energy, Robert B. Paige, a Merrill Lynch, Pierce, Fenner & Smith vice president, stated that the major problem facing synthetic energy developers was the lack of money to finance such projects. With projected increases in capital investment and decreases in gross savings, observers foresee high interest rates and more selective screening processes on the part of investors.

Mr. Paige reports:

For the financial executive in the oil and gas industry, the prospect of entering these long-term capital markets is intimidating.

Private industry may not be willing to take the risks in developing synthetic energy plants, and achieving Project Independence goals may be difficult.

I would suggest, Mr. Speaker, that the Federal Government might undertake to accomplish this research through establishment of the Federal Oil and Gas Corporation. Legislation which I have introduced would authorize the corporation "to engage in research directed toward development or utilization of abundant and nonpolluting supplies of energy, from whatever source, and build, own, and operate research testing or demonstration facilities, alone or on a joint or cooperative basis with private or other entities."

Many of the greatest scientific breakthroughs in this century have been the result of Government and private industry working together on challenges that private industry could not afford or risk alone. Perhaps our need to perfect synthetic energy sources can be filled in a similar way.

IN COMMEMORATION OF THE FORCIBLE ANNEXATION OF LITHUANIA BY THE SOVIET UNION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. KEMP. Mr. Speaker, on June 15, Lithuanian-Americans will join with Lithuanians throughout the free world in the commemoration of the forcible annexation of Lithuania by the Soviet Union in 1940.

The Hitler - Stalin - Molotov-Ribbentrop Pact of August 1939, contained a secret protocol which gave Lithuania and the Baltic States of Estonia and Latvia to the Soviets, at a time when these states were still free republics. War began days later, and the Soviets forced the Baltic States to sign mutual assistance pacts which exacted under duress permission for Russian military bases on Baltic soil. After the fall of France there was a full-scale Soviet invasion, "legitimized" by these forced treaties, and by June 17, 1940, all three countries were occupied.

The United States was the first, in 1940, to denounce the Soviet takeover of the Baltic States. Throughout these 34 years since the takeover we have refused to recognize the Baltic States forced annexation by the Soviet Union. In 1966 the House and Senate unanimously passed House Concurrent Resolution 416 calling for freedom for Lithuania and the Baltic States of Estonia and Latvia, and the President has reaffirmed our commitment to a free Baltic States by labeling that Soviet imperialist act as a violation of "not only the spirit and letter of international law but—an offense against—the standards of common human decency."

Living in a free nation, we can never really understand the sufferings of the captive peoples. But, we can offer to the brave citizens of those lands who still fight for liberty, and to their many friends and relations in the United States, the assurance that we as a people will never rest until Lithuania and the other captive nations regain their rightful heritage of freedom. We will never rest as long as there is denial of religious freedom, denial of self-determination—denial of human rights.

As the Soviet Union and the United States now approach détente, we, as the leading power in the free world, have a unique opportunity to ease the plight of the peoples of Lithuania and other captive nations—to bring about Soviet compliance with the provisions of the United Nations Charter and the Universal Declaration of Human Rights and an end to all forms of persecution for political and ideological reasons.

I proudly join in supporting the cause of freedom for Lithuania and the Baltic States by recognizing June 15 as a day to commemorate the annexation of Lithuania as a demonstration of our continuing commitment to the Lithuanian people and to all captive nations.

BALTIC STATES' GENOCIDE DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DERWINSKI. Mr. Speaker, today is Genocide Day, the 34th anniversary of the mass deportation of people from Estonia, Latvia, and Lithuania to slave labor camps in Siberia and other sections of the Soviet Union. This historic action of Communist brutality occurred in 1941, shortly before Nazi armed forces invaded its previous ally, Communist Russia.

The three Baltic republics had enjoyed a shortlived freedom, having secured their independence shortly after the end of World War I. The territory of the three small countries was invaded first by Soviet troops and then by Nazi forces.

Toward the end of World War II when Soviet troops reoccupied the Baltic States, the U.S.S.R illegally incorporated these three nations into its structure, an action which our Government has never recognized. Since then, the Baltic people have suffered from the collectivization of their farms and the nationalization of their industries. They have suffered religious persecution and their children have been subject, through Communist educational institutions, to Communist brainwashing.

Hundreds of thousands of Estonians, Latvians, and Lithuanians were shipped from their homelands like cattle, to be replaced by peoples from other parts of the Soviet Empire. This exchange of populations has substantially altered the ethnic compositions of Estonia, Latvia, and Lithuania.

Mr. Speaker, it is not pleasant to have to invite the House's attention to such an occasion as Genocide Day. Unfortunately, we must take note of it, so long as the Soviet Union continues to treat the Baltic peoples as colonials to be exploited, as chattels to be exported, and as inferior creatures to be exterminated. Genocide is wrong, no matter who practices it, no matter who the victims are, and regardless of whether they be many or few.

However, I direct the attention of the Members to the fact that throughout the free world the peoples of Estonian, Lithuanian, and Latvian origins maintained their traditional civic, cultural, and church organizations and continue their efforts on behalf of their enslaved compatriots held captive within the U.S.S.R. The legitimate spokesman for the Baltic peoples are found in the free world rather than the Russian puppets in the three so-called Soviet Socialist Republics. I am confident, Mr. Speaker, that the perseverance of the Baltic peoples will triumph over communism and that freedom will ultimately be restored to Lithuania, Latvia, and Estonia.

GOVERNMENT-MANDATED DEVICES

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BROOMFIELD. Mr. Speaker, the Automobile Cub of Michigan recently conducted a survey of its members, and I think the results will be of great interest to all Members of Congress. If the Michigan survey is indicative of a national feeling, American motorists are fed up with the regulations Washington has imposed on their cars.

Nearly 7,000 drivers answered the questionnaire, and almost one-third of the respondents included a strongly worded letter with their questionnaire. The results were overwhelmingly against Government-mandated devices on automobiles.

Seventy-four percent of those responding expressed their disapproval of the seatbelt-interlock system on 1974 cars. An even greater number, 83 percent stated that even if inflatable airbags are proven safe and effective, they should not be required by law. Eighty-one percent of the motorists do not feel the size, weights, or gas mileage of cars should be regulated by Congress. And 72 percent feel the Clean Air Act should be eased to make catalytic converters unnecessary.

For the past decade Congress and the Federal agencies have burdened the industry with expensive, and oftentimes unnecessary regulations. It started innocently enough with optional seatbelts, progressed through mandatory seatbelts, and resulted in a blatant invasion of privacy on the part of Government—the 1974 interlock system.

Now it appears the bureaucrats at the National Highway Traffic Safety Administration (NHTSA) are just getting warmed up. The auto industry has recently been informed that airbags, a $225 option on some cars this year, will be mandatory on 1977 model cars. NHTSA took this action despite the fact that the auto manufacturers, after spending millions of dollars testing these devices, concluded the air bag will not accomplish anything that is not being done presently by the seatbelt system, and have serious drawbacks.

The estimated cost for installing airbags as standard equipment would be $2.6 billion per year. And we all know who will end up paying the bill—the American public. For that price American drivers will get in return an uncertain safety device that the auto industry itself has reservations about.

Bureaucratic blunders like this make Washington look as far removed from reality as Disneyland. Henry Ford once said that government should serve, not dominate. If the NHTSA thinks its arbitrary decisions regarding seatbelts and airbags are serving the public, perhaps the results of this questionnaire will jolt them back into reality.

ISRAEL HONORS AMNON BARNESS, MAX CANDIOTTY, AND DAVE FINKLE

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. REES. Mr. Speaker, the American people have lent unwavering support to the courageous State of Israel since its birth 26 years ago. During that time a number of forward-thinking companies in this country have recognized the importance of maintaining this profile, advancing their support through corporate dinners, where millions of dollars in State of Israel bonds were sold.

The acknowledged leader in this area of activity, the corporation which held the first such dinner and the firm which has held more Israel bond dinners than any other, is Daylin, Inc., Amnon Barness, Daylin's chairman of the board, assumed a leadership role in this effort when he established and was named chairman of the International Corporate Program for Israel Bonds. In the past year, through this program, some 40 companies in the United States and Canada held such dinners, selling more than $40 million in Israel bonds.

Now the State of Israel is honoring Mr. Barness for his unselfish dedication to this cause. Also to be honored are Mr. Barness' two partners at Daylin who share his philanthropic as well as his business interest. These two men who, with Barness, founded the company 14 years ago, are Max Candiotty, president of Daylin, and Dave Finkle, Daylin's chairman of the Executive Committee.

The honor will take the form of dinners on both coasts of America—one on June 22 in the Waldorf Astoria Hotel, New York, and the other on June 27 in the Century Plaza Hotel, Los Angeles. Civic and Government leaders from both Israel and the United States will join industry leaders and associates of the honorees at Daylin, to pay special tribute to these three giants of humanity.

To mark this special occasion, the State of Israel will present Mr. Barness, Mr. Candiotty, and Mr. Finkle with the coveted and rarely conferred Prime Minister's Medal.

In New York, the tribute dinner general chairman is Arnold Siegel, and Eugene Kalkin is general cochairman, while in Los Angeles the dinner cochairmen are J. Norman Alpert and Bernard Marcus.

Samuel D. May is president of the Prime Minister's Club, Daylin East, and the New York general coordinating chairmen are: Harold Bitterman, Bernard Jacobs, Albert Lechter, Gary Parks, Sherman Simon, and William Wolff. The treasurer is Bernard Rackmil.

Coordinating chairmen in Los Angeles are Bernard Kritzer, Jerry M. Sudarsky, and Charles "Chic" Watt.

Others in New York who are helping in the project are: Dinner chairmen—Arthur Blank, Donald Florman, Sy Gothelf, Robert Karan, Seymour Karch, Herbert Katz, Helen Lee, Herman Leibmann, Murray Rae, Charles Siegel, Murray Turkel. Dinner coordinating chairmen—Saul Adelman, Steve Adler, Vincent De Luca, Herbert Katz, Noel Kleinman, Stanley Memis, John Nicoletti, Robert Reinhardt, George Ringel, Robert Schiller, Robert Swerdlick, Jerry Tamber, Sidney Tanenbaum, Morton Weinstein, and Lou Zucker.

The committee in Los Angeles includes the following associate chairmen: Sam Bass, Leon Beck, Alan Bergman, Jean-Louis Bourguet, Marvin Chanin, Theodore Crey, Mme. De Clausade, Frank Denny, Nick Einfeld, Albert B. Glickman, Sol Goldsmith, Ray Gorney, Peter Grant, Jack R. Hearne, Harold Heldfond, Edmunc C. Hill, D. J. Kelley, Sidney Kern, Alec G. Land, George J. Lehman, Alvin M. Levin, Robert McKnight, Wilhelm A. Mallory, E. Ray Moore, Gilbert "Buddy" Palmer, Alan Potruch, Henry Rosenzweig, Kal Rubin, David Saks, Richard Segal, Rudy Seidler, Charles Siegel, George Swerdlow, and Dr. S. Jerome Tamkin.

I would like to take this opportunity to urge the Members of this 93d Congress to join me in paying special tribute to these outstanding gentlemen—Amnon Barness, Max Candiotty, and Dave Finkle—for their devotion, their leadership, their compassion.

LITHUANIANS STILL HOPE FOR FREEDOM

HON. WAYNE L. HAYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. HAYS. Mr. Speaker, on June 15 we commemorate an important day in history, not a day of national independence but of enslavement, not the achievement of liberty but its loss. In 1940, on June 15, Lithuania and its neighbors on the Baltic Sea were forcedly annexed by the Soviet Union. Subsequently, thousands of Lithuanian citizens were deported to Siberian concentration camps for no other reason than that they wanted to remain Lithuanian.

Most Americans living today cannot remember the annexation of Lithuania, and I am sure that some believe that it occurred so long ago we should let the affair pass into history. But I do remember, and if liberty and justice have any meaning for us as a nation, we must not let the fate of the captive nations become nothing more than a footnote to history. After 34 years the people of Lithuania still hope for freedom and we must not let that hope die.

I understand from all the reports that the Soviet Union is interested in détente and wants most-favored-nation status. I do not see much hope for détente until the Soviet Union does more than merely talk about justice and the rights of men. A good sign that the U.S.S.R. is serious would be a positive action to ease the plight of Lithuanians and other captive nations.

DR. PAUL RUSCH: MIRACLE WORKER IN PRACTICAL DEMOCRACY

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. MATSUNAGA. Mr. Speaker, worldwide peace and international cooperation are recognized goals toward which our Nation is striving in the aftermath of recent devastating wars. While world leaders invest much energy toward reaching these ends, it is often the efforts of individual citizens which prove to be of immeasurable value in securing such peace and cooperation.

Dr. Paul Rusch, the founder and inspirational leader of the Kiyosato Experimental Education Project—KEEP—is one such individual. It was my great privilege to serve as a fellow officer in the Military Intelligence Service for a period of 8 months during World War II with Paul Rusch. Even then he was an inspiring leader who enriched the lives of those with whom he came in contact. I was fortunately numbered among them. As a lieutenant colonel in the intelligence staff of General MacArthur in postwar Japan, Dr. Rusch viewed firsthand the vast destruction and misery brought upon a defeated nation. He recognized the need for a stable, democratic government in Japan which could meet the survival demands of its people. Dr. Rusch realized that a practical demonstration of democracy at the grassroots level was essential to achieve success. He noted that it occurred to him that "democracy was not something that could be given or thrust upon a people. It had to be learned firsthand, worked at, experienced." This dedicated, giving man set out to assist the peoples of Japan in achieving democracy and prosperity and founded KEEP, the Kiyosato Educational Experiment Project.

Dr. Rusch's aim was to develop a model early New England type community, built around the church and Christian democratic principles, and to provide a new source of food for Japan's war-impoverished people. He chose Kiyosato, Yamanashi-Ken as the site for an experimental farm, near the St. Andrew's Brotherhood Youth Camp. The farm was to demonstrate that agricultural achievements were possible in an area above the rice growing level. The community was to also be equipped with a church and modern educational, medical, and social facilities.

The miraculous success of this project is well known. To date the KEEP community includes an agricultural school, conference lodge, youth camp, experimental farm, rural hospital, nursery school, free library, and church. This venture has proven that upland farming in Japan can be productive and that an improverished people can operate a self-help system and take advantage of modern know-how to achieve prosperity.

At age 76 Dr. Rusch is, as Lt. Col. Stuart W. Shadbolt stated in a Pacific Stars & Stripes article:

> A living legend in the history of the United States and Japan, an American who saw a need and determined "to do something about it."

Through KEEP, Dr. Rusch has not only alleviated human suffering and hunger, but has inspired new faith, and hope for the future, among a once lost populace. He is indeed a miracle worker in practical democracy.

The world is in crying need of men such as Dr. Rusch to lay solid foundations for future peace, cooperation, and prosperity.

Presently Americans everywhere are struggling to recover from the human losses and emotional wounds inflicted by our Nation's longest and most divisive war—the War in Vietnam. Our Nation and the nations of North and South Vietnam need dedicated persons to lead them out of the pain and misery of war. A man like Dr. Rusch would seem a noble model for all to emulate. If his constructive, peaceful goals could be adopted, the people of Southeast Asia could look forward with some hope to an early recovery from war and devastation.

DEPORTATIONS IN THE BALTIC STATES

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. REID. Mr. Speaker, once again I ask my colleagues to join with me in commemorating yet another tragic anniversary of the Republic of Estonia. Over 30 years ago in communities throughout Estonia, Latvia, and Lithuania, thousands of individuals were indiscriminately deported from their native lands by the Soviet authorities.

Each of these exiled men and women carried with them their undying idealism and their unyielding desire to be free. The memories of these individuals such as Konstatin Pats, President of Estonia, have remained in the hearts and minds of those people today who are working to recreate a free and independent Estonia, Latvia, and Lithuania.

At a time when the most powerful nations of the world are gathering around a table of peace in Geneva, the United States—symbol of the modern democratic order—must renew its commitment to the members of those communities which after 56 years under Soviet control, still recognize and express their desire to be free. We must insure that these rights of self-determination, self-reliance, and self-government are restored to Estonia, Latvia, and Lithuania. Just as we treasure our own freedom, we must recognize those communities who believe in theirs.

PUBLIC SAFETY OFFICERS BENEFITS ACT OF 1974

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. FISH. Mr. Speaker, the House passed the Public Safety Officers Benefits Act of 1974 April 24 and sent it to the Senate, which had acted on the measure in a slightly different form. The bill is now designated as S. 15 and has the wide support of the police and law enforcement organizations and supporters. I hope the Senate will accept the House version which broadens the coverage of police and firemen who die in the line of duty.

I spoke to such a group in New York City May 4, sponsored by Mr. Ordway P. Burden, of Mt. Kisco, N.Y. Mr. Burden is a young man who has spent the majority of his life as an active supporter of law enforcement and law enforcement organizations. He is a member of many organizations including: The Hundred Club of Connecticut; the Hundred Club of Massachusetts; and the Hundred Club of Westchester County, N.Y. where he is also a director of the club.

These Hundred Clubs are organizations of private cititzens who are not, except in a very few instances in any way connected with law enforcement organizations. They have nothing personal to gain except the good feeling that they are helping the widows and families of policemen and firemen who have lost their lives making our neighborhoods and towns better and safer places to live.

Usually these "clubs" are composed of members who have given a $100 or more per year to aid the widows of those men who lose their lives for us. I learned at the New York meeting that in some instances the Hundred Clubs give money for education of the children of the slain policemen, and they provide various forms of outright cash support. In some cases the money is given to the widow in lump sum—$10,000, $20,000, up to as much as $40,000. In other cases they spread it out in the form of monthly income, and some "clubs" told at the meeting of taking care of the widow and her family until she remarries or until the end of her life.

This is very laudatory and for many people a completely anonymous humanitarian act. These club memberships are all made up of prominent, influential people who have as their only concern and aim to take care of the widows and their families.

The Public Safety Officers Benefits Act will relieve some of the work that Mr. Burden and his "clubs" are now doing, if the slight language changes are accepted by the Senate and the President signs it into law. But it will not take over all the benefits offered by these 50-odd "clubs" throughout the country. It will however, allow the clubs the further opportunity to concentrate more on the educational requirements of the children of the slain law enforcement officers. It will also provide the widows the opportunity to live normal lives and not to have to suffer or to take a lesser position in life simply because their husbands lost their lives as firemen or policemen, protecting our lives and property.

At the meeting I attended at the New York Hilton May 4, I spoke personally with many of the more than 50 people who attended the session. Included among those at the head table with me was my colleague, Congressman MARIO BIAGGI, of New York, Mr. Robert D. Gordon, executive director of the International Conference of Police Associations, headquartered in Washington, D.C., and Mr. John Harrington, international president of the Fraternal Order of Police, who lives in Chalfont, Pa.

Hundred Club representatives came to the New York meeting from as far away as Denver. There are Hundred Clubs in over half the States at the present time and I understand one of the purposes of the May 5 meeting was to see if they could help get more of these "clubs" formed in other States and cities.

My hat goes off to Mr. Burden and the Hundred Clubs for the outstanding job they have been doing in the past and the job they are set up to do in the future.

GSA ADMINISTRATOR SAMPSON PRAISED FOR OPEN POLICY IN SELECTION OF ARCHITECTS AND ENGINEERS

HON. KENNETH J. GRAY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. GRAY. Mr. Speaker, we have all heard a lot recently about lack of public confidence in our Government, about how governmental decisionmaking should be open for public inspection, and about the need to curb possible abuses of power. Unfortunately, not enuogh has been taken to correct these situations.

Therefore, I was extremely pleased to see a recent example of a Federal agency, on its own initiative, taking positive action to secure improvements. I am referring to the sweeping changes in the procurement of architect-engineer services announced on June 10 by Arthur Sampson, Administrator of the General Services Administration.

Last October, Mr. Sampson appointed a special, high-level study committee to study GSA's procedures for selecting architect-engineers, and to make any recommendations they wished in order to improve the process. The committee was made up of businessmen, architects, engineers, educators, journalists, and government administrators.

Their report was accepted by Mr. Sampson on June 10, and most of the recommendations were ordered implemented immediately. While the committee found that basic GSA procedures were excellent, and found no evidence of improprieties, their recommendations will better define the selection criteria used, and reasons for an architect-engineer selection. They will also remove all steps in the selection process from behind closed doors.

This is another example of the type of dynamic leadership and good management sense that Art Sampson has continually displayed at GSA. I commend his actions in this matter and hope that others will follow his example.

I would like to submit for the RECORD a copy of Mr. Sampson's statement of acceptance of the report and a brief summary of the highlights of the committee recommendations:

REMARKS BY ARTHUR F. SAMPSON

Before I comment on the committee report and our response to it, I want to make two preliminary points. Points which will help you to fully understand the importance of this document, its nature and its content.

First, about the committee itself: this really was an outstanding group. You have their names. Professionals with years of experience in all areas of the construction industry. The committee and staff had only six months to do a difficult job of research and evaluation. And they did it. Their work was orderly and on time all the way along.

The final product of that effort reflects the full independence and the broad experience of the committee membership. That makes it for us both a challenge to live up to and a working document we can build on. Which is exactly what it should be.

The second point about this report is this: it responds precisely to the charter which we gave the committee.

In October, I approved the charter of the committee.

It was not to be an investigatory body, a board of inquiry or anything of the sort.

This was to be careful and thorough research effort.

Let me quote from the committee charter:

"The committee will recommend a process to be used by GSA for the selection of architects and engineers to receive federal contracts. It shall study GSA's present system for selecting architectural and engineering firms, previous systems used by GSA, systems used by state and local governments and systems used in the private sector. It shall take into account the opinions of those exports in the field whose advice it considers of value. It shall have access to all GSA employees and all relevant records. It shall study at least the last four years of GSA experience with the selection of architects and engineers."

In part, the scope of committee research was defined in this way to make it a manageable effort. But, more important, the charter of the group was designed to avoid a sensational or emotional approach to the issues. It was designed to produce a set of recommendations that could be acted on because action was so badly needed to restore public confidence.

That's what it did. The final committee report recommends specific action. Not high-sounding moral reforms, but detailed steps to improve our selection process. To minimize the opportunity for improper influence in the selection of architects and engineers.

Let me tell you about those recommendations and our response.

I'm glad to be able to announce some decisions on the report the same day we release it. It was for this reason that I have followed the committee's work with close and personal attention.

Chairman Hines has kept me informed of progress along the way. And, on one occasion, the committee as a whole requested a meeting with me to discuss their thinking.

So today, I can announce our response to a number of committee recommendations

and some dramatic improvements in our selection process.

The first change I can announce today: the study committee recommended, and I have accepted, the idea of ranking the most qualified firms in order of preference for final selection.

Our new selection process will work as follows: our regional advisory panels will identify five to eight firms of outstanding qualifications.

From that list, an in-house panel will recommend the top three firms. And they will rank them in order of preference. The final selection will continue to be made by the administrator of GSA.

Now, however, his choice will be clearer and the basis for the choice fully documented. Should the administrator select other than the top ranked firm, he, in turn, will have to document his decision.

This is brand new for GSA. Previously the administrator did the ranking.

What ranking and documentation mean, in effect, is this: the final authority in the selection system—the administrator—will have the minimum opportunity to make a selection based on improper political, personal, or other motives. He will have, still, the freedom to choose among firms that are equal or nearly equal in excellence. But his choice must be fully and carefully recorded.

This is the backbone of our improved selection system.

Hand-in-hand with it go several other changes:

We will make our regional public advisory panel members ineligible for GSA work during their tenure. To maintain the stature of the panels and professional interest in them we will shorten the individual membership to one year and reduce the number of members.

And we will establish in each region a pool of our best professional talent to evaluate firms recommended by panels. A national evaluation board will be established for major and special projects.

And we will develop a detailed manual of procedures as recommended by the committee, to make sure this system operates fairly, consistently and with a minimum of outside influence.

There are other changes to be made in the system, of course, and other recommendations to be studied.

But this is the heart of the new GSA selection process. A system we believe can operate with even more strength, independence and fairness than our current system.

One final area of change and improvement: the study committee recommended, and we have accepted, a number of ideas to improve the informational aspects of our selection system.

First, a member of the regional public advisory panel will be invited to sit in as an observer on our in-house evaluation of firms. That will assure the panels that *our* analysis is as impartial and professional as *their own*. And we will, as the committee recommended, fully inform the panel on the final selection made.

Next, we will maintain and release each year a report on the A–E selections made. Open to the Congress, to other federal agencies, to the professional community and the general public, this report will be a complete and continuing record of our new selection process.

I want to make another announcement today. It's a change I've been think about for some time. One that will fundamentally alter the basis for selecting A–E's.

Instead of depending exclusively on an evaluation of professional competence and reputation, GSA will begin a process of awarding architectural and engineering design contracts on the basis of project proposals.

We are deferring this action until January 1, 1975, so that we can fully explain it, and completely explore its implications with design professionals and their organizations.

Starting in January 1975, firms interested in GSA projects will be asked to submit—in addition to a profile of their firm, which is now required—a standard form which responds in detail to published project criteria.

This is brand new to GSA.

But it is only the first step.

Over a three to five year period, GSA will require even more—and more detailed information from architects and engineers seeking our commissions.

The exact gait of this process is not yet defined. But the end result is defined.

Ultimately, GSA will award A–E contracts on the basis of fully developed project proposals. Proposals that will include evidence of technical and professional distinction; estimated fees, construction and life cycle cost estimates; and planning and design concepts.

This is a revolutionary step for GSA and, in the long run, may have a significant impact on the construction industry.

This decision responds to no specific study committee recommendation. But it does respond to the committee's concern for fair and impartial selection of A–E's. It does respond to GSA's concern for the production of the finest architecture. And it does respond to realities of the construction industry.

An industry which is turning more and more to systems building, to performance specifications and to new ways to manage construction.

We believe that professional competition based on technical proposals is the way of the future. And we're headed that way.

Those, then, are the highlights of the committee report and our reaction to it.

By memorandum dated today, I have directed the commissioner of GSA's public buildings service to make those changes which I mentioned—and others.

We will act promptly to put these changes on the books and into effect. And we will monitor the effect of those changes.

To that end, I have directed the appointment of a special assistant to the commissioner of the public buildings service to work full time for a year to make sure the new system goes into operation and works well.

It should be noted and emphasized that these changes apply only to GSA and do not presently affect A–E selection procedures of any other federal agency.

Several other steps will be taken in the near future.

First, we will actively discuss the report and our changes with other appropriate federal agencies and departments.

In the end, I believe, this report will prompt cooperation and change in the federal community which will keep the government a uniform and progressive client for A–E services.

As a second step we will assure the widest distribution of this report to governors and mayors and other officials of building programs. We believe the report is a well-developed document. It urges workable change and improvement. And so we will maximize its exposure.

In summary, then, I believe this to be an excellent report. It has proposed and will lead to some dramatic changes in the GSA selection of architects and engineers. And, in the long run, I think it will have national impact in encouraging reform and improving the public image of the professional design community and their work for federal, state, and local building programs.

UNITED STATES–PUERTO RICO STUDY WAYS TO BETTER COMMONWEALTH

HON. JAIME BENITEZ

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BENITEZ. Mr. Speaker, since September 1973, an advisory group appointed jointly by the President of the United States and the Governor of Puerto Rico, has been assiduously working in an effort to achieve a consensus and render recommendations as to how best the Congress of the United States and the people of Puerto Rico may further develop Commonwealth status. After a series of congressional enactments were submitted to and approved by the Puerto Rican electorate in referenda, and after a constitution was drafted in a constitutional convention in Puerto Rico, and after this constitution was approved both by the Congress of the United States and by the Puerto Rico electorate, Commonwealth status was established as a compact in July 1952. The Supreme Court of the United States has just rendered a very important opinion in the case of Colero against Pearson Yacht Leasing Co., reaffirming the fact that, by virtue of this compact, Puerto Rico is no longer a territory in the constitutional sense, but a Commonwealth organized under a constitution of its own choosing in free union or association with the United States. The constitutional convention of Puerto Rico specifically noted in resolution 23 attached to the constitution, that the Puerto Rico-Federal relations could and should be modified when and if such modifications became mutually desirable and acceptable.

Pursuant to a plebiscite decision taken on July 23, 1967, wherein the Puerto Rican electorate overwhelmingly endorsed the further development and improvement of Commonwealth over the alternative of statehood or of independence, President Nixon and Gov. Hernández Colón appointed in September 1973 a 14-member group to recommend desirable changes. The seven Presidential appointees include two Members of this body: the Honorable THOMAS FOLEY and the Honorable DONALD CLAUSEN; three Members of the other body: the Honorable MARLOW COOK, as cochairman; the Honorable BENNETT JOHNSTON and the Honorable JAMES BUCKLEY; former Governor of Illinois Richard Ogilvie, and Mr. Paul Howell of Texas. The seven members appointed by Gov. Hernández Colón were: Hon. Luis Muñoz Marín, former Governor of Puerto Rico, as cochairman; Hon. Juan Cancel Ríos, President of the Senate of Puerto Rico; Hon. Justo Méndez, member of the Senate of Puerto Rico; Hon. Víctor M. Pons, Jr., Secretary of State for Puerto Rico; Hon. Luis Ernesto Ramos Yordán, Speaker of the House of Representatives of Puerto Rico; Mr. Angel Rivera, president of Banco Crédito y Ahorro Ponceño, and myself.

I am happy to announce that the advisory group has just finished its fifth

joint meeting, held in Washington Monday, June 10, Tuesday, June 11, and Wednesday, June 12. A review of two previous documents submitted by the Puerto Rican delegation, as well as a discussion of 28 questions pertaining to these documents, submitted by the mainland delegation, and the answers offered by the Puerto Rican delegation, took place during these 3 days in an atmosphere of frank and probing cordiality.

With the interchanges above noted and with the testimony of 72 witnesses received in public hearings in Puerto Rico, a common understanding of achievements, problems and goals of the Commonwealth status has been attained. A consensus has been reached as to the following:

First. In endeavoring to advance Commonwealth "within its own framework to the maximum of self-government and self-determination compatible with a common defense, a common market, a common currency and the indissoluble link of U.S. citizenship," the point of reference must be Puerto Rico's own self-determination and inner dynamics in cultural, economic and political requirements rather than in extension of uniformities prevailing in the States or in divergencies existing in independent communities.

Second. In the furtherance of the responsibilities of the advisory group it is jointly agreed that the Puerto Rican group shall formulate a proposed draft of a new Statute of Federal Relations with such consultation and cooperation from their mainland colleagues as they may deem advisable. The consideration of the proposed draft shall be the next item of business of the joint ad hoc advisory group.

Third. The draft to be proposed should endeavor to cover whatever aspects of the 15 points originally mentioned as may seem desirable.

Fourth. The proposed draft should include a section dealing with a special mechanism, procedure, or agency responsible on a continuing basis for the consideration, adjudication, or recommendation of proper action to be taken concerning ways of dealing with and disposing of issues not covered in the proposed new statute of relations.

Fifth. The proposed draft be submitted sufficiently in advance to the rest of the members of the advisory group so that the meeting to be called for its consideration would permit prior consultations with appropriate bodies. The cochairman will call for the meeting after due consultation with members.

Mr. Speaker, this prolonged and difficult process, which hopefully is moving toward a successful resolution, can be understood in the light of the questions raised by individual members of the mainland delegation and the answers provided by the Puerto Rican group. I place them in the RECORD at this point:

JUNE 6, 1974.

Hon. MARLOW W. COOK,
Cochairman, Ad Hoc Advisory Group on P.R.

DEAR SENATOR COOK: The Puerto Rican members of the Ad Hoc Advisory Group have welcomed the opportunity to study and respond to the 28 questions formulated at our request by our mainland colleagues and submitted for our consideration in your letter of March 20, 1974. While we understand that the questions are an aggregate of individual inquiries referred to you by the several members and do not necessarily reflect a group consensus, yet for discussion purposes it seems best to treat them as a unit.

Our review of the 28 questions has enabled us to discern wherein our perceptions of the Commonwealth status may be at variance with those of our mainland colleagues; and, therefore, wherein we may differ on the merits of some of the proposals for further development of the Commonwealth. If indeed these differences exist, they are traceable, in our judgment, to the very nature of a unique political experiment in our Constitutional system which we have not yet fully explored at this relatively early stage in the work of our Ad Hoc Advisory Group. Our answers to your questions rest on the unique historical record of Commonwealth status. We trust they will help to establish a common threshold of understanding with our mainland colleagues with whom we share a joint responsibility for carrying out a mission of capital importance to Puerto Rico and the United States.

We will answer the 28 questions in their numerical order, with the exception of question 14, which we have selected for our initial reply. The answer to the questionnaire is appended to this letter.

Very truly yours,

LUIS MUÑOZ MARÍN,
Cochairman.

REPLY TO QUESTIONNAIRE

14. "Would obtaining more privileges and rights than other members of the same federal association be inconsistent with the principle of maximum self-government compatible with common citizenship, common defense, common market and common currency?"

We address ourselves to this question at the outset because we feel that it expresses in the most explicit form three assumptions that underlie virtually the entire series of questions. The three assumptions are: (1) that statehood, i.e., "other members of the same federal association," is the proper measurement for Commonwealth status; (2) that uniformity with statehood is the appropriate principle of measurement; and (3) that deviations from statehood are conceived in terms of "obtaining more privileges and rights" (for Commonwealth status) "than other members of the same federal association".

These three assumptions serve to emphasize the validity of the comment by Governor Rafael Hernández Colón in his appearance before the Ad Hoc Advisory Group on April 27, 1974. On that occasion the Governor observed:

"Perhaps the basic problem which some members of Congress and others have had from time to time in wrestling with Commonwealth is the unique character of this concept. To understand the unfamiliar—Commonwealth—they sometimes tend to resort to the familiar—statehood. Any such comparison hinders understanding and limits creativity."

The Governor's observation is grounded on the history of Puerto Rico's relationship to the United States. At the time that Puerto Rico was annexed by the United States after the Spanish-American War, it had been a colony of Spain for nearly 400 years. Its nine hundred thousand inhabitants constituted a distinct people with a homogenous culture and language different and distinct from those of the United States. As a distant possession of a declining power during the 19th century, the Island's economy had deteriorated to a condition of chronic stagnation when its fragile trade with Spain in sugar, coffee and tobacco was shattered by annexation. Having wrestled with Spain for home rule during the latter part of the 19th century, Puerto Rico finally had acquired the notable charter of autonomy in November, 1897, and had conducted the first elections for its Parliamentary Government in April, 1898, four months before American troops occupied the Island. Thus, the ferment of a strong home rule movement was eagerly transferred to the United States, known by the people of Puerto Rico as a Nation whose founding principle was government by consent of the governed. These, then, were the distinctive characteristics and the distinctive problems of the Island acquired by the United States.

At the outset the people of Puerto Rico and their leaders thought that Statehood would be the natural outcome. They requested a broad territorial status to be followed shortly by Statehood. The Military Government, the Foraker Act of 1900, the misunderstandings, admonitions and denials that followed created a state of confusion that perplexed Puerto Rican leadership and disposed them to explore other alternatives to the Territorial Colonial Status.

At the same time, but from an opposite perspective, American leaders were enthused, shocked or ambivalent about "Manifest Destiny", "the American Dream", "our brown brothers", and whether or not the Constitution follows the flag. The position adopted by the President, the Congress and the Judiciary was to keep their options open, to foster health, education, English, trade, individual rights, maintain a firm political control, discourage Statehood or Independence and let the future take care of itself.

The decision taken by Congress in the Foraker Act of 1900 and epitomized in the doctrine of the "unincorporated territory" stirred a momentous constitutional debate. There were those who read the Foraker Act as a design for "imperialism", for it appeared to invest virtually unlimited legal authority in the Congress to deal with a dependency, beyond the limits of constitutional restraints. Sustained by the Supreme Court in 1901, the doctrine of only basic constitutional restraints upon Congress and upon the Legislature of Puerto Rico held its own, in spite of challenges, in the *Insular Cases*. These challenges became particularly strong, as far as Puerto Rico was concerned, after the political modifications of the new Organic Act of 1917, which included outstandingly the extension of U.S. citizenship to Puerto Rico. The potentials for good of this unprecedented departure from traditional constitutional practice became evident as the ingenuity of Puerto Rican leadership began to make a virtue out of necessity and the United States receded from its brief adventure in imperialism.

In the economic realm, the Congress was as generous as it had been restrictive in the political field. The flexibility inherent in the Congressional authority permitted Puerto Rico to gain access to the continental market but without being subject to the uniformities of internal revenue and customs laws. This distinctive treatment laid the foundations of Puerto Rico's remarkable accelerated economic growth beginning in the 1940's.

The President and the Congress began to respond to the special needs of a distant Island by then peopled by one million and a half fellow citizens of different language and culture, but none the less well trained in the democratic processes and attuned to democratic values.

In the realm of Puerto Rico's cultural development, the flexibility of Congressional authority permitted the conferral of United States citizenship (the Jones Act of 1917) upon a population of different culture and language without either the commitment to Statehood or to uniformities inherent thereto. That there was no commitment to Inde-

pendence either, lends emphasis to the unique nature of the developing relationship. The Congressional decision of 1917 and a later one of 1947 ceding total control over the educational system recognized Puerto Rico's right to determine its own cultural character through its own chosen style of cultural self-expression. Seen in retrospect, the essential merit and wisdom of the American experiment was the decision to treat Puerto Rico as a case *sui generis*, uninhibited by established practice, free to pursue new forms of union or association on federalism.

In the realm of Puerto Rico's political evolution, the flexible scope of Congressional authority, exercized during a long and agonizing era under the Foraker Act and the Jones Act to severely limit self-government on the Island, was utilized in 1950 under the terms of Public Law 600 to join with Puerto Rico in establishing the wholly novel Commonwealth status. The pertinent language of Public Law 600 read:

"Fully recognizing the principle of government by consent, this Act is now adopted in the nature of a compact so that the people of Puerto Rico may organize a government pursuant to a constitution of their own adoption."

The people of Puerto Rico freely accepted the terms of the compact in a popular referendum. What the compact produced was succinctly summarized in the unanimous report of the joint United States-Puerto Rico Commission on the Status of Puerto Rico of 1966:

"The steps in the procedure were similar to the familiar ones of Enabling Act procedures for the admission of States to the Federal Union, *but without the result of creating a federal state.* There was created, instead, a new form of federal relationship. It was based upon two spheres of government—that of constitutional self-government within Puerto Rico, and that of the Federal Government—with the two spheres of government connected by the applicable parts of the Federal Constitution and by the Federal Relations Act." (emphasis added)

It is of interest to note that a recent decision of the U.S. Supreme Court, *Calero-Toledo* v. *Pearson Yacht Leasing Co.*, referred to the procedure and to the compact in the following language:

"By 1950 . . . pressures for greater autonomy led to Congressional enactment of Pub. L. 600, 64 Stat. 319, which offered the people of Puerto Rico a compact whereby they might establish a government under their own constitution. Puerto Rico accepted the compact, and on July 3, 1952, Congress approved, with minor amendments, a constitution adopted by the Puerto Rican populace."

The Supreme Court then quoted with approval Judge Magruder's observations on Puerto Rico's constitution in *Mora* v. *Mejias*, 206, F. 2d 377 (1953), as follows:

"The preamble to this constitution refers to the Commonwealth . . . which 'in the exercise of our natural rights, we (the people of Puerto Rico) now create within our union with the United States of America.' Puerto Rico has thus not become a State in the federal Union like the 48 States . . ."

We can now return to what we referred to earlier as the three assumptions contained in question 14, which appeared to us also as assumptions that underlie virtually the entire series of our mainland colleagues' 28 questions.

We respectfully reject the assumption that statehood is the proper measurement for the Commonwealth status. The historical record is demonstrably clear that an economically underdeveloped Island with its own homogeneous culture required and received distinctive treatment to encourage its economic growth and to preserve its cultural identity. We, therefore, also respectfully reject the assumption that uniformity with statehood constitutes an appropriate principle of measurement for the Commonwealth.

The third position, that deviations from statehood are conceived in terms of "obtaining more privileges and rights" for Commonwealth status than those enjoyed by the States, is likewise objectionable. The assumption here is that no rearrangement in the distribution of responsibilities is possible within the Federal framework. In achieving the goal of government with the consent of the governed, Commonwealth must balance what it lacks in the field of participatory Federal government with greater self-government.

We shall now endeavor to trace developments leading to the Charter of this Advisory Group.

While the establishment of the Commonwealth status was a creative act of inestimable importance, it was not, nor could it be, conceived in terms of perfection. It was understood from its inception that Commonwealth status could be further developed, or indeed that further development would be necessary, as experience would inevitably reveal some undefined legal, political and economic boundaries. Thus, the Constitutional Convention of Puerto Rico, which drafted the Commonwealth Constitution, in Resolution 23, expressed itself with complete clarity: "The people of Puerto Rico reserve the right to propose and accept modifications in terms of its relations with the United States. . . ." Copies of the Resolutions were sent to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States.

In July of 1962, on the occasion of the tenth anniversary of the Commonwealth, Governor Muñoz Marin wrote to President Kennedy stressing the need for "growth to occur" in the Commonwealth relationship and setting forth the guiding principles for further development of Commonwealth status. In response, President Kennedy wrote: "I am aware . . . that the Commonwealth relationship is not perfected and that it has not realized its full potential, and I welcome your statement that the people of Puerto Rico are about to begin the consideration of this with the purpose of moving toward its maximum development; I am in full sympathy with this aspiration."

The exchange of letters set in motion a series of events which have led to the creation of our Ad Hoc Advisory Group:

In December of 1962, Joint Resolution No. 1 was adopted by the Legislature of Puerto Rico setting forth six principles for the further development of Commonwealth. The Resolution was sent to the President of the United States, the President of the Senate and the Speaker of the House of Representatives. (A copy of Resolution No. 1 is appended to this document.)

Consultations with Congress on the six principles, including a brief session of hearings, led to the conclusion that a contemporary review of Commonwealth status would be a useful prior step to the consideration of its further development. Accordingly Congress invited the Legislative Assembly of Puerto Rico to establish a joint United States-Puerto Rico Commission on the Status of Puerto Rico to "study all factors . . . which may have a bearing on the present and future relationship between the United States and Puerto Rico." The Commission was established in February, 1964. Its Puerto Rican membership consisted of prominent spokesmen for the status alternatives of Commonwealth, Statehood and Independence. The Commission issued its report in August 1966. It concluded that "an expression of the will of citizens of Puerto Rico by popular vote on the question of whether they wish to continue Commonwealth status capable of growth and development, or to change to either statehood or independence would be helpful to all concerned." It also recommended the procedure of joint advisory groups:

"If the people of Puerto Rico should by plebiscite indicate their desire for Statehood or Independence, a joint advisory group or groups would be constituted to consider appropriate transition measures. If the people of Puerto Rico should maintain their desire for the further growth of the Commonwealth along the lines of the Commonwealth Legislative Assembly's Resolution No. 1 of December 3, 1962, or through other measures that may be conducive to Commonwealth growth, a joint advisory group or groups would be convened to consider these proposals."

The Commission report analyzed each of the status alternatives, concluding for the purposes of a plebiscite that all three "are within the power of the people of Puerto Rico and the Congress to establish . . ." On the matter of further Commonwealth development the Commission report stated:

"It is appropriate that the people of Puerto Rico should seek a more perfect Commonwealth, unless they choose another status. This is all the more appropriate for two societies as vitally alive and as rapidly changing as those of Puerto Rico and the United States. Since the growth must primarily meet the needs of Puerto Rico, the initiative lies there. The Commission believes that any process of further development would best be accomplished proceeding step by step as the needs dictate. In this manner, the principles contained in Joint Resolution No. 1 of December 3, 1962, should now be pursued, as should also other pertinent proposals that may be conducive to Commonwealth growth."

The next event leading to the creation of our Ad Hoc Advisory Group was the 1967 status plebiscite, in which 60 per cent of the people voted in favor of Commonwealth defined on the ballot as including:

"The authorization to develop Commonwealth in accordance with its fundamental principles to a maximum of self-government compatible with a common defense, a common market, a common currency and the indissoluble link of the citizenship of the United States."

(A copy of the definition on the ballot is appended to this document.)

On April 13, 1970, the first Ad Hoc Advisory Group was established to consider the presidential vote for Puerto Rico. Its report, issued on August 18, 1971, recommended a popular referendum on the presidential vote.

In September of 1973 the second Ad Hoc Advisory Group was created. The pertinent provisions of the Charter provide:

"In order to implement the express desires of the people of Puerto Rico freely made in the plebiscite of 1967, this Ad Hoc Group will be charged further to develop the maximum of self-government and self-determination within the framework of Commonwealth—a common defense, a common market, a common currency, and the indissoluble link of United States citizenship.

"The Advisory Group will inquire into and report and recommend on the extent to which the statutory laws and administrative regulations of the United States should apply in Puerto Rico.

"As part of this Charter, the Group must study alternate forms of participation in the Federal decisions affecting the people of Puerto Rico which the people of Puerto Rico ought to consider together with the Presidential vote recommended by the first Ad Hoc Advisory Group.

"In keeping with the plebiscite law, no change in the relationship recommended by the Group, together with the recommendations of the first Ad Hoc Advisory Group would be made unless previously approved by the people of Puerto Rico."

The 15-point agenda which was proposed by the Puerto Rican delegation on November 11, 1973, and subsequently accepted by our mainland colleagues as a working paper, springs directly from the terms of the Advisory Group's Charter which, in turn, is rooted in the results of the 1967 Plebiscite and the record of over two decades of experience under Commonwealth status.

We have reviewed the events that have led to the creation of our Ad Hoc Advisory Group for the reason that its very existence as well as the character of its mandate are testimony of the distinctive manner in which Puerto Rico reflects a new dimension of American Federalism. The plebiscite of 1967, and the history of Commonwealth before and after that plebiscite, as well as our charter of 1973, require us to address ourselves to imperfections that were bound to occur in a fundamentally fruitful but unique federal relationship, imperfections made all the more evident by two decades of dynamic evolution of mainland federalism, which have at times both benefitted and tended to inhibit Puerto Rico's further development.

Our proposed improvements, when they are formally presented, perforce should be considered in terms of their compatibility with the essential bonds referred to in question 14, which unite Puerto Rico to the United States: common citizenship, common defense, common market and common currency; for these are the bonds that forge our common destiny in our joint pursuit of democratic values. As a creative concept within American constitutional law, the basic goals and norms that bind us together are part and parcel of Commonwealth. Beyond these goals and norms there lies a vast, unchartered field for development and improvement. We hope to indicate some of its new directions, as well as to indicate where its foundations are firm and enduring, in our remaining replies to the 28 questions.

(1) "In the opinion of the Puerto Rican delegation, what specific powers exercised by the federal government are considered by the Puerto Rican people to be the essential and basic elements of the permanent union between the United States and Puerto Rico?"

As already indicated, the essential and basic elements of a permanent union or association between the United States and Puerto Rico are common citizenship, a common defense, a common currency, a common market and a common dedication to the principles of individual freedom and political democracy. We understand and welcome this communality of values, interests and purposes. We appreciate that to uphold and further them the Federal Government must have jurisdiction in respect to Puerto Rico and exert powers that are essential to its functions. Within the context of the nature of Commonwealth, these include the power to wage war and to conclude peace, to accept military volunteers and recruit citizens, to conduct foreign affairs, to fix tariffs, (with agreed exceptions such as that related to coffee), to regulate interstate commerce, to maintain free trade within its jurisdiction; to govern currency matters, to pass laws and regulations and take administrative action to fulfill these responsibilities. The Supreme Court of the United States is the final arbiter of constitutional controversies and of controversies involved in United States-Puerto Rico relationships.

At the same time, while recognizing federal authority on these fields, we assert that the powers of the federal government and the manner and degree to which some of them are exercised, or will hereafter be exercised, with respect to Puerto Rico, have not historically been and presumably will not be the same as in the federated states of the Union. For example, the long standing and special mechanism applicable to wage and hour regulation; the provisions as to federal taxes, on which the development of Puerto Rico has depended, the federal banking laws, etc., and Puerto Rico has historically had power to impose tariff duties on coffee—a power which no state has or could be given under the United States Constitution. Further, it should be noted that even in situations where the federal government undoubtedly possesses power, a wide variety of alternatives is available with respect to the exercise of power and methods of consultation with, and participation by, Puerto Rico regarding decisions taken in the exercise of such powers should be devised in a practical and mutually convenient manner.

(2) "Does the 'Commonwealth' style of self-government as it is applicable to the relationship of the United States and Puerto Rico provide a more extensive form of self-government than exists in the individual states?

"If so, where is there, or where should there be greater autodetermination, i.e. in the area of regulations, social and economic reform, or both areas?"

Basically, we refer both to Resolution No. 1 of 1962 of the Legislative Assembly of Puerto Rico and the language of our Charter: all powers essential to the federal government in the Commonweath relationship should properly be exercised by the federal government, within procedures of consultation and participation with the government and people of Puerto Rico; all other powers should be exercised by the people of Puerto Rico and their government.

(3) "The foundations of the relationship between the United States and Puerto Rico, as stated in the opening statement of the Puerto Rican delegation, are common citizenship, common defense, common market and common currency.

"What are the benefits accruing to the Puerto Rican people as a result of the common citizenship which are different from those accruing to citizens residing on the mainland? What are the basic reasons for such differences? What duties and responsibilities of citizenship should accrue to the federal government from the Puerto Rican people as compared to United States citizens residing on the mainland?"

We see no difference in our citizenship with respect to rights, duties and responsibilities.

(4) "It is quite easy to foresee the responsibilities of the federal government in the concept of common defense. What are the responsibilities of the Puerto Rican people? When would they become operative? Who would decide when and where they would become operative?"

Like other citizens, Puerto Ricans are subject to selective service laws and to service in the armed forces of the United States. Puerto Rico also has an obligation, which it discharges, to maintain a "militia" or national guard, which can be called into federal service. Puerto Ricans are, as United States citizens, fully committed to discharge their defense responsibilities; and Puerto Rico extensively participates in the common defense by making available land, water and air facilities for training and use of the United States armed forces. Its participation in this respect is probably greater than that of any state on a proportionate basis.

Obviously, like any other United States citizens, Puerto Ricans have a right to object that the military seek to use an excessive amount of Puerto Rico's limited land—or that they conduct their activities in a way that is unnecessarily prejudicial to the life of a Puerto Rican community. Similarly, it is entirely conceivable that agreements could be reached, beneficial to both the United States and Puerto Rico, with respect to different methods of administering selective service, during periods when it is in effect. All of this contemplates agreements designed to serve the common defense in the best possible way, which means taking into account the welfare of the Puerto Rican people as well as the need for defense activities.

(5) "Still under the concept of common defense, why is there persistent agitation against defense activities and installations of the common defense force such as in Culebra and Vieques? Should not these Puerto Rican people, as American citizens, contribute toward the common defense as do the United States citizens who reside in close proximity to military installations on the mainland, for example Vandenburg Air Force Base, California military missile testing, Fort Sill, Oklahoma, artillery, and Nellis Air Force Base, Nevada, nuclear testing."

The Armed Forces have or have recently held in Puerto Rico military installations and bases such as Ramey Air Force Base, Fort Allen, Henry Barracks, Roosevelt Roads, Culebra, Vieques, Buchanan. There is no general persistent agitation in Puerto Rico regarding defense activities and installations for common defense. There is general civic protest as to Culebra, and some times as to Vieques, because of particulars that could arouse equal protests under similar circumstances anywhere in the United States.

(6) "What does the concept of common market mean, other than duty free and open trade between the mainland and Puerto Rico?"

Besides duty free and open trade between the mainland and Puerto Rico, common market could mean the possibility of Puerto Rico entering into trade agreements with third parties, in manners not incompatible with United States treaties and national defense. Also, the elimination of the obsolete mercantilist prohibition to Puerto Rico to export finished products beyond a certain quota—sugar is the example.

Common market benefits are never one-sided. Puerto Rico's major benefit has been that of a growing economy. The major economic benefit reaped by the United States has been that of a flourishing export trade with the Island, which during the past decade alone has increased in value from approximately $3 billion to $5 billion. But the inherent dynamics of the common market combines two rapidly changing economies. For example, as the United States, in fulfillment of worldwide obligations, has moved towards freer trade by reduction of tariff levels, new areas of competition between Puerto Rican manufacturers and foreign manufacturers have developed within the mainland market. Furthermore, the trade balance between Puerto Rico and the mainland is slowly but increasingly unfavorable and Puerto Rico must cope with this growing deficit if it is to reduce the levels of its high unemployment rates.

(7) "It has been stated at various times that there are no 'classes' to citizenship, especially that Puerto Ricans are not second class citizens of the United States. Is this compatible with the creation of a new "class" of citizens who would have free access to the island and not to the mainland or to the mainland but not to Puerto Rico?"

This question seems to be based upon a misapprehension. We have never suggested and we would oppose the suggestion that there be created a new "class" of United States citizens who would not have free access to both Puerto Rico and the mainland.

(8) "On what basis could the proposed Puerto Rican immigration authorities designate a United States citizen of whatever race, creed or former national origin, attempting to immigrate to Puerto Rico *persona non grata?*"

This question is also based on a misapprehension. We have never suggested and we would oppose empowering either Puerto Rican or United States authorities to prevent free entry or immigration to Puerto Rico of any United States citizen—whether natural born or naturalized.

(9) "What are the burdens of the present federal laws governing navigable waters on the Puerto Rican economy and way of life?"

This subject requires further study which is underway. As an initial matter, it would seem an unnecessary and useless burden on the United States, and a needless curtailment of Puerto Rican autonomy, for federal laws to apply to waters which are entirely within Puerto Rico, and which are not navigable in any realistic sense.

(10) "a. Tariff policy is established to protect the economic community or 'common market' as a whole. Would not granting power to one member of the community to establish its own tariff policy and enter into its own trade agreements with other economic communities automatically create economic friction with the members of the 'common market' which are disadvantaged by the concessions given by one of the members to an outsider?

"b. Would not such economic friction eventually lead to the expulsion of the favored member of the common market by the nonfavored members?

"c. Would not the authority to negotiate and establish tariffs and enter into trade agreements create a co-equal government in the geneology of nations? Is this compatible with permanent association with the United States under a federal system?"

We do not quarrel with the concept that "tariff policy is established to protect the economic community or 'common market' as a whole." As the United States is aware and fully understands, however, in an interdependent world, tariff policy is necessarily a flexible instrument. We believe that the wise and innovative flexibility in tariff policy would bring advantages to both Puerto Rico and the United States.

We envisage that during the next decade, Puerto Rico can assume a significant role in its geographic region, analogous to the roles of the Federated States that border Mexico and Canada, but potentially richer in the results. What we envisage during the next decade is Puerto Rico's growth as both a transportation and financial center in the Caribbean. We also envisage new opportunities for trade with a growing Caribbean Community organization, with the Dominican Republic, Venezuela, Colombia and the Central American Common Market. These are real possibilities for Puerto Rico, and if its role is realized, the benefits for United States policy in the Caribbean region can be immeasurably great.

Rather than contemplating a narrower perspective of "frictions," or the non-existent possibility of "expulsion," we believe that the United States should actively encourage and facilitate Puerto Rico's potential role in the Caribbean. These can help to solve the severe problems of the region's growth, contribute to Puerto Rico's further growth, and directly create wider opportunities for mainland trade. What is contemplated, and what we propose, is a new flexible tariff policy which, without damage to mainland interests, can serve to realize a larger capability for Puerto Rico's economy within its common market with the United States.

(11) "Admitting that the programming on both the mainland and insular television and radio are not of the highest quality desirable, all broadcast licensees must pass through the same license renewal gauntlet every three years at which time there is an analysis of their programming vis-a-vis public affairs, news, entertainment and commercial advertising. What substantive changes could not be made in the caliber of Puerto Rican broadcasting by a local communications agency which would not be on a collision course with constitutional guarantees of free speech?"

Puerto Rican regulation of its own television and radio facilities (within limits that would not impinge upon the United States or any international communication rights) would be subject to the guarantees of free speech in both the United States and Puerto Rican constitutions. Again, within properly defined limits, so as to provide necessary technical and legal safeguards, it is difficult to imagine why the United States would want to exercise comprehensive control over television and radio licensing in the Island. Puerto Rico, for example, may have different criteria and different needs with respect to the allocation of frequencies as between educational and commercial stations, and different considerations with respect to advertisements and features involving liquor, tobacco, medicines, drugs, violence, etc. In the United States, cultural and local conditions are relatively similar. In Puerto Rico, they are quite different from those with which the FCC ordinarily deals.

(12) "If agreements of an economic or trade nature are foreseen under points 9 or 15 as a result of Puerto Rican representation (participation) in international organizations and affairs, how is common market with the United States to be insured, especially in the light of Venezuela's stipulation that none of their oil be exported from Puerto Rico to the United States? (under previous embargo restrictions)."

We believe we have answered this question in the first paragraph of our answer to question number 6.

(13) "Although somewhat vague, Section 9 of the Puerto Rican Federal Relations Act appears to provide desirable flexibility for determination of which federal statutes apply to Puerto Rico under prevailing circumstances. Would not a clearer but obviously a more rigid provision covering the applicability of federal statutes be far less adaptable to changing social, economic, and other conditions which in the future might straight-jacket the applicability of beneficial federal legislation?"

This question poses a basic problem. Because of the wide range in legislation it involves, as well as the uncertainties and changes inherent in the modern world, absolute *a priori* answers are not desirable. Perhaps, some areas of constitutional application must remain undetermined and, hopefully, creative. The difficulty of this does not excuse us from searching for a more appropriate arrangement. The present formula is unsatisfactory both as a practical, legal matter, and because of its theory. It leaves the determination of which federal laws apply to Puerto Rico in the hands of the courts without a meaningful standard, instead of in the law-making agencies of the United States and Puerto Rico. The present standard is a colonial concept which has fostered some of the worldwide attack on the United States as a colonial power in respect to Puerto Rico. It is anachronistic and anomalous, in light of the present relationship between the United States and Puerto Rico.

(14) "Would obtaining more privileges and rights than other members of the same federal association be inconsistent with the principle of maximum self-government compatible with common citizenship, common defense, common market and common currency?"

Already answered.

(15) "Under any of the proposals on future land acquisition would the federal government have the power to expropriate land through the courts without prior agreement on the part of the commonwealth government?"

(16) "a. Would future acquisitions of land by the federal government be subject to veto by the government of the Commonwealth under the proposal that such acquisitions be the subject of mutual agreement?

"b. What differences would there be in negotiating such a "mutual agreement" and negotiating a "mutual agreement" for an airbase in Spain, or Iceland, a naval base in Japan or a satellite communications site in South Africa?"

(17) "a. Regarding land now in use by the federal government, is it proposed that the Commonweath government participate in the determination of the length of the need of federal agencies for this land?

"b. What effect does federal ownership of land in Puerto Rico and federal regulations on disposal of its land holdings have on the exercise of maximum self-government within the framework of common citizenship, common defense, common market and common currency by the people of Puerto Rico?"

These relate to the question of federal land holdings and future acquisitions. We believe that the guiding principles should be that agencies of the federal government should be allowed to hold, acquire, or use lands in Puerto Rico that they may require for their purposes under the provisions of the association. It is common experience, however, that there is a tendency in all government officials—civil or military—to acquire land in excess of their needs and to continue to hold it far beyond the time when it is needed. Partly because of Puerto Rico's geographical remoteness, partly because of its limited participation in the United States government, and party because of the extreme shortage of land in Puerto Rico for its population, the problems of federal land acquisition and tenure are more acute in Puerto Rico than they are in most of the states. In any event, sensible, practical, procedures should be and certainly can be devised to meet the needs of both the federal agencies and of the people of Puerto Rico. We are not prepared at this time to suggest the detailed procedures which would strike an appropriate balance. They are under study and are certainly a significant subject for consideration of the Ad Hoc Advisory Group.

(18) "Would the full ramifications of common defense as envisioned by the Puerto Rican delegation include substantive changes in the mutual rights and obligations which now comprise the concept of common defense? If so, what are these substantive changes?"

No substantive changes. See the answers to questions 4 and 5.

(19) "What justification would be presented to the mainland governors and mayors whose areas have a large influx of aliens and large minority groups of American citizens, i.e. Blacks, Chicanos, Puerto Ricans, and where the population density is equal to or greater than Puerto Rico for permitting Puerto Rico to determine its own immigration policy?"

We do not suggest that Puerto Rico should have the power to exclude any American citizens. See the answers to questions 7 and 8.

(20) "a. How many aliens now reside in Puerto Rico?

"b. How many of these aliens would have been refused entry into Puerto Rico under the proposed Puerto Rican control over immigration, and on what basis?

"c. What has been the volume of this type of alien immigration by year since 1955?

"d. What are the national origin of these aliens?

"e. Did they first enter Puerto Rico or the mainland from which they subsequently entered Puerto Rico?"

There are 55,366 aliens in Puerto Rico. Of these 23,857 are Cubans and 16,206 are from the Dominican Republic. It is entirely impossible to predict how many of these aliens, if any, would have been refused entry into Puerto Rico under a new and different plan which has never been in effect, but which is one of the topics for discussion by the Ad Hoc Advisory Group. During the years 1957–1963, there were 10,650 immigrants admitted to Puerto Rico, for an average of 1,331 persons per year. During the period of 1964–1973, there were 55,940 immigrants admitted

to Puerto Rico for an average of 5,594 per year. (See two tables 12 attached.) As these figures show, during the last ten years the inflow of aliens to the Island has increased greatly. Obviously, increases of this magnitude create a problem for a small community like Puerto Rico, with a population density fifteen times that of the United States.

(21) "a. U.S. carriers now serving Puerto Rico are reportedly operating at a loss or a marginal profitability. In the opinion of the Puerto Rican delegation, do you believe U.S. carriers will continue to serve the island after the trade is open to foreign carriers at the same rate as now?

"b. If the U.S. carriers should discontinue service to the island, what guarantee would there be that the foreign carriers would continue to serve Puerto Rico if it became unprofitable to do so?"

As an island community, dependent almost exclusively on maritime trade and interchange, shipping is now more than ever a crucial issue in Puerto Rican life. It is one fraught with difficulties and yet one which we must explore from several different angles. The solution of the coastwise shipping problem is not necessarily foreign ship competition. Coastwise shipping at present only affects Puerto Rico, Hawaii, and Alaska, although the declared aim of the policy is maintaining an adequate United States Merchant Marine for the benefit of the United States as a whole, in peace and war. An adequate system of construction and operative subsidies could be the fair answer. At present, the government of Puerto Rico is negotiating the purchase of the main domestic shipping lines serving the Island.

(22) "What authority does Puerto Rico seek over labor relations?"

We see no reason why Puerto Rico should not have full authority over labor relations.

(23) "Under the essential concept of a common market it appears that all members of the wage and hour working classes, who also share a common citizenship, should have a right to earn, or should be in a program which is designed so that someday they will earn, the same wage for the same day's work. What rationale can be presented for excluding Puerto Rican American citizens from such a right?"

There is no reason in principle why a Puerto Rican worker should not have as good a minimum wage as any other worker in the United States. Under present law, none receives less than 60% of the federal minimum, and more than half receive wages substantially higher than the federal minimum. Present provisions require annual increases of 12 or 15¢ an hour until parity in the minimum is reached. Additionally, industry reviews are provided to shorten the distance whenever possible. The difficulty with reaching the same minimum is correlated directly to the difficulty in achieving an approximation in the per capita income between Puerto Rico ($1,842.00 in 1973) and the United States ($4,918 in 1973) or any state (Mississippi $3,448.00 in 1973). The history of labor relations and the rise in wages throughout Puerto Rico evidence the deep concern shown by the Commonwealth in the improvement of its labor force.

(24) "The present system of federal minimum wage legislation, in which Puerto Rico has a special niche, has generated the highest standard of living of any known civilized country and the highest standard of living of any Caribbean island, and has among its ultimate aims a Puerto Rican minimum wage and standard of living comparable to that on the mainland. On what rationale would the law advocating the highest possible minimum wage for all American citizens be changed to one of local or provincial control?"

Same as answer 23.

(25) "The statement by Dr. Antonio Santiago-Vázquez relating to laws on ecological matters indicates that the federal government has machinery far in excess of that now available in Puerto Rico to monitor the quality of the environment and has the capabilities to consider the unique attributes of Puerto Rico's size and population density in its monitoring effort without the cost of creating an additional monitor. Does this effect the Puerto Rican delegation's views regarding transfer of authority for ecological laws?"

(26) "The Environmental Policy Act of 1969 was enacted to assure all American citizens of the best environment possible no matter where he or she resides. Alaska is relatively pristine ecologically; the act hopefully will keep it that way. Hawaii is composed of islands just as Puerto Rico, yet the act applies to it. The coast of the mainland could be said to have the same 20-mile characteristic from Seattle, Washington, to San Diego, California, and from Brownsville, Texas, to Bar Harbor, Maine, yet the act applies to assure a quality environment. What justification is there to exclude Puerto Rico from the act under which a large and far-reaching expertise is being created to protect the environment of all American citizens?"

We do not believe that the more ample facilities of the United States with respect to ecological matters in Puerto Rico should dictate the conclusion that this duty and burden and the policy decisions to be arrived at, should be placed upon the United States. This is a duty that, it would seem to us, the United States should insist that Puerto Rico undertake, and which Puerto Rico is willing to undertake as part of its necessary and appropriate governmental duties. Certainly, the ecology of Puerto Rico does not affect the continental United States or any part of it. We fail to understand why the United States would want to regulate the ecology of Puerto Rico.

(27) "The section on transportation needs clarification. In view of Puerto Rico's exemption from the provisions of the Interstate Commerce Act, what other forms of transportation does the Puerto Rican delegation wish to consider, air or land, or both? What specific problems does the committee wish to alleviate by adjustments required by local realities?"

This matter is under study, but, in principle, it seems clear that Puerto Rico should have complete authority with respect to transportation within its territorial boundaries—whether by air or land. We recognize that transportation between parts of the United States and Puerto Rico and, particularly transportation originating or terminating in Puerto Rico with foreign countries—which does not touch upon other parts of the United States—present different problems as to which adequate participation by Puerto Rico may be the desirable objective, rather than control.

(28) "In regard to the present attempt to acquire the telephone facilities on Puerto Rico:

"a. What statutory and/or constitutional authority of the Commonwealth of Puerto Rico is being utilized to make such acquisition?

"b. Is the Puerto Rican delegation aware of any comparable constitutional or statutory authority for any mainland state jurisdiction to make such acquisition?"

Puerto Rico certainly has power—as do the various federated states and even most municipalities—to acquire telephone and public utility facilities. The Government of Puerto Rico is in the process of acquiring the telephone facilities in Puerto Rico through *purchase*, that is, as an ordinary business transaction. Notwithstanding this, it could acquire them by exercising the power of eminent domain contained in the Commonwealth Constitution, Article II, Section 9 of the Bill of Rights, which, in part, reads:

"Sec. 9. [Just compensation for private property] Private property shall not be taken or damaged for public use except upon payment of just compensation and in the manner provided by law".

Practically all, if not all, the States of the United States have comparable constitutional authority. There are literally hundreds or thousands of instances of such acquisitions, including water, gas and electric systems. Telephone systems are no different, and there are many instances on the mainland in which municipalities have acquired telephone systems.

The definition of Commonwealth on the ballot in the 1967 Plebiscite was the following:

A vote in favor of Commonwealth shall mean:

(1) The reaffirmation of the Commonwealth established by mutual agreement under the terms of Act 600 of 1950 and Joint Resolution 447 of 1952 of the Congress of the United States as an autonomous community permanently associated with the United States of America:

(2) The inviolability of common citizenship as the primary and indispensable basis of the permanent union between Puerto Rico and the United States;

(3) The authorization to develop Commonwealth in accordance to its fundamental principles to a maximum of selfgovernment compatible with a common defense, a common market, a common currency and the indissoluble link of the citizenship of the United States;

(4) That no change in the relations between the United States and Puerto Rico shall take place unless previously approved by a majority of the electors voting in a referendum held to that effect.

[Joint Resolution No. 1 approved Dec. 3, 1962]

1. JOINT RESOLUTION NO. 1 OF THE LEGISLATIVE ASSEMBLY OF THE COMMONWEALTH OF PUERTO RICO, DECEMBER 3, 1962

Joint Resolution To propose to the Congress of the United States of America the procedure for establishing the Interior final political status of the people of Puerto Rico

Whereas the people of Puerto Rico favor the determination of the final political status of Puerto Rico in such manner that no doubt may remain about the noncolonial nature of such status;

Whereas the people of Puerto Rico consequently favor, in different proportions, three forms of political status for Puerto Rico: Commonwealth status, based on common citizenship and developed to the maximum that may be agreed upon between the Congress of the United States and supporters of such status in Puerto Rico; federated Statehood, under conditions equal to those of the federated States that already compose the American Union; Indepedence as this status exists in the Latin republics of America;

Whereas those who favor Commonwealth status and the supporters of federated Statehood are against the separation of Puerto Rico from the United States, and most of the proponents of Independence favor that such status be achieved in friendship with the United States;

Whereas those who support Commonwealth status conceive its maximum development, in permanent union with the United States of America, under the following principles:

1. The recognition and reassertion of the sovereignty of the people of Puerto Rico, so that no doubt may remain of their capacity to enter into a compact under conditions of juridical equality.

2. The assurance of the permanence and irrevocability of the union between the United States and Puerto Rico on the basis of common citizenship, common defense, common currency, free market, common loy-

alty to the values of democracy, and of such other conditions as may be considered in the compact, of mutual benefit to the United States and Puerto Rico.

3. The specific definition of the powers of the United States with respect to Puerto Rico, which shall exclusively be those essential to the union.

4. All other powers shall be exercised by the constitutional organisms of the people of Puerto Rico.

5. Participation by the people of Puerto Rico in the powers exercised, under the compact, by the government of the United States, in matters affecting Puerto Rico, in a measure proportional to the scope of such powers. This may include, among other ways of implementing such participation, the right to vote for the President and Vice President of the United States.

6. The adoption of a formula under which the people of Puerto Rico will contribute to defray the general expenses of the United States Government, in a manner compatible with the stability and economic growth of Puerto Rico.

Whereas those who favor federated Statehood conceive it as the only desirable form of permanent union with the United States, in the way enjoyed by the fifty States of the Union;

Whereas those who favor Independence conceive it in the form already known in other countries of the Americas;

Whereas such three forms of political status are and should be based on the sovereign capacity of the people of Puerto Rico, whether it be for joining the Union as a federated State, for becoming independent, or for developing Commonwealth status, in permanent union with the United States, as requested by its supporters and as the Congress may agree, along the lines of the fourth whereas of this resolution.

Whereas it is hereby clearly expressed that nothing in this Resolution shall be interpreted as an endorsement by supporters of Commonwealth status of either federated Statehood or Independence; or as an endorsement by supporters of federated Statehood or either Commonwealth status or Independence; or as an endorsement by supporters of Independence of either Commonwealth status or federated statehood: Now, therefore, be it

Resolved, By the Legislative Assembly of Puerto Rico.

SECTION 1. To propose to the Congress of the United States the prompt settlement, in a democratic manner, of the political status of Puerto Rico, applying the principles here expressed in accordance with the WHEREASES of this Resolution.

SEC. 2. That, the Congress once having expressed the form which it is willing to agree that Commonwealth status may take in consonance with the principles contained in the fourth whereas of this Resolution, the three status formulas here specified be submitted to the vote of the people of Puerto Rico, on the basis of such expression by Congress and in accordance with the laws of Puerto Rico, so that the winning formula remain established or be established pursuant to the will of the Puerto Rican people.

SEC. 3. That a copy of this Resolution, in the English language, be transmitted to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States, and the Resident Commissioner from Puerto Rico in the United States.

SEC. 4. This resolution shall take effect immediately upon its approval and shall continue in effect until its purposes are achieved pursuant to the provisions of Section 2 hereof.

Approved December 3, 1962.

NOTE.—Official translation authorized by the Governor.

IMPEACHMENT OR RESIGNATION?

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. QUIE. Mr. Speaker, the editorial appearing in the May 22 Republican Eagle published in Red Wing, Minn., discusses some of the pertinent questions on impeachment and raises other points which deserve consideration.

The current controversy is placed in reasonable perspective and I commend it to my colleagues:

IMPEACHMENT OR RESIGNATION?

In the current turn of impeachment politics, we find it symbolic that Goodhue County's two more Democratic-leaning editors spoke up last week in favor of a full and fair trial for President Nixon rather than any Republican pressuring him into resignation.

These two editors are friends Al Grimsrud at the Zumbrota News and Tootie Campbell, Goodhue Tribune.

Our view here for many months has been that the Administration's Watergate abuses are not only a national problem but particularly a Republican problem. This is because the President can't be removed without Republican votes in Congress, and because Republicans, from the grassroots to national leadership, ought to feel a special responsibility to correct the sins of the nominee they selected and the Administration they campaigned to put in office.

Republicanism is too important to the nation, after all, to allow its good philosophies and principles to be besmirched by the underhanded and unprincipal behavior that's been revealed in the Nixon White House.

Now that GOP leaders are finally moving toward this necessary housecleaning, they're accused of doing so only to enhance their prospects in next fall's elections. While Democrats piously assert that a Nixon resignation would be wrong, that the impeachment inquiry should go the full constitutional House-Senate route.

Which position leaves the Democrats open, in our view, to the accusation that they want to string out Richard Nixon's ordeal over the impeachment coals for as long as possible in order to reap the maximum blackening of the Republican name therefrom and to elect all sorts of new Democrats next November, from Congress to the Ellsworth courthouse.

Leaving such partisanship aside, we would make the following points about the resignation vs. impeachment argument:

(1) If it must come to that, America is strong enough to stand the strain of a full impeachment trial before the Senate.

It would be painful and uncomfortable, surely. It would be nerve-wracking should a foreign policy crisis arise while the U.S. maker of foreign policy and commander-in-chief is thus in the dock. But American government would cope.

If the President should hold to what daughter Julie describes as his position, to fight to the end as long as one Senator is with him, we shouldn't shy away from impeaching him because of the trial's pain and difficulty.

(2) But a trial would be long, painful, perhaps involve some risk. Therefore, a Nixon resignation would be a desirable substitute if it would hasten the day when Americans can unite again behind a new President and give undivided attention to pressing national and world problems.

We see no dangerous precedent here that would weaken future presidents. After all, there's no way anybody—any newspaper, any citizen, any group of congressman—can "force" a President to quit office. Future White House occupants will continue to be "strong" presidents because the method of presidential selection and the needs and circumstances of these times all demand it.

If Richard Nixon does resign, history will record that he resigned in the face of impending impeachment and trial. Or to avoid being formally removed from office. Or to spare the country from the ordeal of his impeachment trial.

The manner and attitude of the Nixon resignation would be important, of course, for what it contributed to, or detracted from, the binding up of the nation's wounds. Despite the offenses which President Nixon has committed in office, we retain a confidence that when it comes to high policy and high national stakes on the world scene, Richard Nixon is a true American patriot and will put America's interests above his own.

(3) An impeachment trial, if it comes to that, should not be looked upon as the counterpart of a criminal trial in a local court but rather as a constitutionally unique kind of broad political judgment in which senators ballot on whether, looking at the President's offenses and the national situation, he should be removed or retained in office.

We say this because there is much talk about the President being "innocent until proven guilty" and of proof "beyond any reasonable doubt."

These everyday judicial concepts do not apply because impeachment is not a criminal trial. Conviction in an impeachment trial doesn't put anybody in jail. Conviction would simply leave Richard Nixon an American citizen like the rest of us, ineligible for further federal office but otherwise legally free.

The first consideration in impeachment is not justice for Richard Nixon but justice for America.

A YOUNG MAN OF GREAT COURAGE

HON. RALPH H. METCALFE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. METCALFE. Mr. Speaker, Calvin Johnson, Jr., a young man who resides in the First Congressional District of Illinois, recently received his eighth grade diploma after 2 years of study while confined to a hospital bed at Cook County Hospital.

Despite a series of illnesses, among them sickle cell anemia and two severe bone diseases, Calvin has kept up his studies and last Monday officially graduated through a program of the Christopher School for the Physically Handicapped.

Calvin has been a source of pride for me and an inspiration for young people everywhere.

Mr. Speaker, an article from the Tuesday, June 11, 1974, editions of the Chicago Tribune tells Calvin's story better than I ever could:

HE SHED HOSPITAL GOWN FOR CAP, GOWN

(By Derrick Blakley)

A 64-year-old retired carpenter who never finished second grade saw a dream come true Monday when his chronically ill son received an elementary school diploma at his hospital bedside.

Calvin Johnson Jr., 14, of 3706 S. Prairie Av., was presented with his 8th grade diploma in ceremonies conducted at his bed-

side at Cook County Hospital while his father, Calvin Johnson Sr., proudly looked on.

Young Calvin has been attending classes at the hospital since he was admitted July 18, 1972, for treatment of sickle cell anemia, tuberculosis of the bones, and osteomyelitis, another bone disease. The special bedside teaching program is provided to pediatric patients thru the Christopher School for the Physically Handicapped, 5042 S. Artesian Av.

Calvin Jr., sharply dressed in a red-and-green check suit, smiled broadly as John Glazier, school principal, presented him with his diploma. His teacher, Mrs. Mary Majewski, also was present for the ceremony.

"Calvin was a very ardent student who worked hard all the time and cooperated in everything we tried to do," Mrs. Majewski said.

"I'm very proud. But to get down to basics . . . to tell you how I feel . . . I couldn't do," Calvin Sr., said his voice strained with emotion.

Calvin's father found out his son had the various bone diseases in 1961, two years after he was born. Young Calvin has been unable to walk for almost the last two years now with his father giving his undivided attention to seeing that his only son will someday be able to lead a normal life.

Calvin Sr. has had to attend to his son's needs alone for the last nine years. His wife left the family in 1965 and has not been seen since, the older Johnson said. Public aid has paid for most of young Calvin's medical care.

Even tho Calvin Sr. is proud of his son's accomplishments, he is even happier just to see him alive.

"I prayed so hard I believe God got tired of me begging. I prayed for him to give me back my son . . . and he did."

LITHUANIA—24TH ANNIVERSARY OF ANNEXATION

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RUPPE. Mr. Speaker, on June 15, Americans of Lithuanian heritage plus others throughout the world will commemorate the 24th anniversary of the annexation of their motherland by the Soviet Union in 1940. It is right that we remember at this time those presently living in what is considered to be a captive state. They are denied the right of national self-determination as well as their basic human rights.

As embodied in a resolution presently before the Senate, I would urge that the United States not recognize the forcible annexation of Lithuania and its sister Baltic States, Latvia and Estonia, and I would also urge the Soviet Union make the following policy changes:

First. Lower the excessive tariffs imposed on gifts to relatives and friends residing in the Baltic States;

Second. Increase the current 5-day tourist visa to a more reasonable limit;

Third. Eliminate the unreasonable travel restrictions on tourists to Lithuania;

Fourth. Provide for Lithuanians to immigrate to other countries as provided by the charter of the United Nations of which the Soviet Union is a signer.

LITHUANIAN INDEPENDENCE

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DONOHUE. Mr. Speaker, on June 15 next, free people from around the world will be pausing to pay tribute to a people whose faith and courage has been a true inspiration to all men, and whose struggle for recognition and freedom has been, in a particular way, close to the hearts of all Americans.

Thirty-four years ago, the Soviet Union forcibly annexed Lithuania, and deported thousands of its citizens to concentration camps in Siberia. In doing so, the Soviet Union thought it could destroy a nation's heritage, and obliterate a people's will for freedom and self-determinization.

Since then the Soviet Union has continued its suppressive activities. It has sought systematically to limit the Lithuanian people's political and religious freedom; it has denied them their basic rights, and has subjected them to harsh and inhuman rule.

The Soviet oppressors, however, have found that the courageous spirit of the Lithuanian people cannot be suppressed, and that their determination for self-recognition and freedom is deep and long lasting.

Following the conclusion of World War II, native Lithuanians, in small but highly disciplined units, fought the Soviet occupation army at a cost of over 50,000 Lithuanian lives. Since then other Lithuanians have been inhumanly exiled, deported, and murdered. And more recently, mass demonstrations of protest have been directed against the Soviet occupation, demonstrations that culminated in the self-immolation of three Lithuanian youths.

We Americans, who in our own history have known the meaning of enslavement, can understand the yearnings of the Lithuanian people. And we who have struggled and suffered for our own freedom can appreciate the Lithuanian people's continued effort for self-determination and the right to be again recognized as a nation.

The Soviet Union is now seeking détente, as well as a most-favored-nation status with the United States. This desire on the part of the Soviet Union presents the United States with a unique opportunity to speak out on behalf of those people being denied their basic human rights, particularly by the Soviet Union.

The aim of détente is the wish of every nation. To live in peace, free to develop and build one's own future so that a nation's people can benefit from the blessings of this Earth, is a hope deep within every man. What the Soviet Union wants for itself, is something they must be willing to grant to others.

As a step toward achieving this goal, it is imperative that the U.S. delegation to the European Security Conference not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania, and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

Furthermore, efforts should be made to insist that the Soviet Union lower the excessive tariffs imposed on gifts to relatives and friends residing in the Baltic States, increase the current 5-day tourist visa to Lithuania to more reasonable limits, eliminate unreasonable travel restrictions on tourists to Lithuania, and permit Lithuanians to immigrate to other countries as provided by the Charter of the United Nations signed by the Soviet Union.

In spite of the sadness that cannot help but be a part of this day, the knowledge that freedom cannot forever be denied, gives us hope and confidence, that again, and hopefully in the near future, the Lithuanian people will be recognized as a nation, free to celebrate their own heritage, free to determine their own future. On this special occasion it is most fitting that we publicly pledge our persevering American cooperation until the full freedom of the valiant Lithuanian people is achieved.

INDEPENDENCE FOR THE BALTIC STATES

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. LENT. Mr. Speaker, this month marks the 34th anniversary of the forceful annexation of the peace-loving people of Lithuania, Latvia, and Estonia by the Soviet Union in June 1940. I am heartened to see that the Department of State has recently reaffirmed the U.S. policy of not recognizing the annexation of the Baltic States and further has stated that it is in full accord with House Concurrent Resolution 394, expressing the sense of Congress that the United States should not agree to the recognition by the Conference on Security and Cooperation in Europe of the annexation.

I call the attention of my colleagues to the saddening plight of these Baltic peoples. The annexation of 1940 was followed by the mass deportation of over 150,000 Balts to Siberian labor camps in an effort to bread the spirit of these fiercely independent people and crush any possible resistance for all time. The failure of this tactic is evidenced by the fact that, between 1940 and 1952 alone, 30,000 freedom fighters have made the supreme sacrifice in their attempt to restore freedom and self-determination.

The Soviet Union is now seeking détente and most-favored-nation status in trade relation with the United States. This desire on the part of the Soviet Union presents us with a unique opportunity to correct some of the most blatant denials of basic human relations for the peoples of Latvia, Estonia, and

Lithuania. Some of the present practices on the part of the Soviet Union can only be construed as harassment. I call for your support for the immediate implementation of the following four points:

First. Lowering of excessive tariffs imposed on gifts to relatives and friends residing in the Baltic States.

Second. Increase the current 5-day tourist visa to these States to a more reasonable limit.

Third. Elimination of unreasonable travel restrictions on tourists to these States.

Fourth. Provision for immigration to other countries as provided by the Charter of the United Nations signed by the Soviet Union.

I am proud to insert the full text of House Concurrent Resolution 394 into the RECORD at this point:

HOUSE CONCURRENT RESOLUTION 394

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been illegally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain recognition by the European Security Conference of its annexation of these nations, and

Whereas the United States delegation to the European Security Conference should not agree to the recognition of the forcible conquest of these nations by the Soviet Union: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

CONTINUING OPPOSITION TO ATTACK ON CHARITIES

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ASHBROOK. Mr. Speaker, the House Ways and Means Committee is presently considering legislation which would change the Federal income tax laws. Among the proposals being considered is a provision to repeal deductions for charitable contributions. This idea was presented by WILBUR MILLS, chairman of the committee that deals with tax legislation, in the last Congress and was reintroduced in this Congress by Representative HEINZ who is a member of the same committee.

I oppose any legislation which would not allow deductions for charitable contributions. The United States, unlike many other countries in the world, has a history of individual donations to worthwhile appeals. This is a tradition that should be continued and encouraged. Repealing deductions for charitable contributions would do the exact opposite.

The importance of private contributions can be seen by looking at the amounts given in 1973. Last year religious groups received $10.09 billion; the health area including hospitals received $3.98 billion; education received $3.92 billion; social welfare organizations received $1.76 billion; arts, humanities, and civic groups received $1.8 billion; and other miscellaneous groups received $2.98 billion. These gifts went to support churches, schools, hospitals, orphanages, libraries, YMCA's, YWCA's, self-help programs, Boy Scouts, Girl Scouts, orchestras, scholarships, medical research, and many other programs which serve millions of Americans and many millions of less fortunate throughout the world.

Private charitable organizations play a vital role in our national life. They bring together Americans who want to work together without governmental coercion.

The last major tax revision had an undesirable effect on charitable contributions. Present proposals would have a devastating impact.

The Congress of the United States should be considering proposals to encourage more contributions and not discourage those presently being made.

INFLATION AND TAXES: THE NEED FOR ACTION

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ZABLOCKI. Mr. Speaker, only last month in his radio message on the state of the economy, President Nixon assured us that "the worst is behind us. Not only was Congress properly skeptical of such an assertion but so was Federal Reserve Chairman Arthur Burns, who said the day after the President's speech:

The gravity of our current inflationary problem can hardly be overestimated. If past experience is any guide, the future of our country is in jeopardy.

With inflation running today over 10 percent and real income having declined by 6 percent in the last 12 months, it is the middle- and lower-income people who have borne the brunt of inflation. Accordingly, the working man and woman are demanding that Congress take the necessary steps to reduce inflation, to reform our tax structure, and to restore confidence in our economic system.

Addressing himself to this very problem, our colleague and friend, Representative HENRY S. REUSS, has recently proposed a tax reform package in an attempt to make our tax system fairer which, contrary to administration rhetoric, would not necessarily be inflationary, and according to a recent study by the Office of Management and Budget, might even prevent as many as 250,000 Americans from becoming unemployed.

In a column which appeared in the June 7 issue of the Baltimore Sun, columnist Marquis Childs discusses Representative REUSS' tax reform proposal. I recommend this article to my colleagues and include the article at this point:

A CONGRESSMAN LOOKS AT TAX BREAKS

WASHINGTON.—From throughout the country comes reports that inflation, the steadily rising curve of high prices, is far more than Watergate the issue that voters put at the top of the list.

This is confirmed by a Harris Poll showing that by 82 to 15 per cent the sample polled gives President Nixon negative marks "on the way he has handled the economy."

Wherever you go the story is the same—we can just barely make it and then by cutting back on what we once thought were necessities. This reflects the feeling of millions of families, particularly in the income brackets up to $15,000.

The concern, the rancor, of these millions is directed not alone at the administration but at Congress as well. Since Congress rates below the President in the polls, here is a serious challenge to demonstrate that change can be pushed through the clogged, sluggish channels of a body that drifts toward stalemate in many areas.

One of the principal pushers is Representative Henry S. Reuss of Wisconsin, who was chosen to deliver the Democrats' response to Mr. Nixon's bland "all will soon be well" address on the economy. Mr. Reuss is working to get endorsement by the Democratic Steering Committee and eventually by the Democratic Caucus of a program calculated to send shivers down the spines of the conservatives and the rich.

He must convince that formidable gatekeeper, Chairman Wilbur D. Mills of the House Ways and Means Committee, and if Mr. Mills believes there is sufficient pressure from an aroused public, then Carl Albert (D., Okla.), the cautious speaker, may also be persuaded.

The Reuss proposal calls for a federal income tax cut of $6 to $7 billion in the low-to-moderate income brackets. This would help those barely scraping along to make ends meet. The President has, of course, set his face against a tax cut as inflationary.

But Mr. Reuss, whose economic know-how has been repeatedly demonstrated on the Joint Economic Committee and on the Banking and Currency Committee, ties in plugging tax loopholes to return to the Treasury virtually the full amount of the cut.

His proposal would provide for a capital-gains tax on securities held in an estate. There is no such tax today. No matter how much the securities have advanced in value, they escape when they are in the estate of the deceased taxpayer.

Mr. Reuss estimates that closing this loophole, long zealously guarded by lawyers and trust officers, would bring in $2 billion.

The oil-depletion allowance has for years been the target of reformers who have aimed particularly at the foreign earnings of the oil giants. Arkansas's Mr. Mills finally agreed to a three-year phasing out of this bonanza. Mr. Reuss is urging that it be knocked out, or at least drastically reduced, at once. Depending on how deep the cut, this could bring in several billions.

Another loophole Mr. Reuss would plug is DISC, the acronym for a subsidy for exports costing about $1 billion a year. Ironically enough, DISC subsidizes exports of materials in scarce supply in this country such as scrap metal and timber.

The hobby farm is one of the most sensitive loopholes. The rolling acres dotted with black angus or herefords, the well-built barns, the handsome manor house, all this is a happy picture, and if the beef cattle return no profit there is always a satisfactory tax loss. Mr. Reuss believes plugging this hole would mean close to $1 billion to the Treasury.

These are all carefully guarded sanctum sanctorums and the lobbyists will be swarming over Capitol Hill to ward off the vandals. The next days are likely to tell the tale in the steering committee.

Whatever its ultimate fate, and with the backing of Mr. Mills it might well get through the House, the reform program would convince millions of hardpressed families that Congress is doing something about inflation.

D.C. COMMUNITY DEVELOPMENT CORPORATION

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. FAUNTROY. Mr. Speaker, today I introduced H.R. 15363, which would create a D.C. Community Development Corporation.

The purpose of this bill is to establish a local corporation responsible to the Mayor and Council to assist in the financing of new construction, rehabilitation of housing, and the rebuilding of riot-torn neighborhoods in the District of Columbia, and, where private resources are lacking, to undertake the development and initial management of residential, commercial, industrial, or public facilities in order to improve neighborhoods, relieve unemployment, and attract private investment. The corporation's board would be appointed by the Mayor with the consent of the City Council, and would carry out its activities only in areas, and in accordance with plans, approved by the Mayor and Council. It would function in a manner similar to the housing finance agencies, public development corporation, and industrial development commissions which have been established in nearly 40 States, drawing its financial resources from the sale of bonds, which might be tax exempt or backed by Government guarantees or reserve funds. It would also be eligible to receive governmental and private loans and grants for locally approved community development purposes.

The proposed community development corporation would be intended to overcome existing constraints to development such as: First, high risk of obtaining an adequate return on investment because of such factors as an uncertain market, high operating costs, and changing social and/or physical environment; second, cumbersome and time-consuming public review processes; third, high cost of land for certain uses (for example, housing and industrial); and fourth, difficulty of land assembly, through the use of one or more of the following kinds of authority:

Direct loans for construction when no private funds are available;

Guarantee of private loans for construction when not otherwise available;

Interest subsidies;

Operating subsidies;

Insurance of private mortgages;

Purchase of mortgages;

Use of eminent domain to complete private assemblies, or to assure parcels of adequate size for economically feasible development;

Absorption of some of the costs of land acquisition by resale for private use at a write-down sufficient to produce an adequate return on investment;

Direct construction by the Corporation for resale, or lease to private developers or operators;

Direct or indirect assistance for the provision of housing for persons of low or moderate income.

The activities of the corporation would be intended to support and supplement those of private investors, developers, and financial institutions—not to substitute for them or to act independently of them. The authority and resources of the Corporation would be directed toward attracting and stimulating private market activity by filling gaps in existing public and private development ventures and assuming risks and costs which cannot be absorbed by others in pursuit of approved public development policies.

The corporation would be separate from the normal city bureaucracy, in order to be able to obtain and administer independent sources of revenue, such as loans, proceeds from bond sales, mortgages, etc. The obligation of the Corporation would be its own and would not be backed by the full faith and credit of either the District or Federal governments, except insofar as the city chose to provide direct subsidies, or authorize the corporation to participate in already authorized Federal loan or grant programs.

HOUSE MUST GRASP OPPORTUNITY TO EXTEND ETHNIC STUDIES PROGRAM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. KEMP. Mr. Speaker, as a sponsor of the Ethnic Heritage Studies Act and a representative from the greater Buffalo area, a community with a deep awareness of ethnic traditions and contributions, I wish to bring my colleagues' attention to the importance of the pending 4-year extension of the act which is to be considered during the House-Senate conference on H.R. 69.

I know I speak in behalf of large numbers of my constituents and others in western New York and that I reflect the feelings of many of my colleagues in this body when I say I am greatly disappointed that the administration, and more specifically, the Department of Health, Education, and Welfare has not yet implemented the measure's provision to appoint a National Advisory Council on Ethnic Heritage Studies.

This failure is the more distressing as we rapidly approach June 30, 1974, the date of the expiration of the ethnic studies program before the Senate-approved 4-year extension which will hopefully be approved by the full Congress.

The failure to make council appointments has been brought to the attention of HEW Secretary Caspar W. Weinberger who, in a recent letter to Senator RICHARD S. SCHWEIKER, has given his pledge to proceed expeditiously with the appointment of the Council as soon as congressional approval of the extension is forthcoming.

The extension is, in my judgment, critical, if we, the representatives of the people are to be responsive to the some 900 actual grant applications received from every section of the country, according to the Secretary, since appropriations for the program were granted in December 1973. In addition to these applications to share in the disbursement of the $2,375,000 appropriated for the program by June 30, this year, the Office of Education has received approximately 4,000 requests for information, according to Secretary Weinberger's report.

Mr. Speaker, my distinguished colleague (Mr. DULSKI) and I have consistently supported legislation to provide funding assistance for ethnic heritage studies in our education systems. From both sides of the aisle, we are deeply aware of the privilege of representing a community with an outstanding awareness of its ethnicity. As a member of the Education and Labor Committee, it was my privilege to support his outstanding effort to secure the act's extension when we debated ESSA in March.

As I stated in this Chamber during that debate, we have, for too long, ignored the potential of encouraging an emphasis on the diversities of our ethnic traditions and their contributions to our Nation as a whole.

Now, at this time, we have yet another opportunity to rectify this condition.

I urge the House conferees to accept the Senate's acceptance of the Senate-passed extension and my colleagues to approve a conference report including the extension.

AMERICAN LITHUANIAN COMMUNITY OF RHODE ISLAND

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ST GERMAIN. Mr. Speaker, on June 15, 34 years ago, the Soviet Union forcibly annexed Lithuania and sent thousands of Lithuanian citizens to Siberian concentration camps. I feel it is most appropriate that we take this week to commemorate this sad experience.

I have received a letter from the American Lithuanian Community of Rhode Island, which expresses better than I can, the responsibility we have to remember this violation of human liberty and courageous struggle by Lithuanians to free themselves of foreign domination. The letter reads as follows:

AMERICAN LITHUANIAN COMMUNITY
OF RHODE ISLAND,
June 6, 1974.

HON. FERNAND J. ST GERMAIN,
House Office Building, Washington, D.C.

DEAR MR. ST GERMAIN: On June 15, Lithuanian-Americans will join with Lithuanians throughout the free world in the commemoration of the forcible annexation of Lithuania by the Soviet Union in 1940, and the subsequent mass deportation of thousands of Lithuanians to Siberian concentration camps.

Currently, the people of Lithuania are denied the right of national self-determination, suffer continual religious and political

persecutions, and are denied their basic human rights.

The Soviet Union is now seeking détente, as well as a Most Favored Nation Status with the United States. This desire on the part of the Soviet Union presents the United States with a unique opportunity to ease the plight of the peoples of Lithuania and the other Captive Nations.

The United States should adopt an official policy for the current European Security Conference in accordance with House Concurrent Resolution 394 of the first session of the 93rd Congress submitted by Mr. Derwinski to the Committee on Foreign Affairs. . . .:

Now, therefore, be it RESOLVED by the House of Representatives (The Senate concurring), that it is the sense of the Congress that the United States delegation to the European Security Conference should not agree to the recognition by the European Security Conference of the Soviet Union's annexation of Estonia, Latvia, and Lithuania and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union.

Sincerely,

A. VALUISKIS,
Chairman.

THE KISSINGER CASE

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. FORSYTHE. Mr. Speaker, America is paying a heavy price for the Watergate deed and the excessive political acts of those who controlled the President's reelection campaign in 1972.

Faith and trust in the President and in the Congress is at a low ebb; people doubt the integrity of their own Government and their leaders.

We all want to know the truth; to ascertain who is responsible for illegal and sordid acts and to bring them to the bar of justice.

The process provided in our Constitution to achieve this is underway, and it should be completed as promptly as possible in a manner consistent with individual fairness and justice.

It is wrong for those involved in this task to become so zealous in their endeavors as to unfairly drag into the Watergate quagmire the one man in our Government who has proven his patriotism and his unquestionable ability to bring peace to our world.

It is wrong that such a man as Dr. Henry Kissinger, whose very integrity has been crucial to reaching peace agreements in Southeast Asia and the Mideast, should be forced to "clear his name."

It is wrong that we should become so infected with the disease of distrust that we jeopardize Mr. Kissinger's ability to conduct American foreign policy.

The sickness of Watergate simply cannot have so afflicted our society that we will accept newspaper stories leaked by unnamed individuals as gospel, and force this man to appear, nearly as a defendant, before the Congress.

What kind of a society have we become? What does a man have to do to prove his trustworthiness, his dedication to his nation, his sincerity to the cause of peace, and his ability to bring it about?

If Dr. Kissinger tells us that he, as national security adviser to the President, expressed concern about security leaks to the President, I believe him. It was his job; his responsibility.

If he tells us that he did not know of any such group as the Plumbers, or of plans to burglarize the office of Dr. Ellsberg's psychiatrist, I believe him.

He has testified to this under oath. He is willing to do so again.

Those individuals who are leaking classified documents to the press have acted irresponsibly, at the very least. It is my view that a responsible press should weigh the consequences of the publication of such documents, and that it should not permit itself to become, perhaps unwittingly, the tool of those who appear eager to discredit everyone—and anyone—within the President's circle.

The impeachment inquiry is necessary. The despicable acts of Watergate and other political abuses must be explored; those involved must be prosecuted, and punished.

If the evidence, when it is presented to the House of Representatives, indicates that the President is guilty of a violation warranting his impeachment, then I will vote accordingly. If, on the contrary, this is not supported by the evidence, then I will also vote accordingly.

But the impeachment proceedings must be conducted in a responsible manner. Leaks to the press must be stopped. Perhaps the best way to be fair to all concerned is to open the proceedings to the public, so that there will be no secrets.

We must not lose sight of our mission. We cannot let ourselves become so infected by the desire to purge the Government of everything bad that we do irreparable harm to the honorable, and to our Nation, in the process.

FLAG DAY. JUNE 14, 1974

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ROGERS. Mr. Speaker, on this Flag Day of 1974, I think of 700 Frenchmen, most of whom had never been outside France, who visited Arlington National Cemetery last Tuesday, to express their thanks. Thanks for the sacrifice of more than 6,000 American lives on one of the proudest and most awesome days in the history of this symbol of our country, the day of the invasion of the beaches of Normandy by Allied forces June of 30 years ago.

For the United States, England, and Russia, the invasion was a necessary undertaking in an effort to shorten a war which has embroiled the world. To the French, it was the beginning of the way back from defeat. So these Frenchmen have come, soon to number a thousand in all, with letters from those who could not make the journey, simply to say "thank you" to those who made this sacrifice, many the sacrifice of death.

On this Flag Day, I would urge every American to display his flag, and to look on it for a moment and imagine it as it flew over those embattled beaches 30 years ago. I believe it will take on new dimensions in his eyes, and will better reflect the greatness which is this country of ours.

SOVIET CONCEPT OF DÉTENTE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DERWINSKI. Mr. Speaker, a few weeks ago Members of the House and Senate met with a parliamentarian group from the Soviet Union. An article explaining the Soviet officers concept of détente appears in the Christian Science Monitor of May 23.

The column emphasizes the strong public views expressed by Boris N. Ponomarev who headed the Soviet delegation. I believe that this article is a very objective commentary that will be of interest to those who did participate in the conference and to those who did not, a very keen insight into the subject of our relations with the Soviet Union.

The Christian Science Monitor article of May 23, 1974, follows:

U.S. LAWMAKERS TO LEARN SOVIET CONCEPT OF DÉTENTE

(By Paul Wohl)

"Parliamentarians" of the Supreme Soviet of the U.S.S.R. are in Washington to establish contact with United States congressmen and to explain to them the Soviet concept of detente.

The delegation composed of seven men and one woman, mostly magazine or newspaper editors, is headed by Boris N. Ponomarev, chairman of the foreign affairs commission of the Soviet of Nationalities, one of the two houses of the Soviet legislature.

In line with the double nature of the Soviet state, which is ruled by the Communist Party, most of the members of the delegation also belong to the party's Central Committee, which elects the Politburo.

THESIS DEVELOPED

Mr. Ponomarev, the head of the delegation, is an alternate (nonvoting) member of the Politburo, and head of one of the most important sections of the Central Committee's "apparatus"—the section in charge of relations with foreign Communist parties.

In other words, he is a maker and formulator of party policy, rather than a party parliamentarian. In a major article entitled "Vladimir Ilich Lenin and the Communist World Movement" published in No. 6 of Kommunist, the Central Committee's political and ideological journal, Mr. Ponomarev has developed a thesis that in theoretical phrasing says what the Soviet Union's blunt former Nikita S. Khrushchev told the American people: "We will bury you!"

CLEAR MEANING

While Mr. Ponomarev's article used theoretical language, its meaning is clear. This may explain why issue No. 6 of Kommunist has failed to reach the United States. The latest issue to arrive is No. 5 of March, an

unusual occurrence because Kommunist is a bi-weekly.

"Capitalism in today's countries is not only ripe but overripe for Socialist transformation," wrote Mr. Ponomarev.

PRESENT-DAY SYMPTOMS

"In each one there exists the complete machinery of accounting and control [a prerequisite of socialism, according to Lenin] which serves the financial oligarchy as a means of maintaining and strengthening the capitalist system of exploitation."

The present-day symptoms of this system, he said, are decay and a parasitical nature. As examples the author mentioned the current chaos, the energy crisis, the "enormous growth of the military-industrial complex," and the "abuse of executive power."

This characterization is aimed at the U.S., whose "supernational or international corporations, essentially American, monopolize an increasing share of world production."

The international corporations are part and parcel of the "straight monopolistic system in the era of imperialism . . . a dying capitalism condemned by history to make place for socialism."

Lenin anticipated with Mr. Ponomarev that "in the coming decisive battles of world revolution, the majority of mankind will turn against capitalism and imperialism."

BASIC POLICY

"The capitalist system which," the author admitted, "is still capable of industrial growth and scientific technical progress . . . will not collapse automatically . . . but at any time in one or other part of the system, the situation can arise which opens the way for basic social transformation," provided there is readiness.

"What matters is to find the right road." This is the Soviet Union's basic policy according to Moscow's apostle of detente.

"The Soviet Union consistently supports . . . all peoples who fight for their freedom and independence. Thousands of fighters against imperialism find refuge in our country. We consider it our international duty to stand up for foreign Communists.

SUAVE LANGUAGE

"We can say boldly," Mr. Ponomarev concluded, "the Communists have the initiative when the cardinal questions of the fate of human society are at stake . . . in the struggle for communism and against imperialism."

In his exploratory talks and persuasive efforts to win over U.S. legislators to the Soviet concept of detente, the head of the Supreme Soviet delegation is certain to use suave and conciliatory language.

The fact that most delegation members are, and have been for years, responsible editors of leading party publications guarantees their mastery of rhetoric and argumentation. Like Mr. Ponomarev, they devote only a tiny fraction of their time to parliamentary sessions that are of a rubber-stamp nature and involve no major public debate.

DAIRY FARMING

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, the Council of Economic Advisers is picking up where the now-defunct Cost of Living Council left off. It is trying to drive the last nail in the coffin of America's dairy producers. The U.S. Department of Agriculture was going to announce yesterday its recommendation that imports of nonfat dry milk be cut off as of June 30. This would have kept an estimated 145 million pounds of foreign product off the American market and been of great help in strengthening milk prices during the present period of oversupply. Now, Gary Seevers, of the Council of Economic Advisers, is attempting to sabotage this effort to provide needed relief to our dairymen. It is a shocking and appalling development that the Council of Economic Advisers would attempt to influence the judgment of the Agriculture Department which properly understands the plight of our dairy farmers.

CHICAGO NEWSPAPER EDITORIALS URGE THE HOUSE TO SUPPORT THE INTERNATIONAL DEVELOPMENT ASSOCIATION

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. McCLORY. Mr. Speaker, I am pleased to note that the Senate recently voted by an overwhelming 55 to 27 majority to approve a U.S. contribution to the International Development Association in the amount of $1.5 billion. Also, on Monday, June 10, the House Subcommittee on International Finance reported a similar bill, H.R. 15231, with provision giving the United States the option to pay its share to IDA over a 4-year period beginning in fiscal 1976. The House will have an opportunity to reassess its action of last January when it defeated the original IDA bill.

Mr. Speaker, I would like to bring to the attention of my colleagues excellent editorials which appeared in two of Chicago's most respected newspapers—the Chicago Tribune and the Chicago Daily News. These editorials take note of the fact that the U.S. share of total IDA funding has dropped from 40 percent in 1972 to 33 percent in this legislation, while 24 other countries, including Kuwait and Israel, have promised to pledge $3 billion to IDA this time.

As the Chicago Tribune editorial of June 2, 1974, points out:

IDA is probably the most efficient means for giving poor and crowded countries the aid without which they may ultimately drag the whole world down to disaster.

We must realize, as the Daily News editorial of June 1, 1974, declares, that we "will go on living more closely with all the other nations of the world; our only option is to try to make that world more habitable and those relationships productive and harmonious."

Mr. Speaker, I urge my colleagues to consider the persuasive arguments of these two editorials in preparation for a new examination of this important legislation. The full text of the editorials is reprinted herein below:

[From the Chicago Tribune, June 2, 1974]

REPLENISHING IDA

The Senate has approved a $1.5 billion contribution to the International Development Association, a World Bank affiliate which makes for the development of poor nations. The Senate action, in effect, resurrects a measure which had been rejected last January by the House.

Altho there is no assurance that the House will reverse its earlier decision, the favorable Senate vote alone is expected to trigger the release of contributions from 11 donor countries totalling more than $680 million. Without these funds, IDA was expected to run out of funds after June 30.

An agreement to replenish IDA funds was reached last September at the annual meeting of the World Bank. The U.S. said it would put up one-third of the contributions, compared with the 40 per cent it had contributed in the two previous replenishments. IDA makes "soft loans" payable in 50 years and carrying a service charge of three-quarters of 1 per cent, in place of interest, to the neediest members of the World Bank organization.

IDA is probably the most efficient means for giving poor and crowded countries the aid without which they may ultimately drag the whole world down to disaster. It is true that the United States is having economic troubles of its own these days, but so are other countries, rich and poor alike. Oil and food prices are high for everybody. The difference is that the rich countries have the means to pay the price; the poor ones do not.

Bilateral foreign aid has almost always failed; often it has yielded anti-Americanism instead of gratitude. The Nixon administration has quite properly undertaken to shift to multilateral aid, such as thru IDA. With their money as well as their future at stake, the richer countries thus have a joint interest in seeing that their money is put to effective use and in helping to provide the management and technological skill without which money can be useless.

The IDA bill may have new trouble in the House because of reports that 40 per cent of IDA's replenishment funds are being sought by India, which has just spent more than $170 million to develop nuclear capability while its people starved.

But if members of the House are angered at this, they can be sure that the other countries which contribute to IDA are at least as angry—notably Canada. Perhaps the House can add a provision limiting aid to India, but there is no point penalizing other countries because of resentment against India. Multilateral aid is important in an increasingly small world where conditions in one country inevitably affect the others.

[From the Chicago Daily News, June 1, 1974]

RIGHT ACTION ON FOREIGN AID

With its decisive 55-to-27 approval of a four-year, $1.5 billion contribution to the International Development Assn., the Senate headed the United States back on a course of responsible international policy. Whether the House, which earlier rejected the same legislation, can be induced to change its mind is questionable. But the project deserves all the effort the administration forces can bring to bear.

The IDA is the affiliate of the World Bank that provides 50-year loans at minimal interest rates to the world's poorer countries. The aim is to stimulate the agricultural and industrial development that will help bring hundreds of millions of illiterate and desperately poor people in the disadvantaged nations to a condition of dignity and self-help.

The premise behind the provision of such help is simple: The responsibility of strong nations for the weaker ones is simply unavoidable. There can be no peace for anyone while substantial portions of the world's population are racked by hunger and disease.

Nor is the provision of funds entirely a one-way street. The United States and the other rich nations need expanding markets.

The less developed nations can provide those markets, at first for skills and developmental equipment, later for goods of all kinds. And as the energy crisis has demonstrated, the rich nations need much that the less developed ones can provide by way of raw materials. Much of the world's oil, bauxite, manganese, tin and other industrial essentials is found in those areas.

The traditional arguments of the isolationists against "helping ungrateful nations" and for keeping charity at home are specious and hollow. The United States will go on living more closely with all the other nations of the world; our only option is to try to make that world more habitable and those relationships productive and harmonious.

The House should reconsider its January action at the earliest practicable moment. The IDA stands to run out of funds on June 30 unless the "have" nations renew the flow. Other nations have begun to renew their cash pledges, some of them contingent upon U.S. action. The Senate has rightly seen that action as imperative to the nation's self-interest. The House should get in step.

AIKEN LOVES ITS YOUTH

HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DORN. Mr. Speaker, the ethical and moral values of our people, especially young Americans, are the very foundation of our greatness as a nation. May I commend to the Congress and to all Americans the following account of the second annual Aiken, S.C., prayer breakfast, sponsored by the Greater Aiken Chamber of Commerce and honoring the graduates of Aiken's two local high schools:

AIKEN LOVES ITS YOUTH

(By Frank T. Galardi)

The sign of the times as depicted in today's many morbid news releases dealing with crime, corruption, inflation, Watergates, pot, pornography, Satan worship, and streakers came to a screeching halt as the word of God reached a couple of hundred youths through an unusual event in the lovely City of Aiken, South Carolina.

The Greater Aiken Chamber of Commerce for a second year provided their community youth with a breakfast, now widely acclaimed as the "Aiken Prayer Breakfast." Here we find leaders of industry and business and citizens joining hands in a common bond of fellowship to pay homage and to revere the work of the Almighty. This, is certainly a welcome and wholesome relief which shows community leaders who refuse to allow ugly headlines to distort their perspective. This, is the sort of spirit which brought about our belief in God and Country; a spirit which took us from 13 colonies to the great America we know and love.

As the Aiken Prayer Breakfast program unfolded in a church multipurpose building which housed this moving event, a tremendous and powerful spirit began to fill the room. The upper portion of the program heralded a musical group of young teens who sang spiritual and religious music in the "now" fashion. As the tempo and enthusiasm increased the beautiful music rendered by these young artists took on a new meaning. To follow, adult artists, a husband and wife team, renowned for their musical leadership in a Spartanburg, South Carolina church, reached out also through song to communicate with the many youths from two local high schools. The Prayer Breakfast was a farewell gift from the Greater Aiken Chamber of Commerce to the graduates of two local high schools, presumably a "first" for this type of program. Directly following the musical part of the program, a young lady, president of the student body, commenced the program officially with an opening prayer, beautifully rendered and originally composed. The Honorable Mayor of this fine southern city joined with greetings from the City of Aiken and his well chosen thoughts brought a deep silence as each of the youths devoured his words. To keep the reverence of the program, a young male senior provided a reading from the Old Testament, then came the President of the Chamber of Commerce, a local bank official, who brought a fatherly and moving message to cap the theme of "Aiken Loves Its Youth;" an outstanding athlete and student brought forth a beautiful reading from the New Testament, the "love chapter" from 1st Corinthians, 13th Chapter. Upon concluding the last words of this beautiful passage the room echoed spontaneous applause and cheers. This was today's youth eager to show their appreciation for the wonderful words and thoughts of the reading. Not to slow down the tempo of paying homage to our Maker a lovely junior miss offered a prayer for our national leaders. Thus, setting the theme for the guest speaker, anonymously described, but to say he is an outstanding American, whose works are well known in the Washington, D.C. area for his tolerance and understanding and for his efforts of brotherhood which now brings him to many parts of America because of his deep and moving message. He is a true disciple who brings to many the word of God,—the word we seldom seem to recognize because it is so simple to find—that word, "love."

As the guest speaker unfolded the teachings of the Master, the story of love was brought to all in a message which told, that to achieve peace in the world, peace in our soul, and to find better understanding to many of our problems, each of us must begin in our own hearts to bear love. Bearing of love brings understanding, giving of this love and loving your enemy we achieve the true meaning of the word love, described as "agape." The youth's reaction to this truly beautiful message from the Washington visitor brought an unprecedented rousing and standing ovation. This—from the maligned youth of today. They recognized God's word and responded in kind—such an electrifying response! One could feel the spirit which filled the dining hall. The leaders, through their Chamber of Commerce, achieved a new milestone by honoring their community's youth with a message endowed with God's touch.

As the last strain of the vocal benediction, which was offered by a student, "Lord, I've Come Unto Your Garden" one could feel each of the youth receiving a little touch of Paradise.

Indeed, the day brought new hope for the graduates. Stronger Americans will go forth and "God and Country" will always remain our goal. As for the city leaders, they know that they follow His word because "Aiken Loves Its Youth."

INNOVATIVE SOCIAL SERVICES PROGRAM IN OHIO

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. SEIBERLING. Mr. Speaker, the Ohio Department of Public Welfare has recently announced establishment of an innovative new program designed to expand Ohio's capability to deliver critically needed social services to low-income people and at the same time provide work opportunities for welfare recipients as employees of local public and private agencies.

Under the new program, called Employment Opportunities in Social Services, participating county welfare departments will be able to use State funds now going for aid to dependent children and general relief benefits, to pay the salaries of former recipients hired to provide social services to other low-income community residents. These funds will be matched on a 3 to 1—Federal against local—basis with Federal funds under title IV–A of the Social Security Act.

The program addresses itself to three critical problems:

It provides needed jobs, at a decent wage with fringe benefits, for welfare recipients who want and are able to work;

It permits an expansion of social services to low income people without an increase in cost or taxes;

It provides a savings in tax dollars for Ohio residents.

Pilot projects conducted in Butler and Montgomery counties since 1971 have provided work for up to 74 unemployed male heads of ADC families, have removed an estimated 259 persons from the welfare rolls in both counties and provided help to more than 14,000 low-income elderly, blind and disabled county residents. To top it off, welfare savings to these counties and the State in 1973 amounted to $232,000 in unused welfare grants and reduced the taxpayers contribution in food stamp assistance.

Statewide, the program has enormous potential. Welfare Department officials estimate that EOSS employment will remove between 10,000 and 20,000 people from Ohio's welfare rolls in its first full year of operation.

I think the Ohio Department of Public Welfare is to be commended for initiating this new program which could become a model for the Nation. By recognizing the desire of able-bodied welfare recipients to be engaged in productive work, the program will make far better use of the taxpayers dollars and will significantly enhance the quality of life for many low-income people.

A fact sheet describing the program follows these remarks:

EMPLOYMENT OPPORTUNITIES IN SOCIAL SERVICES PROGRAMS

THE OHIO DEPARTMENT OF PUBLIC WELFARE

Question: What is the EOSS program?

Answer: The Employment Opportunities in Social Services (EOSS) program is the newest and promises to be one of the most innovative programs developed by the Ohio Department of Public Welfare.

Question: What is the purpose of the program?

Answer: EOSS is designed to expand Ohio's capability to deliver critically needed social services to low-income people and at the same time provide work opportunities for welfare recipients as employes of local public and private agencies.

Question: What kinds of work will be performed by employes hired under EOSS?

Answer: Those employed will be paid for providing the following services: day care,

homemaker services, transportation, nursing home counselling and chore services.

Question: What type of activities does the work involve?

Answer: Day care consists of providing care for children while the mother or other family members are away from the home working.

Transportation, as the name implies, would include taking people to grocery stores, medical appointments or the other necessary points in the community.

Homemaker services involves helping persons, particularly the elderly or disabled, with their personal household needs, such as meal preparation and shopping, and the correction or prevention of abuse or neglect situation.

Chore Services include the performance of more physically vigorous activities such as lawn mowing, minor household repairs, and painting.

Adult Protective Services involves providing care and treatment to elderly, or mentally or physically incapacitated adults in their own homes, or elsewhere, such as nursing homes or institutions.

Question: How many people will be employed initially?

Answer: This will depend on local agencies. At this time we are discussing the program with seven local units, and expect to have approved at least three county plans by the end of May.

Question: How many people will be EOSS employees by the end of the current biennium.

Answer: The Departments expects that an estimated 2,500–5,000 heads of families to be employed by June 30, 1975.

Question: What will this mean to the welfare rolls?

Answer: The Department expects EOSS employment to remove between 10,000 and 20,000 people from Ohio's welfare rolls in its first full year of operation.

Question: What will this mean to Ohio taxpayers?

Answer: It will mean an expansion of services to low-income people, a large number of whom are elderly, without an increase in cost or taxes; a reduction in the state's share of ADC and GR cost; and, a reduction, hopefully, in medical cost. Exact figures on saving will come with reports on EOSS, however, the Butler-Montgomery county pilot project saved $232,200.00 in 1973 by employing only 74 people.

Question: Will EOSS require the expenditure of additional state funds?

Answer: No.

Question: How will it be financed?

Answer: Under EOSS, participating county welfare departments will be able to use state funds now being paid out for Aid to Dependent Children (ADC) or General Relief (GR) benefits to match with federal funds under Title IV–A of the Social Security Act.

Under this title federal funds are available on a $3 to $1 (federal vs. state or local) matching basis. By increasing the flow of federal dollars into Ohio, the Department can provide base salaries for those employed without the expenditure of any additional state funds.

Question: How will this payment process work in the case of an individual family?

Answer: The state's share of an ADC grant to an eligible family is used to match federal funds available under Title IV–A of the Social Security Act. By utilizing both the state funds and the increased federal funding available, it will be possible to reimburse local units for a salary based on the minimum wage and fringe benefits. For a family of four it means that instead of a maximum grant of $2,402, the family would receive $4,160 or $1,758 a year more.

Question: What about other employment related benefits?

Answer: Under EOSS, the county unit whether public or private will be required to provide employes with medical coverage. The same civil service status provided to other members of public agency is also a program requirement.

Question: Who is eligible for the positions made available through EOSS?

Answer: Any current Aid to Dependent Children (ADC) or General Relief (GR) family head will be eligible for the employment opportunities provided through EOSS.

Question: How will prospective employes be selected for the program?

Answer: EOSS participants will be selected from the employable recipients active in the Work Incentive (WIN) program or from the General Relief (GR) intake rolls. County agencies will be responsible for recruiting, selecting, and training former recipients hired to work in local EOSS programs. Training will be in conjunction with the Ohio Bureau of Employment Services.

Question: Who qualifies to receive the services provided by those working in the program?

Answer: Any person who is, has been, or because of their income level may become eligible for state or federal "cash" assistance benefits.

Question: Can local units beside county welfare department have an EOSS program?

Answer: Any county welfare department that wants to establish a local EOSS program must first submit a "project proposal" to the state welfare department's Division of Social Services describing how services will be expanded, what services will be delivered and submit a monthly report.

Question: Can local units beside county welfare department have an EOSS program?

Answer: Yes, if done within state guidelines and approved by the State. Other local units expressing an interest in the program have been county children services boards and community action agencies.

Question: Has this approach been tested before?

Answer: Yes. Since October 1971, the Department, in conjunction with the Butler and Montgomery County Welfare Departments, has been conducting pilot service employment projects in both these counties. EOSS is a logical expansion of this concept. Training for the Butler-Montgomery project, as with EOSS, will be in cooperation with the Ohio Bureau of Employment Services.

Question: What benefits have occurred from these programs?

Answer: Together, these projects have provided work for up to 74 unemployed male heads of ADC families. Removed an estimated 259 persons from the welfare rolls in both counties and provided help (transportation and chore services) to more than 14,000 low-income elderly, blind or disabled county residents. Welfare savings to these counties and state in 1973 amounted to $232,200 in unused welfare grants and reduced the taxpayers contribution in food stamp assistance.

EAST GERMANS AND NORTH KOREANS PLANNING DIPLOMATIC MISSIONS IN WASHINGTON, D.C.

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. RARICK. Mr. Speaker, from the Chairman of the East German Communist Party we learn that we may soon have another Communist embassy in our Nation's Capital, that is, that of the East German Communist Government.

In the same paper that carried this East German release, another article contained an intereting letter to the editor from Ranjan Borras, reconfirming the 30-year failures of the attempts to divide the German people into two governments. In fact, Mr. Borra suggests that Herr Brandt's resignation because of the spy scandal was a farce to coverup for the failures of the German leaders to reunify Germany. If our Government now further betrays the German people's deep desire for unity by recognizing the East Germany puppet state, we are but compounding this anachronism of the United Nations one-world international elite against the German people.

The East Germany rumblings appear to be more than rumors in Washington, where the gossip columns announced that John Sherman Cooper is expected to go to East Germany when the United States opens a diplomatic post there, as France and England have already done.

The other development on the international front here in Washington, was the announcement that three North Korean diplomats from their United Nations posts in New York City, spent 5 days in our Nation's Capital.

Once diplomatic posts are opened by East Germany and North Korea, Castro Cuba can be expected to be next. The preparatory groundwork and advance publicity are underway to condition the people that anything that can be tolerated at the United Nations in New York City can certainly be tolerated in our Nation's Capital, that is except the independence of the Government of Rhodesia.

The related news clippings follow my remarks:

[From the Washington Post, June 13, 1974]

NORTH KOREAN OFFICIALS VISIT HERE

(By Jaehoon Ahn)

Three North Korean officials scored a diplomatic first this week—but they did it so shyly that it almost went unnoticed.

They stayed incommunicado at their hotel, the Shoreham.

They politely parried the questions of reporters and turned the conversation to other themes.

They accomplished their diplomatic ground-breaking simply by being in Washington as the first North Korean officials to receive permission to venture beyond New York City since the Korean War.

The occasion was a five-day U.N. sponsored conference at the State Department on food hygiene. It started Monday.

The three diplomats, all of whom are attached to the United Nations in New York City, are Chang Chol Su, Kim Chung Gol and Kim Hyong Ik.

State Department officials said that the United States has an obligation to allow persons attached to the United Nations to travel to U.N.-connected meetings. The officials categorically denied that there was any political significance in their being here, though one official said that North Korea is "interested in a broader relationship."

Last April, the government turned down a request by North Korea's chief U.N. delegate, Ambassador Kwon Min Joon, to attend a seminar at Harvard.

At the conference table, the delegation was identified as representing the Democratic People's Republic of Korea.

That in itself was history-making: the first time such a sign had been on display in Washington.

In the hallway of the State Department the officials made still more history: they became the first of their countrymen to drink State Department coffee, and diplomatically seemed to like it.

But a reporter's arrival brought some suspicion.

Was the reporter a newsman for a South Korean paper? Those reporters "call the gangster (President) Park Chung Hee a good guy!" said one of the diplomats. But the reporter was not from a South Korean paper. Smiles, but still some nervousness.

Most subjects were brushed aside as too controversial.

What did they think about Yankee food, then? In the present delicate state of U.S.-North Korean relations, even such a subject could be touchy. It is not fit for Korean tastebuds, one of the officials admitted. "But what choice do we have?" That reflected a pragmatism that Henry Kissinger might have approved of.

At the South Korean Embassy in Washington, an official said: "We have no objection to North Koreans at any international organization's meeting—as long as they contribute to these technical conferences and eventually it may help reduce tension in the Korean Peninsula."

[From the Washington Star-News, June 9, 1974]

BLUE SKIES FOR THE COOPERS, HERE AND OVERSEAS

(By Betty Beale)

Once again, Lorraine Cooper and the Hagerstown Almanac were right about the weather—it didn't rain Thursday night for the Coopers' annual garden buffet in honor of the United States Senate. Is there anything like the Hagerstown Almanac in East Germany? It could matter to the Coopers because John Sherman Cooper is expected to go to Berlin as ambassador if and when the United States opens a diplomatic post there, as France and England already have since the Berlin Agreement.

Senators from both sides of the aisle along with such other VIPs as Elliot Richardson, new presidential assistant Kenneth Rush, Undersecretary of State Joseph Sisco and the ambassadors of Italy, France, Great Britian and Argentina flocked to the Coopers' handsome Georgetown house.

[From the Washington Star-News, June 4, 1974]

HONECKER'S NUDGE

East German Communist party chief Erich Honecker isn't hazarding any timetables, but he said yesterday he sees no reason to delay establishing diplomatic relations with the United States.

There has been speculation that full relations would be realized this year. East German Foreign Ministry officials were in Washington recently to discuss an exchange of ambassadors.

"The state of the dialogue makes it evident there is no reason for delay," the party leader told an interviewer.

WILLY BRANDT

(By Ranjan Borra)

Sir: Willy Brandt's resignation as the chancellor of West Germany is yet another indication that flotsam in the currents of politics is eventually caught up by the tides of history. In fact, none of the German leaders since the end of World War II was able to demonstrate any capability of responding to the indomitable will of the German people to reunify themselves and reassert their nationalist aspirations that lay crumbled amidst the ruins of the Third Reich.

In the ideological polarization that must persist despite the détente between the East and the West, the need for a strong and united Europe cannot be over-emphasized; and yet, for the past quarter of a century, that goal has remained elusive largely because of the failure on the part of the West to realize the need for its essential ingredient: a strong and nationally united Germany. For a mythical fear that a move in this direction would lead to another armageddon, it has sought to perpetuate the status quo in central Europe and keep West Germany as its client state, the disastrous consequences of which lie in the storehouse of the future.

It is unfortunate that no chancellor, Willy Brandt included, could make the bid for a break from the standards set by the victor nations and emerge as a true leader of the German people in a world where those standards, in view of new power confrontations, have become irrelevant and obsolete.

It is quite apparent that the spy scandal was merely an excuse for Willy Brandt's resignation. Besides the domestic unrest which he was unable to quell, his much-boasted "Ostpolitik," which virtually represented a shameful surrender of the principle of a united Germany, had suffered serious setbacks. In fact, this failure has come as a boon to the German people inasmuch as it means that the idea of unification can still be retrieved and hard-line bargaining with the Communists can still be carried on.

In Willy Brandt's departure, history has once again spoken for the German people. Will the new leadership act up to the message?

CONSTRUCTION LAYOFFS HIT 4,000 IN DADE COUNTY, FLA.

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. LEHMAN. Mr. Speaker, this afternoon the headlines of the Miami News read, "Construction Layoffs Hit 4,000 Here." This afternoon, the House Banking and Currency Committee also reported out its omnibus housing legislation, H.R. 15361.

I have not yet seen the committee's final proposal. However, I would hope that it would address itself to the urgent situation outlined in the Miami News article which appears below:

[From the Miami News, June 13, 1974]

CONSTRUCTION LAYOFFS HIT 4,000 HERE

(By Alan Gersten)

Unemployment is becoming widespread in Dade County's construction industry, hard hit by material shortages and high interest rates that are driving away potential buyers.

Officials now estimate that since Jan. 1 about 4,000 or 10 per cent of construction workers in the area have been laid off. Not since the early 1960s has the outlook been so bleak.

With the average carpenter, plumber or block mason making $15,000, that amounts to a loss of payroll for Dade County of $60 million if the 4,000 remain out of work for a year.

"There have been considerable layoffs and nearly every builder and developer has been affected," declared William Safreed, executive director of the Builders Association of South Florida.

He said the jobless problem has accelerated in the last few months because of the tight money situation, which has forced developers to curtail, delay or cancel new ventures.

It's estimated that new construction is down by 25 per cent. Moreover, unsold condominimums now number between 5,000 and 6,000—and a considerable number of townhouses and single-family homes are vacant.

The main problem, as most builders see it, is a lack of money to build or buy. Savings and loan associations lack funds to make mortgage loans because customers are withdrawing their money to invest in high interest-bearing securities.

"A year ago you could sell anything in single-family homes and townhouses. Now buyers are not interested in paying 9.5 percent interest plus closing costs on a home," Safreed explained.

A lot of the large building developments in Dade are having problems building and selling units, Safreed said. "I don't like what I hear from the builders and developers."

Leonard Miller, president of Lennar Corp., said there have been no layoffs at his firm but he has not been hiring, either. He felt his situation was somewhat different because Lennar was involved in FHA and VA financing, which relies on government financing and not S&L money.

Miller said the firm also had "long relationships" with S&Ls and had its own mortgage affiliate to help it obtain financing. But he did admit that the high interest rates "have slowed the recovery of housing."

Nationally, housing starts—homes and apartments—in the first four months of 1974 were at an annual rate of 1.6 million, or 30 percent below the rate in the same period a year earlier. Some experts predict a 1.6 million rate will be the level for all of 1974.

The last time housing starts for a full year dropped that low was 1970 when they totaled 1.4 million.

In Dade, new housing permits from January through April were off 22 percent over the same period a year earlier, First Federal reported Monday in an economic analysis. The report also said sales of both new and used housing has dropped—off 10.1 percent in Dade this year.

Meanwhile, another Dade builder, Sam Jennings, said the layoffs "must be taking place." However, his firm has two new large projects—in Cutler Ridge and Dadeland—and now needs 30 more employes.

H. V. Green, who runs a construction company bearing his name, said in recent months he has been forced to lay off six to seven permanent office workers, or 20 percent of his staff, and 50 to 60 carpenters, or 40 percent of the workers hired to do specific building projects.

"The demand is still there," Green contended. "It's just the money situation and that people have no confidence about things in general."

George Berlin, vice president of the Aventura development in North Dade, said there have been no layoffs recently, but sales are about half what they were a year ago.

Most industry observers don't expect any relief until probably the end of the year. Then, hopefully, inflation will cease, the federal government will put more money into the banking system and interest rates will fall.

By then, however, Safreed predicts that some of Dade's smaller builders will be out of business. "The large, strong companies will be the ones able to survive, partly because they are cutting back now on everything," he said. "But many of the little guys will fall by the wayside."

SOUTH TEXAS FAMILY FACES NEW CHALLENGE

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. DE LA GARZA. Mr. Speaker, the cattlemen of the United States are up

against a tough situation. Tumbling prices for their meat, rising costs of everything they buy, and heavy imports of meat products threaten many of them with economic disaster.

There has been a great deal of publicity in recent years about cattle ranches as tax shelters, but the kind of ranches I am talking about are working operations where the owners hope to make a profit. In fact, they have to make a reasonable profit in order to keep going. Tax shelters are not their objective.

These cattlemen are a tough and independent breed. A recent issue of the Wall Street Journal contained a story about a ranching family in the 15th Congressional District of Texas which I wish to share with my colleagues. The McAllen Ranch has been in operation in South Texas since the late 18th century. I know the McAllens, father and son. They are the kind of sturdy, determined people who built the great Southwest of the United States. Their story is an inspiring one and I present it here with pride:

RIDING IT OUT—CATTLE-PRICE PINCH IS ONE MORE CHALLENGE FOR MCALLEN FAMILY

(By Mike Tharp)

THE MCALLEN RANCH, TEXAS.—The odds are that Jim McAllen will survive the current economic crunch in the cattle industry with the same gritty self-reliance that has enabled him and his ancestors to ranch this semi-tropical South Texas land since the late 18th Century.

The McAllens have withstood attacks by bandits and rustlers and made it through droughts, depressions, hurricanes and epidemics of cattle diseases. Like other Western cattlemen, they are fiercely independent and they treasure their traditions proudly. Jim McAllen, who at age 36 runs the 70,000-acre ranch with his 62-year-old father, has modernized operations considerably. But by breeding and inclination he remains a cowboy who knows that life on a cattle ranch still demands long hours of hard work, the instincts of a gambler and more than a little luck.

Last year all this resulted in record profits for cattlemen, but this year Mr. McAllen and other ranchers are being squeezed by rising costs and falling cattle prices. Costs of things that ranchers buy have risen 15% above last year, and one expert estimates that keeping a cow or raising a calf for a year now costs about $190, up from $135 to $145 a year ago.

Meanwhile, the prices Mr. McAllen gets for the cattle he ships to feedlot operators for fattening have dropped. When price ceilings on live cattle were lifted last September, he held back some calves for six months in hopes that prices would improve. Eventually, he sold them for $249 each, $10 less than the price allowed—and paid—under the price ceiling. Last week, his calves (which weigh about 500 pounds each) brought $140. "We're getting now what we got 10 years ago," he says.

BYPASSING BEEF

The prices are falling largely because of consumer reluctance to buy beef. Per capita consumption dropped to 110 pounds last year from a record 116 pounds in 1972. Though organized boycotts seem to have gone out of style, housewives continue to bypass the beef.

"We haven't seen this kind of reluctance this century," says David Stroud, president of the National Live Stock and Meat Board, a trade group.

All sorts of dire warnings are being made as a result of this squeeze—that the cattle industry will go bankrupt, that production is being cut back and so less beef will be available in a couple of years, and so forth. As evidence, the doomsayers cite the fact that in May 10% fewer cattle were put on feed than in the year-ago month. Even fewer will be fattened unless prices go up, they warn, urging that the government restrict meat imports. (Yesterday, prices fell again on the nation's wholesale markets; see story on page 38.)

But cow-calf operators such as Mr. McAllen are the key link in the production chain that moves a calf from the open range to the supper table. The feedlot operator, the meat packer, the purveyor and the retailer are all important, but the rancher determines the supply of cattle that is ultimately available to consumers.

"BRED INTO US"

Mr. McAllen says he can't afford to cut back his herds. "The land has got to produce," he explains. "If we were speculators or weekend ranchers, we could sell out. But when bankers, doctors and lawyers start folding up their investment ranches, it avalanches down on real ranchers." They apparently are responding much like Mr. McAllen: The Agriculture Department forecasts another increase in the nation's beef this year—a 12% rise to 130 million head.

"The more we produce, the more we want to produce," Mr. McAllen says. "It's kind of bred into us. If the government would leave us alone, we'd produce what it wants. We don't want to be controlled by anybody, and we don't like agricultural products being used as a pawn in international deals." Predictably, Mr. McAllen is in favor of restrictions on imported beef. "We're the people that made the country—not the foreigners—and you should think of the home folks first."

Such bristling don't-tread-on-me attitudes are common among ranchers. "Cattlemen have always been able to weather the storm, but I don't think they've seen a storm like this—at least, not in the last two decades," a Department of Agriculture economist says.

But Mr. McAllen is confident that the ranch will come through these hard times as it has endured others for generations. "No other industry can suffer a one-third loss in a year and still operate," he says. He recognizes, though, that ranchers have image problems with both politicians and consumers.

"The housewife at the meat counter probably thinks the rancher made his money overnight and drives around in a Rolls Royce with steer horns on the hood," he says. "Actually, I'm a welder, mechanic, electrician, plumber, a helluva good windmill repairman—and last, I'm a cowboy."

He spends more time in his air-conditioned, radio-equipped pickup truck than in the saddle, and wields a welding torch as often as a lariat. But like the cowboys of a hundred years ago, his workdays stretch from dawn to dusk.

One recent morning, he arose as usual at six o'clock. By seven, he was swallowing a second cup of coffee and calling his father on the two-way radio in his office to ask if a certain section of fence would be repaired that day. Then he drove his 1974 truck through several pastures to check on windmills and water tanks.

East of a saltwater lake, he flushed two coyotes from their daylight lair. He grabbed a loaded rifle from the seat next to him and fired two shots, but the coyotes disappeared over a ridge into thick stands of mesquite. "The next shot's yours," he said with a grin to a visitor in the pickup cab.

The water-supply survey took until lunch time, which is to say until 1 p.m. Mr. McAllen's father, Argyle A. McAllen, refuses to set his watch to daylight saving time, so everybody on the McAllen ranch eats lunch an hour later than the hands on other ranches. ("The cows aren't on daylight saving, so why should we be?" Mr. McAllen's father says.) Mr. McAllen, his father and their Mexican-American hands share a lunch of meat and beans, served on tin plates stamped with the McAllen brand, a "rolling" S M (after Salome, Mr. McAllen's great-grandmother).

After lunch, he continued to drive to his outlying herds. Like most ranchers, he doesn't like to reveal exactly how many animals he has on the ranch. He does admit to having 4,000 cows, plus bulls and yearlings. The average calf crop runs 85% to 90% of the cows (about 3,800 calves) in the December-March calving season.

As he drove, the blue-eyed, sandy-haired rancher looked for the telltale signs of screwworm wounds, observed which cows are about to give birth and, once, herded a bull from one pasture to another with the pickup.

The next morning Mr. McAllen drove to nearby Reynosa, Mexico, to buy cowboy gear for his ranch hands. While he and the proprietor haggled amiably in Spanish over the price, Mr. McAllen examined each of the 10 pairs of chaps he wanted to buy. They settled on $56 a pair, compared with $33 a year ago. (Chaps of similar quality would cost about $75 in the U.S., he says.)

"HE'S GOT TO MAKE A LIVING"

He winced as he fingered the bill of sale. "He showed me his cost and asked if he could make $8 a pair," Mr. McAllen said. "He's got to make a living, too."

Mr. McAllen spent that afternoon behind shaded goggles welding a lock piece onto a gate. A sudden rain blew in from the south, cratering the red earth and driving several uncorraled horses beneath mesquite trees. As sparks sputtered from the welding torch, Mr. McAllen said: "My dad used to be a little leery about all the newfangled stuff I was doing. Then I built this barn we're standing in and he got interested pretty quick."

The ranch has about 130 horses that are used by the eight ranch hands to patrol the herds. Because their acreage is spread over three separated parcels of rolling rangeland, the McAllens usually load horses and riders into trailers and tow them miles from the ranch headquarters before deploying the cowboys among the cattle. Besides working the cattle, the cowboys have fences to mend, windmills to maintain, pens to build, brush to clear, foraging grass to plant, and wells and waterways to dig.

More than ranching goes on at the McAllen ranch. Nine years ago the first of now numerous natural-gas wells was drilled on the property. In the fall, wealthy deer and quail hunters (including such celebrities as Bing Crosby and Phil Harris) lease portions of the ranch and go hunting from comfortable, well-outfitted mobile homes.

THE RANCHER BUYS HIS BEEF

Mr. McAllen and his pretty, blonde wife Frances regularly entertain friends and neighbors in their rambling, Spanish-style home (which is the main house of the ranch, located a few hundred feet from Mr. McAllen's father's home). The single-story house, made from white clay blocks and topped with red tiles, is surrounded by a three-foot limestone fence to keep out rattlesnakes.

During one recent barbecue, Mr. McAllen confessed that "we buy most of our own beef." Holding up a thick, well-marbled steak, he adds: "We couldn't afford to raise beef like this." That's because it would take weeks of fattening on grain in a feed lot. He thinks, though, that more people will begin buying grass-fed rather than grain-fed beef because costs and prices would be lower all along the line from rancher to housewife. Grass-fed beef doesn't taste as good, he concedes, "but the consumer wants cheaper beef."

When he's not worrying about economics, Mr. McAllen devotes his time to professional and personal interests. He is on the boards of directors of the Texas and Southwestern Cattle Raisers Association, the Rio Grande Valley Ballet Foundation and the county

historical society. He also paints, sculpts and has collected a wide variety of artifacts, ranging from arrowheads to antique guns. He is something of an inventor, too, having devised a multilock gate and a feeder that allows only bulls, not cows, to eat special feed.

Mr. McAllen grew up on the ranch, attended schools 35 miles away in Edinburg and won several Future Farmers of America cattle contests. After spending a year at Texas A & M University ("I didn't like school," he says), he leased a large ranch from his uncle and ran it for 11 years. In 1969 he entered a partnership with his father and two aunts, whose combined holdings now make up the McAllen ranch.

The ranching heritage of the McAllens is strong. Originally, the land was part of a Spanish grant to a direct ancestor of Mr. Allen in 1791. Several generations of McAllens and their relatives by blood and marriage have ranched it since then. (The city of McAllen, some 40 miles south of the ranch, is named after Jim's great-grandfather.) Many of the Mexican-American hands who have worked with the McAllens were born on the ranch and lived and died here.

Together, the owners and workers have defended the ranch against all sorts of calamities, including a 1915 raid by Pancho Villa's bandits. Bullet scars are still visible above a doorway and in the seat of a wooden chair in the elder Mr. McAllen's high-ceilinged home.

When he was 25, Jim McAllen married Frances, an Edinburg native who studied English at Southern Methodist University. "I thought sure I'd wind up in Dallas," she says with a laugh, "but Jimmie yelled at me to come back home, so I did." They have three daughters aged 10, nine and five, and a 15-month-old son, James Jr.

"I'd like to see James become a rancher," Mr. McAllen says, "but I won't insist on it. I'll leave it up to him."

Young James will grow up observing on his father's office wall a leather map of the ranch that bears a legend of the ranch's history and concludes: "That you our sons may carry on where we left off and fathom more."

PENTAGON VIOLATION OF PARIS PEACE ACCORD

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ASPIN. Mr. Speaker, the Pentagon has violated the Paris peace accord by requesting funds to modernize the South Vietnamese Air Force and provide them with technically superior aircraft for replacements of projected losses in the war.

According to the Paris peace agreement lost or destroyed military equipment can be replaced on a 1-for-1 basis and must be "of the same characteristic and properties." Equipment can be replaced if it has been "destroyed or damaged, worn out, or used up after the cease-fire," the treaty says.

Mr. Speaker, this year's Pentagon budget contains funds for replacement equipment that is clearly superior to weapons currently held by the Thieu regime, and for the modernization of other equipment.

Mr. Speaker, this year's Pentagon budget contains two possible violations of the Paris peace accord and two clear-cut violations. Among the possible violations are $85.4 million for 28 F–5F tactical fighters being used to modernize the South Vietnamese Air Force by replacing old F–5A's with the technically superior F–5F.

Another possible violation is the purchase of four C–130 aircraft at a cost of $20.3 million. The possibility exists that the treaty may be violated if the United States replaces small C–7 aircraft with the C–130's. The Pentagon projects the loss of two South Vietnamese C–130's and two C–7's. The United States still does have 32 C–7's in its Reserve force, but if the United States sent the C–130's to replace the lost C–7's, it would be a violation of the treaty.

There are also two clear-cut violations of the treaty. The request for $15.7 million for 29 A–37B fighters, will be used, in part, to replace old propeller-driven, single engine A–1's. The A–37B has twin-jet engines and is a more accurate fighter than the A–1 because of superior electronic equipment. Also, $6.5 million is contained in the budget to modify four transport aircraft converting them into so-called gunships which are attack aircraft rather than transports. This modernization also clearly violates the treaty.

Modernizing South Vietnamese aircraft or replacing old planes with superior aircraft is a blatant and clear violation of treaty. Some of these aircraft will not be of the same characteristic and properties as the aircraft they are replacing.

Mr. Speaker, I am not suggesting that the other side may not have violated the treaty in some instances, but that does not constitute any justification for the United States to so blatantly ignore this agreement.

In addition, it is absurd for the U.S. Congress to approve funds for projected future losses by the South Vietnamese. This appropriation assumes that the war will continue unabated for the next 2 years. When losses occur then the United States can replace, according to the treaty, on a 1-for-1 basis. Approving the funds now is unnecessary and only further bloats the Pentagon's already oversized budget.

OF PRESIDENTS AND PRECEDENTS

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. HANRAHAN. Mr. Speaker, impeachment has seemed unthinkable for previous Presidents, but now it is rapidly becoming a reality. Will an impeachment this year harm future Presidents? This question is asked by Mr. William Safire of the Chicago Tribune. I insert his very interesting article for the benefit of my colleagues:

OF PRESIDENTS AND PRECEDENTS

WASHINGTON.—Of the 11 American Presidents who left office during this century, 10 left either feet first or with their political reputations ruined.

violations. Among the possible violations

Let us count the ways. McKinley was assassinated. Theodore Roosevelt turned his office over to William Howard Taft, then ran against him, and both were trounced. Wilson collapsed, and Harding died in office.

Coolidge chose not to run again, Hoover was beaten, Franklin Roosevelt died. Truman was too unpopular to run again, Kennedy was assassinated, and Johnson, like Truman, knew he had had enough.

Only Eisenhower escaped the White House alive and with his reputation intact, after serving as long as the Constitution allowed.

As this depressing review shows, most American Presidents close out their political careers in three ways: by dying or being murdered, by being defeated, or by abdicating—refusing to run again, usually because they knew they would lose.

To these three means of ending political service, we are now in danger of adding a fourth and fifth: impeachment and its inevitable companion, forced resignation.

In the absence of a grab for tyranny, we do not need these extra ways of wearing or striking down our elected leaders. The eight-year tenure of a President—one fixed term, with the likelihood of one more—already has too many ways of being truncated without the addition of "quit or be fired."

For argument's sake, set aside feelings about Richard Nixon's tax conduct or lack of moral outrage at Watergate. Consider the consequences to our form of government of impeachment for anything other than an indisputably "high" crime like treason.

If there had been the precedent of successful impeachment, surely there would have been a serious move to impeach Herbert Hoover during the Depression. If impeachment had been a usable weapon in a political opposition's arsenal, the "mess in Washington" of the Truman years combined with the firing of Gen. MacArthur would have led to some congressional action on the demand, voiced then by the Chicago Tribune but not taken seriously, to impeach the President.

If there had been a removal-for-office precedent, the segregationists who displayed bumper stickers reading "Impeach Earl Warren" in the '50s would not have been dismissed as kooks demanding the impossible, but as a minority whose representatives were capable of making a serious move to bring down a chief justice.

And if impeachment were a lively possibility with a recent precedent, certainly there would have been a move in the mid-'60s to impeach Lyndon Johnson. It would not have succeeded, but the headline-making bills would have been dropped in the hopper, the dissenters would have had the rallying point of specific action, and the President would have been even more hamstrung than he was.

Once a political weapon moves from a remote paper proposition to a device that has once worked, its use will be invoked again and again. Perhaps not successfully; but the potential of imepachment would add to the pressure to resign on legislative "votes of confidence," and a President whose popularity is a diminishing asset—like most of this century's dozen—will be forced to campaign continually rather than govern.

Each Congressman voting on impeachment now should put himself in the shoes of one of the next dozen Presidents who would serve under the direct threat of recall.

I do not suggest that a successful impeachment now would lead to a rash of successful impeachments in the future; I do suggest that there will be no putting the impeachment genie back in the bottle once it has done its thing. By turning the unthinkable into the quite possible, we introduce a new and weakening element into our political affairs. Is it worth it?

Most people now talking for publication say yes, it would be worth it. But others, including a number of congressmen, are not talking for publication. They are weighing dangers, and many—who are neither sophists nor blind loyalists—believe the pre-

sumed danger to the republic of not impeaching Richard Nixon is outweighed by the real danger of laying the knife of impeachment on the stage of every future Presidential drama.

REVENUE SHARING'S HIDDEN COSTS

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. GROSS. Mr. Speaker, with the end of the fiscal year fast approaching, and with another massive payment of so-called Federal revenue-sharing funds about to be doled out to some 38,000 State and local governments, I believe it is fitting that I release a report from the General Accounting Office showing some startling and expensive facts about this program.

At my request the GAO took a close look at what was done with the revenue-sharing money received by all 50 States, the District of Columbia, and the 50 counties and cities receiving the largest amounts of funds under this program during the first 18 months of its life.

The GAO found that as of June 30, 1973—1 year ago—these 151 governments had been so ill-prepared to use these funds that they had invested 74 percent of them, a total of $2.8 billion.

These investments earned the 151 State and local governments a total of $76.4 million in interest. Of this total, the GAO estimated that $17.9 million in interest was earned from investing in obligations of the Federal Government.

In other words, the taxpayers of this country took a double beating. The Federal Government not only took their money away from them initially and, after the Washington bureaucrats siphoned off part of it, gave it back to them in the form of revenue sharing; but these same taxpayers had to shell out nearly $18 million more in interest payments because their local governments reinvested this money in Federal notes or bonds.

I said at the time this ill-conceived program was proposed that the nearly bankrupt Federal Government was the last entity on this Earth that had revenue to share. The GAO report clearly demonstrates that revenue sharing has done nothing but worsen the already pitiful state of the Treasury.

At the very least Congress should amend the legislation to prevent the citizens of this country from, in effect, being taxed twice on one program, as is the case here.

I include the GAO report for insertion in the RECORD at this point:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C.

Hon. H. R. GROSS,
House of Representatives,
Washington, D.C.

DEAR MR. GROSS: As agreed with your office, we contacted the 50 State governments, the District of Columbia, and the 50 counties and 50 cities that received the largest amounts of revenue sharing funds through June 30, 1973. For each of the 151 governments, we obtained or estimated the interest earned on revenue sharing funds through June 30, 1973, and, when possible, we identified the interest earned on funds invested in Federal Government obligations.

The Revenue Sharing Act was enacted on October 20, 1972, but provided for payments covering a retroactive period beginning January 1, 1972. The first payment for the 6-month period ended June 30, 1972, was made on December 11, 1972, and the second payment for the period July 1 through December 31, 1972, was made on January 8, 1973. The act provides that subsequent payments be made at least once each quarter and not later than 5 days after the close of each quarter. Quarterly payments began with the April 1973 payment.

Section 123(a) of the act provides that a recipient government must use its revenue sharing funds and any interest earned on them within the time prescribed by the Secretary of the Treasury. This indicates that the Congress anticipated that recipient governments could invest the funds and earn interest on them.

Department of the Treasury regulations require a recipient government to use, obligate, or appropriate funds within 2 years after the end of the period for which the funds were received. Because the time between obligation or appropriation and disbursement varies considerably, revenue sharing funds could remain invested beyond 2 years. The regulations also provide that the period in which the funds must be used, obligated, or appropriated can be extended with the Department's approval. Thus it is possible that the funds could be invested for even longer periods.

ESTIMATED INTEREST EARNED BY THE GOVERNMENTS

Through June 30, 1973, the 151 governments received about $3.8 billion in revenue sharing funds, or about 58 percent of the $6.6 billion distributed to all 38,000 governments.

At June 30, 1973, about $2.8 billion, or 74 percent, of the funds received by the 151 governments was invested. Investment practices varied considerably. Some governments placed all their revenue sharing funds in a single type of investment, such as U.S. Treasury bills or bank certificates of deposit; others placed their funds in several different types of investments; and others commingled their revenue sharing funds with other funds in a common investment pool.

Through June 30, 1973, the 151 governments had earned an estimated $76.4 million in interest on the funds. Of this total, an estimated $17.9 million was earned from investing in Federal Government obligations.

Detailed data on the funds invested and the interest earned on them is shown in the enclosures. The following table summarizes that data.

REVENUE SHARING FUNDS RECEIVED AND INVESTED AND INTEREST EARNED AS OF JUNE 30, 1973

[Dollar amounts in millions]

Governments				Estimated interest earned from—		
Type	Number	Funds received	Funds invested	Federal obligations	Other investments[1]	Total
States and District of Columbia	51	$2,257.6	$1,914.9	$11.7	$38.1	$49.8
Counties	50	544.7	441.2	2.9	10.1	13.0
Cities	50	982.6	416.9	3.3	10.3	13.6
Total	151	3,784.9	2,773.0	17.9	58.5	76.4

[1] Consisted primarily of certificates of deposit, time deposits, commercial paper, and repurchase agreements.

ESTIMATED INTEREST COST TO THE FEDERAL GOVERNMENT

When Federal receipts are insufficient to meet expenditures, the difference is obtained through borrowing; when receipts exceed expenditures, outstanding debt can be reduced. Thus, advancing funds to organizations outside the Government before they are needed either unnecessarily increases borrowings or decreases the opportunity to reduce the debt level and thereby increases interest costs to the Federal Government.

Because almost all of the 151 governments had invested revenue sharing funds, they apparently received the funds before needed or before they were prepared to spend the funds. The funds which were not invested in Federal obligations typically were placed in low-risk investments which have interest rates that are reasonably comparable to the rates of Federal obligations. Therefore, the interest earned by the governments can be used as an approximation of the interest cost to the Federal Government through June 30, 1973, as a result of early advancement of revenue sharing funds.

POLICY FOR ADVANCING CASH TO FINANCE FEDERAL PROGRAMS

The Federal policy for financing grants and other programs is to avoid premature advances of funds to organizations outside the Government. Department of the Treasury Circular No. 1075 states that advancing funds substantially affects Treasury financing costs and the public debt.

The circular provides two methods for advancing funds: by Treasury check or letter of credit. If funds are advanced by Treasury check, the Federal agency responsible for the program is required to schedule the advances so that the funds are available to the recipient only immediately before the recipient disburses them. However, if the agency has, or expects to have, a continuing relationship with a recipient for at least 1 year and if annual advances aggregate more than $250,000, a letter of credit is used.

A letter of credit permits a recipient of Federal funds to draw funds for program operations, as needed, through a commercial bank and a Federal Reserve bank subject to monetary and other limits established by the program agency. The program agency is responsible for monitoring the recipient's use of the letter of credit to insure that it draws funds only when needed for disbursements.

If the payment methods prescribed in the circular are properly implemented, idle Federal funds in the possession of recipients are kept at a level which minimizes the Federal Government's financing costs.

OPINION ON ADVANCING REVENUE SHARING FUNDS WHEN NEEDED BY RECIPIENT GOVERNMENTS

The Federal policy of advancing funds as close as possible to the date the recipient needs them does not apply to the revenue sharing program under the existing act. Primarily because of the flexibility inherent in revenue sharing, it is not possible to accurately estimate the interest savings if the act were amended to permit a system of disbursing funds when the recipients need them.

Under most Federal aid programs, funds must be used for specific purposes. If funds are so earmarked and if there are adequate accounting controls, the program agency usually can determine when funds are needed and thereby time the advance of funds to coincide with the recipient's cash requirements.

In contrast, a basic objective of revenue sharing is to give State and local governments wide discretion and flexibility in de-

ciding how and when to use the funds. Even if a policy of disbursing funds when needed were adopted, recipient governments could expend revenue sharing funds in programs or activities which have immediate cash needs and thus could decrease or eliminate interest savings that could be realized by the Federal Government. Recipient governments could benefit from using revenue sharing funds in programs with immediate cash needs because they could then invest their own funds that are freed by using revenue sharing funds. Therefore, we believe a policy of disbursing funds when needed might affect recipient governments' decisions on using the funds and would tend to conflict with the objective of giving them flexibility.

On the other hand, if a sufficient number of recipient governments do not use their revenue sharing funds as soon as they are available, the Federal Government could save substantially. Because the amount of savings depends on recipient governments' actions, we cannot be certain whether such a policy would achieve the desired savings in interest costs to the Federal Government.

AGENCY COMMENTS

Officials of the Office of Revenue Sharing, Department of the Treasury, generally agreed with our observations but emphasized the following.

Because State and local governments have wide discretion in deciding how to use revenue sharing funds, the extent of savings to the Federal Government would depend largely on their voluntary cooperation.

During the period reviewed, recipient governments had received a full year's retroactive payment. In the future, when the funds are being disbursed on the regular quarterly basis, the amount of idle revenue sharing funds available for investment probably will decline.

Because about 38,000 governments receive revenue sharing funds, a policy of advancing funds when needed would significantly increase the administrative workload of the Office of Revenue Sharing and would thereby increases costs and reduce overall savings.

Many State and local governments, assuming that the investment of revenue sharing funds would continue to be permitted, have budgeted or appropriated anticipated future interest earnings. A change in the law at this point could adversely affect State and local government plans.

The officials also pointed out that most recipient governments obtain relatively small amounts of revenue sharing funds and suggested that, if the Congress prescribes a change in the payment method, it should consider making it apply only to those recipients that obtain large amounts of funds.

We do not plan to distribute this report further unless you agree or publicly announce its contents.

We trust the above information is responsive to your needs.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

ENCLOSURE I—REVENUE SHARING FUNDS RECEIVED AND INVESTED AND INTEREST EARNED BY 50 STATES AND DISTRICT OF COLUMBIA AS OF JUNE 30, 1973

State	Millions		Estimated interest earned from (thousands)—		
	Funds received	Funds invested	Federal obligations	Other investments	Total
Alabama	$38.7	$23.0	$797		$797
Alaska	2.8	2.8		$39	39
Arizona	21.3	21.3		508	508
Arkansas	24.8	24.9	81	278	359
California	234.8	235.1	805	5,245	6,050
Colorado	22.9	22.9	3	595	[1] 596
Connecticut	28.0	28.6	19	803	822
Delaware	8.1	[2]		119	119
District of Columbia	29.9	15.4	449		449
Florida	61.8	62.2	1,403	78	1,481
Georgia	45.8	45.8		1,264	1,264
Hawaii	9.9	[2]		86	86
Idaho	8.9	6.6		217	217
Illinois	114.0	116.2	243	2,574	2,817
Indiana	47.4	48.5		1,358	1,358
Iowa	31.5	32.2	77	633	710
Kansas	21.8	22.1		317	317
Kentucky	45.0	45.0		1,165	1,165
Louisiana	52.2	52.1	64	1,216	1,280
Maine	13.0	13.0	105	193	298
Maryland	44.4	44.7		1,213	1,213
Massachusetts	69.2	[2]	76	20	96
Michigan	93.7	93.7	161	1,930	2,091
Minnesota	44.1	45.3	1,213		1,213
Mississippi	37.6	37.7	941		941
Missouri	41.1	41.6	1,064		1,064
Montana	8.6	8.2	162	57	219
Nebraska	16.2	16.6		472	472
Nevada	4.8	4.7		[3] 68	[3] 68
New Hampshire	7.0	7.0	176		176
New Jersey	69.4	69.8	1,127	741	1,868
New Mexico	14.5	14.8		447	447
New York	245.7	55.3	798	2,735	3,535
North Carolina	56.7	54.2	481	1,086	1,567
North Dakota	9.2	9.2		218	218
Ohio	88.8	90.9	204	2,399	[1] 2,602
Oklahoma	24.6	24.4	5	519	[1] 525
Oregon	22.0	20.1	35	562	597
Pennsylvania	115.8	76.4	14	2,045	2,059
Rhode Island	10.1	10.3		267	267
South Carolina	31.1	31.4	509	291	[1] 799
South Dakota	10.1	10.1	31	279	310
Tennessee	41.3	41.2		1,058	1,058
Texas	104.0	104.9		920	920
Utah	12.9	12.9		313	313
Vermont	6.2	2.8		132	132
Virginia	44.1	45.2	26	1,000	1,026
Washington	32.4	32.5	63	818	881
West Virginia	29.6	29.9		775	775
Wisconsin	55.6	57.2	597	964	1,561
Wyoming	4.2	4.2		118	118
Total	2,257.6	1,914.9	11,729	38,134	[1] 49,861

[1] Totals do not add due to rounding.
[2] No funds were invested as of June 30, 1973.
[3] Amount of interest could not be broken out between Federal obligations and other investments.

ENCLOSURE II—REVENUE SHARING FUNDS RECEIVED AND INVESTED AND INTEREST EARNED BY 50 SELECTED COUNTIES AS OF JUNE 30, 1973

State and county	Millions		Estimated interest earned from (thousands)—		
	Funds received	Funds invested	Federal obligations	Other investments	Total
Alabama: Jefferson	$9.0	$8.7	$211		$211
Arizona:					
Maricopa	6.4	6.0	27	$128	155
Pima	4.9	3.0	7	97	104
California:					
Alameda	12.2	12.3		323	323
Contra Costa	7.0	7.0		195	195
Fresno	8.2	7.9	62	132	194
Kern	9.0	9.1	2	229	231
Los Angeles	106.6	106.8	1,413	1,413	2,826
Orange	10.9	10.9	1	300	301
Riverside	8.6	8.3	15	240	255
Sacramento	10.4	7.7		230	230
San Bernardino	12.4	12.3		321	321
San Diego	14.0	14.2		481	481
San Joaquin	6.1	1.2		157	157
Santa Clara	9.8	9.9		242	242
Tulare	4.9	4.9	3	128	131
Ventura	6.6	6.0	19	162	[1] 180
Delaware: New Castle	5.4	5.0		152	152
Florida:					
Dade	13.0	13.2	332		332
Hillsborough	5.6	4.0		147	147
Georgia: Fulton	7.4	6.3	2	189	191
Illinois: Cook	18.3	16.5		516	516
Indiana: Lake	4.1	4.1	60	37	97
Kentucky: Jefferson	7.4	7.5	201		201
Louisiana: Jefferson	5.8	5.9		163	163
Maryland:					
Anne Arundel	6.0	6.0	59	127	186
Baltimore	12.1	5.8		226	226
Montgomery	6.1	5.8	51	95	146
Prince Georges	11.8	11.1		268	268
Michigan: Wayne	14.8	[2]			[2]
Minnesota: Hennepin	7.4	6.8		203	203
Missouri: St. Louis	6.7	6.1	162		162
New Jersey:					
Essex	8.8	6.2		218	218
Hudson	5.8	5.8	4	173	177
New York:					
Erie	12.5	9.8		343	343
Monroe	6.6	3.0		76	76
Nassau	16.4	3.5		372	372
Onondaga	6.5	6.7		201	201
Suffolk	16.8	.1		103	103
Westchester	4.5	.2		37	37
Ohio:					
Cuyahoga	11.7	9.4	195		195
Hamilton	5.0	5.0		131	131
Oregon: Multnomah	6.3	5.5		172	172
Pennsylvania: Allegheny	14.7	6.0		239	239
Tennessee: Shelby	6.9	6.2		178	178
Texas: Harris	7.7	7.8		226	226
Utah: Salt Lake	6.7	6.8		170	170
Virginia: Fairfax	5.2	5.2	64	63	127
Washington: King	7.3	4.5		145	145
Wisconsin: Milwaukee	16.4	7.1		319	319
Total	544.7	441.2	2,890	10,067	12,956

[1] Totals do not add due to rounding.
[2] County officials stated that any allocation of interest to revenue sharing funds would be meaningless. They consider the funds as the first funds to be expended in the areas for which they are allocated.

ENCLOSURE III—REVENUE SHARING FUNDS RECEIVED AND INVESTED AND INTEREST EARNED BY 50 SELECTED CITIES AS OF JUNE 30, 1973

State and city	Millions		Estimated interest earned from (thousands)—		
	Funds received	Funds invested	Federal obligations	Other investments	Total
Alabama:					
Birmingham	$6.3	$5.5	$104	$52	$156
Mobile	5.6	3.8	31	93	[1] 125
Arizona:					
Phoenix	9.7	8.7	----	266	266
Tucson	5.7	5.7	7	156	163
California:					
Los Angeles	40.1	25.1	805	----	805
Oakland	5.9	5.9	82	82	164
San Diego	8.0	7.1	45	157	202
San Francisco	22.4	23.0	----	595	595
Colorado: Denver	15.0	14.6	373	----	373
Florida:					
Jacksonville	10.2	10.4	80	160	240
Miami	8.4	4.8	107	75	[1] 183
Tampa	6.7	5.6	2	163	165
Georgia: Atlanta	7.7	2.5	108	----	108
Hawaii: Honolulu	15.0	14.7	23	343	366
Illinois: Chicago	78.6	[2]	----	[3] 872	[3] 872
Indiana: Indianapolis	13.9	5.7	3	388	391
Kentucky: Louisville	11.8	11.4	301	----	301
Louisiana:					
Baton Rouge	8.5	[4] 7.2	----	[3] 161	[3] 161
New Orleans	21.4	12.4	----	436	436
Maryland: Baltimore	29.8	20.5	101	565	666
Massachusetts: Boston	22.6	21.6	----	641	641
Michigan: Detroit	46.3	[5]	----	----	[5]
Minnesota: Minneapolis	7.0	2.0	33	112	145
Missouri:					
Kansas City	11.6	10.9	296	----	296
St. Louis	15.8	16.0	----	434	434
New Jersey:					
Jersey City	5.8	.9	----	115	115
Newark	10.7	4.0	----	229	229
New Mexico: Albuquerque	7.6	3.8	----	173	173
New York:					
Buffalo	9.6	[2]	----	24	24
New York	258.6	[2]	----	----	[2]
Ohio:					
Cincinnati	10.4	6.1	87	185	272
Cleveland	18.2	15.7	----	456	456
Columbus	8.2	8.2	----	161	161
Toledo	5.8	4.8	147	----	147
Oklahoma: Oklahoma City	6.9	.2	4	2	6
Oregon: Portland	10.5	10.6	231	45	[1] 275
Pennsylvania:					
Philadelphia	55.5	[2]	17	27	44
Pittsburgh	14.8	7.9	----	329	329
Rhode Island: Providence	5.5	4.0	----	139	139
Tennessee:					
Memphis	14.5	13.1	12	374	[1] 385
Metro-Nashville/Davidson	9.0	8.8	----	249	249
Texas:					
Dallas	14.7	14.6	----	309	309
El Paso	6.9	6.5	----	177	177
Fort Worth	5.8	4.0	4	113	[1] 118
Houston	18.9	19.0	73	444	517
San Antonio	10.8	10.5	----	197	197
Virginia:					
Norfolk	8.5	8.4	26	209	235
Richmond	6.9	6.9	----	198	198
Washington: Seattle	10.5	6.1	174	54	228
Wisconsin: Milwaukee	14.0	7.7	----	353	353
Total	982.6	416.9	3,276	10,313	[1] 13,590

[1] Totals do not add due to rounding.
[2] No revenue sharing funds were invested as of June 30, 1973.
[3] Amount of interest could not be broken out between Federal obligations and other investments.
[4] Represents revenue sharing funds available for investment on June 30, 1973. City officials could not say whether the funds were actually invested on that day.
[5] Revenue sharing funds were never invested.

NONNUCLEAR ENERGY RESEARCH AND CLEAN AIR ARE COMPATIBLE

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. BINGHAM. Mr. Speaker, the Nation's energy needs must be increasingly met by coal.

The United States contains extensive coal reserves, between one-fifth and one-half of the world's total deposits. However, the extent of usable coal is restricted by two factors. First, the heat content of coal (measured by Btu's) determines its energy yield per unit of weight. Second, environmental regulations mandate that emissions from coal-burning powerplants contain narrowly prescribed amounts of toxic elements, particularly sulfur oxides.

In order to meet emissions standards established by the Clean Air Act, coal-burning utilities and industries have two options: They can either burn coal whose sulfur content is within the EPA maximum or they can burn high-sulfur coal in plants equipped to reduce sulfur oxide emissions below dangerous levels.

Obviously, it is economically more attractive to burn low-sulfur coal; conversion to high-sulfur coal necessitates expenditures for research, capital investment in sulfur-removal equipment, and the costs of training and salaries of personnel needed to operate and maintain this equipment. Unfortunately, supplies of low-sulfur coal are far from limitless. Recent studies indicate that deposits of low-sulfur high-Btu coal, the kind which both meets air quality regulations and is most economical to burn, will be in short supply by 1985. Consequently, use of high-sulfur coal becomes increasingly important if a general shortage is to be averted.

Present Government research by the EPA and the Department of Interior's Office of Coal Research and Bureau of Mines includes efforts to perfect processes for removing sulfur before, during, and after coal combustion.

Precombustion and combustion technologies are, despite intensification of research efforts, unlikely to be available for widespread commercial application before the 1980's. Post-combustion methods, on the other hand, have been successfully researched, tested, and commercially employed. These technologies, collectively known as "flue gas desulfurization," or more commonly, "stack-gas scrubbing," have over the past year been unjustly criticized in an exorbitant publicity campaign by members of the private utility industry.

Last fall, the EPA conducted hearings on "Power Plant Compliance with Sulfur Oxide Air Pollution Regulations." These hearings focused on the reliability, feasibility, effectiveness, and costs of flue gas desulfurization. Testimony by utilities, environmentalists, private research companies, FGD manufacturers, and State and Federal officials was received. The EPA's conclusion was decisive: Scrubbers can and should be used to satisfy Clean Air Act air quality standards and thereby expand America's energy potential. The Agency's report provides a valuable general introduction to the status and potential of flue gas desulfurization. I include herewith the first part of that report:

REPORT OF THE HEARING PANEL'S NATIONAL PUBLIC HEARINGS ON POWER PLANT COMPLIANCE WITH SULFUR OXIDE AIR POLLUTION REGULATIONS

SUMMARY AND RECOMMENDATIONS

Background

Excess quantities of sulfur oxides (SO_x) seriously affect human health through increased incidences of respiratory disease and damage many types of materials. Congress amended the Clean Air Act in 1970 to establish strict requirements and timetables to clean the air. Where health-related standards were involved, cost and difficulty of control were not to be issues in establishing the standards or the compliance schedules to meet them.

As required by the Act, EPA promulgated primary (health-related) and secondary (welfare-related) ambient air quality standards in April 1971 for a number of air pollutants, including sulfur oxides. By mid-1972 the States had adopted and EPA had approved implementation plans that established emission requirements for most sources that needed to be controlled to meet the ambient air quality standards. Power plants emitted over 17 million tons or nearly 60 percent of the total SO_x in 1972 and were therefore included among the sources needing control.

The Act required that emission limitations related to attainment of primary standards be met as quickly as possible, and no later than mid-1975. However, where strict criteria were met, limited extensions were provided by the statute. Congress intended that achievement of primary ambient air quality standards receive priority over achievement of more stringent requirements. EPA has urged that States review their implementation plans to assure that they adequately reflect this priority.

There are about 970 fossil-fueled power plants in the U.S. today having a combined

generating capacity of about 302,000 megawatts. Of this capacity, roughly 55 percent (166,000 megawatts) are coal-fired, 17 percent (51,000 megawatts) are oil-fired, and 28 percent (85,000 megawatts) are gas-fired. All gas-fired plants are obviously now in compliance with sulfur oxide emission requirements. Some of the coal- and oil-fired plants were in compliance with sulfur oxide emission requirements when the requirements were adopted and many other plants have been or are now being brought into compliance by converting to fuels having lower sulfur contents.

Switching to a low-sulfur fuel would seem to be the simplest route to compliance with SO_x emission requirements. Coal washing and/or limited blending of present with lower sulfur fuels is often sufficient, and in such cases, total conversion to a lower sulfur fuel would not be required. However, supplies of low-sulfur fuels are limited and will not be sufficient to permit all noncomplying power plants to meet the emission requirements. Furthermore, use of low-sulfur western coal by plants east of the Mississippi River would result in a failure to use readily available high-sulfur eastern coal during a fuel supply crisis. The energy crisis will aggravate the existing shortages of low-sulfur fuels. Since supplies of low-sulfur fuels will be insufficient, flue gas desulfurization (FGD) systems will be required on a large number of power plants in order to achieve compliance with SO_x emission limitations. Use of FGD systems will enable power plants to meet emission requirements while using important high-sulfur fuel resources.

Many utilities have suggested that, rather than meet existing SO_x emission requirements, they be allowed to use tall stacks and intermittent control systems to achieve ambient air quality standards. Such techniques rely upon the dispersion of pollutants instead of the constant reduction of pollutant emissions. EPA considers constant emission reduction techniques, such as FGD, far superior to dispersion techniques and has proposed regulations that limit the use of such dispersion techniques to situations where constant emission reduction controls are not available. Dispersion techniques can, however, often be appropriately required as interim steps (to minimize the impact of plant operation on air quality) in schedules requiring compliance with emission limitations.

It is difficult to estimate the magnitude of the need for FGD systems since this need depends on the present and future availability of low-sulfur coal and oil, the number of oil-fired plants that will switch to coal, and the extent to which supplies of low-sulfur fuels can be redistributed to areas where they are most needed. EPA's best current estimate of the need through 1980 for FGD systems to allow coal-fired power plants to meet primary ambient air quality standards and new sources performance standards is that some 90,000 megawatts of FGD control will be necessary. This represents an application of FGD control to about 30 percent of the total projected national coal-fired generating capacity in 1980. Additional long range FGD requirements will, of course, include systems for oil-fired plants, systems for plants to meet State emission limitations designed to improve and maintain air quality below primary standards, and systems for other sources such as large industrial boilers.

This report assesses the oral and written testimony received during the public hearing on the status of power plant compliance. Witnesses included representatives of some 20 utilities, 5 trade associations, 8 State agencies, 11 vendors of pollution control equipment, and 5 environmental or public interest groups. These witnesses are listed by affiliation in Appendix C. Principal findings and recommendations are summarized below.

Findings

1. Flue gas desulfurization (FGD) technology must be installed on a large number of power plants if sulfur oxide (SO_x) emission requirements adopted pursuant to the Clean Air Act are to be met in the 1970's.

(a) there was general agreement from witnesses at the hearing that low-sulfur fuel supplies are now and will continue to be inadequate to provide the sole means of complying with SO_x emission limitations.

(b) witnesses generally agreed that technologies such as coal gasification and liquefaction to take sulfur from coal will not be available until the 1980's and that therefore FGD represents the only technology that will be available within the next several years to control SO_x.

(c) witnesses generally agreed that FGD systems, when operating properly, can reduce SO_x emissions by 85 to 90% (sufficient to meet most, if not all, emission requirements).

(d) the continued use of available high-sulfur coal combined with FGD control is especially important given our present energy crisis.

2. Many established SO_x emission limitations will not be met by the mid-1975 compliance date of most State implementation plans and will not be met at all unless the electric utility industry makes the necessary commitments to install FGD systems where needed.

(a) only a few utility witnesses testified that their companies have compliance programs to install FGD systems at plants for which low-sulfur fuels will not be available. To date only 44 FGD units controlling about 18,000 megawatts of generating capacity have been installed or committed to by utilities in the U.S.

(b) while the time required to design and install an FGD system on an existing plant varies with the size and retrofit characteristics of the plant, testimony at the hearing suggested that typical design and installation times will run from 27 to 36 months. This time requirement is obviously longer than the 18 months left before the mid-1975 compliance date of most State Implementation Plans. For those installations where a modular approach is warranted, typical design and installation times will run from 41 to 54 months.

(c) a number of witnesses testified to the capacity of vendors of FGD systems to provide these systems. While it is clear that vendor capacity now exceeds orders for FGD systems, it is also clear that excess capacity is not now as great as the need for FGD systems; hence, vendor capacity will tend to constrain the speed at which systems can be installed.

3. With several noteworthy exceptions, the electric utility industry has not aggressively sought out solutions to the problems they argue exist with FGD technology.

(a) while a few utilities, generally the smaller ones, testified that they had aggressive programs to solve alleged problems with FGD technology, most utilities seem content to raise the problems and wait for other utilities to solve them. Only 22 of the some 300 utilities operating fossil-fueled plants in this country have installed or have made a commitment to install at least one full scale FGD system.

(b) utility industry research and development efforts in general are limited and in 1972 amounted to less than 1 percent of industry revenues. Work on FGD technology is only a small but undetermined portion of this effort.

(c) the testimony of some utilities indicates that they have applied greater efforts to defending their lack of progress or to attempting to change existing emission requirements than they have in controlling their SO_x emission through FGD technology.

(d) while testimony at the hearing indicated that the control of the chemistry of FGD systems is critical to reliable operation, few utilities testified that they have hired personnel skilled in such chemical operations.

(e) testimony from several utilities indicated that they are not aggressively following the work of those companies in the U.S. and Japan that have installed full scale FGD systems. This lack of active monitoring makes a "wait and see" attitude less defensible.

4. Although most utility witnesses testified that FGD technology was unreliable, that it created difficult sludge disposal problems, and that it cost too much, the hearing panel finds, on the basis of utility and FGD vendor testimony, that the alleged problems can be, and have been, solved at a reasonable cost. The reliability of both throwaway and saleable product FGD systems has been sufficiently demonstrated on full-scale units to warrant widespread commitments to FGD systems for SO_x control at coal- and oil-fired power plants.

(a) although some FGD installations in the U.S. have encountered reliability problems (primarily scaling, plugging, erosion, or corrosion), the panel finds that each of these problems can be solved through careful system design and proper control of system chemistry. Testimony at the hearing by utility and vendor witnesses revealed that all of the above problems have been solved at one or more full scale FGD installation in this country or Japan.

In reaching this conclusion the panel recognizes that operating parameters vary somewhat from plant to plant and that minor modifications of the basic FGD design will be required to optimize FGD operation on individual power plants. Operating experience at the following facilities is considered particularly important:

(1) Chemico Mitsui Miike Lime Scrubber—This unit has operated with near 100 percent reliability controlling a 156-megawatt coal-fired boiler near Omutu, Japan since its startup in March 1972. The panel finds that this unit has established that hydrated lime (calcium hydroxide) systems, operating generally in a closed-loop mode and occasionally subjected to varying loads, can operate for periods exceeding 1 year with no scaling, plugging, erosion, corrosion, or other significant operating problems.

(2) Louisville Gas & Electric's Paddy's Run Lime Scrubber—This unit has operated with good reliability since its startup in April 1973 and has reinforced the finding that closed-loop hydrated lime systems can operate reliably with proper chemistry control. This unit is particularly significant because pH control has been successful to date in achieving good operability despite wide variations in SO_2 inlet concentration and boiler loads.

(3) Japan Synthetic Rubber's Chiba Wellman-Lord System—This 70-megawatt facility, which produces high-quality concentrated sulfuric acid as the by-product, has operated with greater than 95 percent availability to the oil-fired boiler during over 2 years of operation. The panel believes that when efficient particulate removal equipment is installed upstream of the SO_x scrubbers, Wellman-Lord systems can operate reliably for extended periods of time on coal-fired boilers.

(b) the panel finds that the following commercially available FGD process/application combinations can be installed with the expectation of successful operability and reliability, in approximate order of confidence:

FGD System, power plant, and by-product: Wellman-Lord, Oil, Sulfuric acid.

Lime scrubbing, Coal or oil, Throwaway.
Nellman-Lord, Coal, Sulfuric acid.
Limestone scrubbing, Coal or oil, Throwaway.

A number of other FGD process/applications, such as magnesium oxide scrubbing (oil or coal), catalytic oxidation (oil or coal), Wellman-Lord (producing sulfur), and UOP/Shell (oil or coal), are not as fully demonstrated as the previously listed systems, and are expected to be demonstrated for full scale installations in the near future. Commitments can be made at the present time with good confidence that some of these systems will achieve a high degree of SO_x removal with acceptable reliability.

(c) the disposal of sludges produced by some types of FGD systems was cited throughout the hearing as a potential problem, and water pollution and land deterioration were named as two environmental complications. However, during the hearing, technology was described that can reclaim sludges for use as landfill at the many landfill sites available. In those cases where landfill is not economically practical due to a lack of available sites, regenerable-product or saleable-product FGD systems that do not produce throwaway sludge can be used. Fuel switching is also possible in such cases.

(d) the costs of installing FGD systems will vary depending upon many factors such as the type of power plant, space requirements, and the degree of control required. The panel finds that these costs, while substantial, are reasonable and will not impose an undue burden on either the electric utility industry or its customers.

(1) the hearing panel finds that the typical capital cost to install FGD on an existing plant will most commonly range from $50 to $65 per kilowatt of plant capacity. Capital requirements for the purchase of FGD equipment are estimated to be about $5.4 billion through 1980 to meet primary and new source performance standards, an increase of about 4 percent above expected power industry capital requirements without scrubbing.

(2) annual costs for operating FGD systems involve an annualization of capital costs plus such operating costs as those for waste disposal and for additional power to run the FGD system. The panel believes that the typical annual operating cost will range from 2 to 4 mills/kw-hr of power generated. The impact of this increased operating cost on consumers of electricity will vary depending upon the number of plants a given utility must control, and could result in a price increase of from 15 to 20 percent where control of most plants is required. Nationally, however, only about 30 percent of the projected coal-fired generating capacity will need FGD systems through 1980 to meet primary and new source performance standards; this can be expected to result in an average consumer cost increase of only about 3 percent.

(3) the increased electricity required to power an FGD system typically amounts to 4 to 7 percent of a plant's generating capacity. Based on EPA's estimate of the number of plants that will require FGD systems to attain primary standards, FGD installations will increase the national demand for electricity by only 1 percent through 1980.

(4) the cost of scrubbing may be prohibitive for plants with insufficient space or for older plants that will be retired shortly. Such plants should receive priority for available low-sulfur fuels.

(e) during the hearing, some utilities claimed that they should not be required to install FGD systems because they were unable to obtain lifetime reliability guarantees from vendors. Vendors have made substantial commitments to the development of FGD technology and generally offer guarantees for these systems that are comparable to the guarantees provided for other equipment purchased by a utility. No vendor is willing to assume all risks during the lifetime of the scrubber by guaranteeing its reliable operation at all times largely because the vendor rarely has control over the operation and maintenance of the system after the initial performance test. It is understandable that the utility industry is anxious to avoid risks, but the panel finds that guarantees now offered by vendors are appropriate and that the utility creating the pollution must assume the remaining risks associated with control of that pollution.

5. The utility industry has generally lacked a real incentive to develop FGD technology and to install this technology where needed to meet SOx emission requirements.

(a) since FGD systems, unlike improved boiler designs, for example, do not result in more efficient generation of electricity, utilities do not have a profit incentive to develop and install these systems.

(b) vigorous enforcement of State SOx emission requirements has not taken place in many cases, apparently as a result of the debate over whether FGD technology is sufficiently developed.

(c) while a number of State public utility commissions allow an automatic pass through (rate increase) of increased costs resulting from switching to a low-sulfur fuel, similar automatic pass throughs are not generally allowed for increased costs resulting from the installation of FGD systems. This tends to bias the industry toward fuel switching as a compliance mechanism.

(d) during the hearing many utility witnesses claimed that, because FGD technology is new, malfunctions of the FGD system would occur and would cause non-compliance. Although bypasses can be installed to prevent plant shutdown during malfunctions and although installation of control system redundancy and use of proper operating and maintenance procedures should reduce the occurrence of breakdowns, malfunctions will still occur that cause emissions to exceed the emission standards. Many States do not specifically provide for unpreventable malfunctions in their regulations, but use enforcement discretion to deal with such occurrences. Most power companies feel that more formal procedures should be developed; the hearing panel agrees.

Recommendations

On the basis of oral and written testimony presented during the hearing, the hearing panel recommends that:

1. The electric utility industry should:

(a) make immediate commitments to install FGD systems where needed to meet SO_x emission requirements, giving priority to those sources where controls are needed to meet primary ambient air quality standards and new source performance standards

(b) aggressively pursue FGD developmental programs to improve reliability, to lower operating costs and to advance FGD technology that results in a saleable by-product

(c) undertake further characterization and evaluation efforts on sludge disposal, with emphasis on large scale systems, to assure the widespread applicability and effectiveness of sludge disposal systems at reasonable costs

(d) hire (and train) personnel with the skills needed to properly design and operate FGD systems

2. EPA and the States should:

(a) create a strong incentive for the installation of FGD systems by establishing expeditious but reasonable compliance schedules and by vigorously enforcing these schedules.

(b) formalize procedures for dealing with unpreventable control system malfunction where such formal procedures do not already exist

(c) urge State public utility commissions to treat increased costs from FGD control in the same manner as increased fuel costs are treated

(d) consider such other methods of creating an incentive to control SO_x emissions as the Administration's proposed charge (tax) on SO_x emissions.

3. Compliance schedules established by the utilities, States, and EPA should:

(a) be developed for each utility after considering the number and types of plants requiring FGD systems and the need to properly sequence installations to preserve utility power reserves

(b) give priority to installation of FGD systems at those plants where systems are needed to meet primary ambient air quality standards and new source performance standards

(c) require installation of FGD systems at a rate commensurate with vendor capacity

(d) require, where feasible, the use of interim control measures such as intermittent control systems in order to minimize the impact of SO_x emissions on air quality until FGD systems can be installed

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GULF BETWEEN PRODUCER AND RETAIL MEAT PRICES

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. FISHER. Mr. Speaker, the cattle and hog price situation remains serious. I have urged the President to revoke his order authorizing the importation of beef in excess of the statutory limits. Producers of all meats face possible bankruptcy unless prompt relief is forthcoming.

It is encouraging to note that the White House has announced a conference of cattlemen, meat packers, grocery-chain executives, and agricultural leaders for next Monday to see what can be done to reverse the falling prices to producers and the threatened bankruptcies among the cattle feeders.

Under leave to extend my remarks, I include a letter I received from Mr. Frank Ligon of Fort Stockton, Tex., in which he gives some details about the hog price situation. The letter follows:

JUNE 10, 1974.

Representative O. C. FISHER,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE FISHER: I wish to make the following comments on the meat situation.

Two weeks ago I sold hogs for 27¢ a pound. I priced sausage and the cost of 1½ pounds of "Jimmy Dean Whole Hog Sausage" is $1.75. The dressing percentage of hogs is about 70%. Paying 27¢ for a 220 pound hog equals $59.40 a hog. Including profit and middleman the total cost of sausage should be about 80¢ a pound. To the consumer, this would be $1.20 for 1½ pounds of "Jimmy Dean Sausage". This would make the sausage about 55¢ a package over priced. Since selling these hogs the price of live hogs has dropped further but sausage has not. It is my view that the consumer is not realizing the drop in the

price of live hogs; or vice a versa—the farmer is not realizing a higher price for his hogs.

I would like someone to "sound off" about this and perhaps it would help either the consumer or the farmer.

Sincerely,

FRANK LIGON.

CARTER'S NEWSLETTER

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. CARTER. Mr. Speaker, some years ago the people of the Fifth Congressional District of Kentucky elected me to be their Representative in Washington. My wife, who is a good Methodist, and I had a problem on our hands. Our young son deeply loved the little town where we lived and all the young people there. It was hard to convince him that we must make the transition to Washington.

Finally, when this was accomplished, on the night before we were to leave for Washington, as I went through his bedroom, I heard him as he prayed, "God bless Mom and Dad; God bless Mammie Bradshaw and Aunt Ruthie; God bless Uncle Abe and Uncle Jim." Then there was a pause and he said, "Goodby, God, we're going to Washington."

After I had been sworn in as a Member of this august body, one of the senior members of the Committee on Committees, the honorable CLARENCE BROWN, SR., of Ohio, pointed his finger at me and said, "CARTER, you will go on the Interstate and Foreign Commerce Committee and the Subcommittee on Public Health and Welfare." And there I have been ever since.

I relinquished the opportunity to become ranking member of Communications and Power, and Transportation and Aeronautics to stay on a subcommittee which means much to all the people of this great country of ours.

During the past 10 years, we have seen massive strides made against many diseases. The World Health Organization, with much assistance from the United States and the leadership of Dr. Donald A. Henderson, has almost eradicated smallpox from the face of the Earth. It exists today only in four countries: Ethiopia, Bangladesh, India, and Pakistan. Within the next few years it should be completely eradicted.

The particular subject which means so much to me and other members of the committee is the finding of the cause, prevention, and cure of cancer in its various forms.

During the past 10 years, we have seen great progress made in this direction. Victims of this insidious disease now stand a much greater chance of survival. From 70 to 90 percent of the victims of Hodgkin's disease are now cured.

One eminent physician, whose specialty is in the field of leukemia, has been able to secure remissions in 50 of 100 youngsters attacked by lymphocytic leukemia. Mr. Speaker, only 10 years ago few, if any, of these children would have survived as long as 2 months.

I submit that the cost may be considered by some to be heavy—over $600 million per year. But actually, this is a small price to pay for the good which has been accomplished. This cost per year is approximately one-half of the cost of a Trident submarine. I support construction of this submarine, but I support even more strongly the attack which has been launched against cancer.

Already, great gains have been made for the sake of those who are suffering from this dread disease. Let us not be penurious—neither would I ask that we be wasteful. We must persevere, we must authorize and appropriate every cent which can be used to conquer cancer. And we must continue, until it is conquered.

POLICE OFFICER SLAIN IN FLORIDA

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. LEHMAN. Mr. Speaker, a few weeks ago, another police officer was slain in Miami. Simmons Arrington was both well-respected and well-liked by the people in the community. Aside from his duties as a police officer in the uniformed patrol division of the Dade County Public Safety Department, Arrington was involved in the Big Brothers organization and the Northside Optimist Football team. His concern was the well-being of his community, and helping people.

On April 24, 1974, the House passed the Public Safety Officers Benefits Act of 1974. The Senate passed a similar bill on March 29, 1973. During the 92d Congress, similar legislation had passed both Houses, but the House did not have time to consider the conference report which was filed because of adjournment. I certainly hope that the Judiciary Committees of both Houses will not permit the same fate to occur with S. 15, but will begin the process to continue this legislation on its way.

I am inserting into the RECORD below two statements on Mr. Arrington, one by Earl Chantlos, his partner, and the other written by Mr. Arrington himself entitled "Where I'm At."

In closing, I would like to extend my sincerest sympathy to Mrs. Arrington, her daughter Tosca and her son Robert.

The statements follow:

REFLECTIONS OF SIM

I came to know Simmons Arrington five years ago when we were both working in the uniformed patrol division of the Dade County Public Safety Department. A year later, when I was assigned to the North District Community Service Section, Captain Clifton asked me to choose a partner. I immediately chose Sim because of his ability to deal with the public and his concern for his community. I was thankful that Sim was interested in the position.

Sim and I worked together for four years, and our relationship developed into more than a "partnership." Sim became a part of my life; he was a man I knew more than my own brother.

Sim was a black man who had no color to me and I trust he felt the same about me. I saw Sim as a beautiful man who had love and concern for people. We worked together so well that when his wife and my captain asked me to share some of my reflections of him in the funeral service, my first reaction was that no one would believe or understand what I wanted to say. In four years we never had a fight or argument. We never even said a cross word to each other.

Sim's job was serving the public. It was a job very few people, including his fellow officers, knew very much about until they had to call for his services. The job included every area of police work, from dealing with a simple little child dispute between six and seven year olds to major cases of rape and murder. It was one of the most diversified positions in the department. We handled child disputes, domestic disputes, neighbor disputes, school disputes, labor disputes, racial disputes, and we also assisted the detective sections to investigate burglaries, rapes, robberies and murders. Sim was an all-around policeman: he was on the scene when needed.

A great deal of our time was spent on the junior and senior high school campus trying to develop a working relationship with our community teenagers, and adult leaders. Many times fellow officers and friends would jokingly say, "they've got it made, all they have to do is baby sit for the school kids!!!" I know this bothered Sim as it did me at times, but he never said anything about it to anyone. Yet, a few years ago when we had many racial problems on the school campus, the uniform officer and the school authorities couldn't wait until Sim arrived on the scene to help settle the issues. He knew how to deal with people fairly in those tense situations.

Now that our school problems are under control, we have had more time to spend on the campus conducting classes and rap sessions with the students. Sim's concern was to show young people that policemen are human, that policemen do care about them and their needs. We both knew we weren't going to turn every delinquent teenager around, but for everyone we did, it made our job worthwhile.

Because of his knowledge of police work, his knowledge of the community, and his superior ability to work with fellow officers, Sim had numerous opportunities to transfer to the organized crime section, robbery section or homicide section. These positions held more prestige in the eyes of many people, but Sim would not transfer. Sim's concern was to reach out and help young people while he could. He often said, "We've got to reach them while they are young." At the same time, both Sim and I recognized and appreciated the dedicated work of every other uniform officer and detective in our department who had to deal with the "hard core criminal element" in our community. We were well aware of the necessary investigations and arrests they have to make day in and day out, but our concern was to reach as many young people as possible before they became a part of that "hard core element" in our society.

Sim's concern for young people extended far beyond "his call of duty." He was an active worker with the Northside Optimist Football Team and the Big Brothers organization. Sim helped to coach a team of youngsters on his off-duty time and he also managed to be the big brother to a young nine year old boy who no longer had a father. On Sunday afternoons Sim would go to Scott Park to play basketball with the community teenagers—again on his off-duty time.

We now question, "How could such a great life be taken away from us?" "Why was it wasted in such a manner?" I don't have the answers to those questions either, but I do know Sim's life won't be wasted if we pick up where he left off. I know my first impression when I arrived on the scene of the shooting and again, and again, and again at the hospital where he died was, "Why didn't they *kill* the subject who shot Sim?" I know

many people are asking that question in the community and each of you fellow police officers are asking that same question. I have since talked with each detective on the scene of the shooting and I am convinced that they handled the case in the best manner possible under the circumstances. Each officer there knew and loved Sim, and they reacted and conducted themselves like professional police officers. Although it is a natural reaction, we cannot let revenge control our behavior at this time. If we believe in God as Sim did, and I know he did, then we must also believe in what God has promised in His word, the Bible. In the Old Testament we read in Deuteronomy 32:35 where the Lord says, "To me belongeth vengeance and recompense," and again in the New Testament He says in Romans 12:17–21, "Recompense to no man evil for evil. . . ." "Vengeance is mine; I will repay, saith the Lord," and "Be not overcome of evil, but overcome evil with good." Many times, we as police officers become frustrated and disillusioned with our judicial system and we cannot understand why so many criminals are allowed to "go free" for crimes we know they have committed. At this time we must look to our judicial system again, but no matter what the court may do with the subject, we cannot seek revenge for I know God is going to take care of the final judgment of the man who did the shooting. We cannot "Be overcome with evil, but we must overcome evil with good" as I know Sim would want us to do.

The death of Dr. Martin Luther King was a tragic event for many people. Much was said and televised about all the negative events that followed his death like the burning and rioting, but very little was said or televised about the many people who took up the cause of humanity after his death. Many people, both black and white, began working for the human cause of "people and their needs". This is what Sim would want YOU to do today; Follow Sim's example. If many of the young people who loved and admired his life, and had the compassion he possessed for his fellow man, would prepare themselves to become police officers and carry on Sim's job—this would make a better community for all of us. If you fellow police officers want to do something for Sim at this time, carry on his mission—help your fellow officers, your fellow man, and be concerned about the young people of your community. No one will ever replace my partner, but together we have to carry on his desire to help people.

We have lost a great man, a devoted father, a loving husband, and tremendous partner—but please, please let us not lose all Sim lived and died for . . .

WHERE I'M AT

"Perceiving, Behaving, Becoming," the title of a book written primarily for educators, parents, psychologists, social workers, people working/dealing with children best describes where I'm at. Although the contents of this book is not applicable to my life at status quo per se, adaptability of the concept is most apropos. I am beginning to perceive life in a different mold. Life and living have taken on a newer and deeper meaning than what had previously been taught to me, regimented, and fancied into what I may well deem society's success syndrome. Generally included in the success syndrome are materialistic acquisitions. . . . job positions, bank accounts, sleek cars, showcase houses (homes, intentionally not included), established accounts, wealth and social position. My perceptions are bringing me much closer to developing myself into a complete and humane individual of worth and dignity. Also, it has brought me closer to the realization and acceptance of a Force greater than man and life. It is called many names by many people. I chose to call it God. Within the realm of this Moving Force, I am getting to know myself and beginning to realize my purpose here on this Good Earth and recognize the role that I may have been destined to perform.

I am behaving within the framework of my perceptions. It is reacting to my daily encounters more confidently. Fortunately, my line of work provides unlimited opportunities for me to be of service to others. My behavior is becoming less and less arrogant and aloof—which in actuality were shams to hide my feelings of inadequacy.

I am becoming a more adequate person. A more positive attitude towards life, people and environmental situations is emerging. I am taking a greater and more genuine interest in others and their concerns which in turn is bringing me greater satisfaction with myself. In its truest sense, I am becoming a man.

RICHARD L. ROUDEBUSH JOINS IN SALUTE TO THE FLAG AND FLAGTOWN, U.S.A.

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. MYERS. Mr. Speaker, Flagtown, U.S.A., also known as Mellott, Ind., sponsored its fourth annual American Flag Appreciation Day last weekend. Begun in 1971 to promote patriotism and respect for the American Flag, the event annually attracts thousands to this community of just over 300 residents. Principal speaker for Sunday's Flag Appreciation Day observance was the Honorable Richard L. Roudebush, former U.S. Representative from Indiana, who now serves as Deputy Administrator of the Veterans' Administration. I would like to share his inspiring remarks with all those who read this:

ADDRESS BY RICHARD L. ROUDEBUSH

It is a real pleasure to be in Flagtown, U.S.A.

What you have done here—and are doing here—is both unique and inspiring. I know of no other town that has so dedicated itself to such a worthwhile project, and that has been so successful in carrying it out.

And, of course, you are to be congratulated on the subject you chose to build a community festival around. It is one that can properly command the attention and the interest of citizens of all ages—and of all types and opinions—regardless of their inclinations and beliefs on other matters.

Of course the throughness with which you pursue your subject—our beloved flag—from the youngest to the oldest resident of Mellott, impresses me greatly.

This year marks the twenty-fifth anniversary of flag day—becoming an official and permanent observance—because of an act of Congress. Although, of course, it has been observed unofficially and with irregularity for much longer.

In a Flag Day message in 1915 President Woodrow Wilson said: "The things that the flag stands for were created by the experiences of a great people. Everything that it stands for was written by their lives. The flag is the embodiment—not of sentiment—but of history."

President Wilson was saying that the flag is not just a trademark for the United States of America, not just an emblem to designate a great nation, not just a symbol to which we pay homage, because it is traditional that we do so.

The flag, rather, represents us all—our activities, and our accomplishments. It stands for the way we have met and overcome adversity in the days since we became a nation, for the way we have grown physically, and for the way we have progressed toward a nobler and more promising existence, for the way we have helped raise the condition of our own people, and that of other people who look to us; for the way we have safeguarded the principles under which the country was founded, nurtured, and developed them, to give them added intent and added reality.

The flag does not stand abstractly for truth, freedom, bravery, and all the other qualities whose symbolism is ascribed to it.

It stands for them only—As they have been given meaning by what we have done.

At the time President Wilson spoke, the American flag had been carried into battle during five great wars, since the time of its adoption. Less than two years later it was to accompany American fighting men into the greatest war mankind had known to that time.

Three times since it has gone to war.

The fact that our flag has been flown in battle so many times in our history, particularly in recent history, is something we can take no pride or comfort in. We are not a warlike people.

But I think we can take pride and comfort in the fact that our flag has never been flown in a war which we entered for selfish reasons, for reasons of aggrandizement or aggression. We have never tarnished the proud banners which you display so prominently today, by attacking other nations, so that we might acquire their territory or subjugate their people.

This does not mean, of course, that all Americans have always acted honorably in war; that there have not been cases in which our flag has been dishonored by those who carried it.

But the American flag has never been a symbol of encroachment or conquest. It is—throughout the world—a symbol of protection for those who would resist aggression, a symbol of hope for those who would remain free.

The flag is not simply a banner to be carried into battle, as you so well know, and to consider the flag only for the circumstances under which it has gone to war is to miss the greater part of its meaning.

It is a standard of peace as well as a military standard, and it has flown for nearly two hundred years over a nation that has led the world in achievements for its people, and in pursuits that lead to improved life for all people.

The first flag was designed with thirteen stripes and with thirteen stars. Stars to represent a new constellation. The constellation has now grown to fifty stars. The nation has grown to more than 200 million citizens spread across a whole continent and beyond.

The influence of the nation has been felt in the remotest parts of the world. And evidence of our success—as a nation—exists far beyond terrestrial confines. There are artifacts on the moon that attest to the energy and genius of our society. There are satellites throughout the solar system—conceived, designed, and launched by persons born under and acting under the American flag.

I am sure that the possibility that there would be American flags on the moon was something never considered by our founding fathers—by those who adopted the first flag in 1777.

The fact that there are American flags on the moon—is a tribute to them and to the kind of country they envisioned, and a tribute to all who have helped that country endure, grow and develop.

They had a vision of a new kind of society,

something that had never been seriously tried before. A country in which the people had full say on how they were to be governed.

For the first time in the history of the world, a people declared themselves free and independent, and set up institutions to give and to guarantee individuals the liberty to pursue their lives the way they wished.

It was a great experiment and it worked. It was an experiment soon followed by other groups of people. And even today people are still seeking and declaring their liberty, with the success of America as their inspiration.

Our Founding Fathers adopted a flag as a symbol of that great experiment. Because our nation has been successful, its flag has experienced lasting honor and respect.

As President Wilson pointed out, we, and others throughout the world, honor the flag because of our history, not simply because it is there.

We and others respect it because our nation is respected, because our people have achieved great things for mankind.

You do a valuable service by calling attention to the flag, for in doing so you call attention to our greatness as a people and, I hope, inspire individual acts that are consistent with that greatness.

This must be the purpose of Flag Day. And this must be the purpose of your own unique and innovative American Flag Appreciation Day if the homage we show to the colors is to have real meaning.

But then you know all these things.

You, not I, are the citizens of Flagtown, the experts on the meaning of the flag, the activists in calling attention to this great national emblem and in promoting its use.

I commend you for what you are doing here and I appreciate your community spirit.

I also appreciate your hospitality and thank you for the opportunity to discuss with you a few of my own thoughts—about the flag—a symbol that is inspiring and precious to me as it is to all Americans.

May this annual observance continue and may it grow in esteem and influence.

FORCE OF ALMS

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. GROSS. Mr. Speaker, Barron's magazine of June 3, 1974, contained an excellent editorial concerning the fantastically wasteful and almost utterly useless foreign giveaway program in India.

Editor Robert M. Bleiberg correctly states that foreign aid in India has been a total loss. And he says of the current champion of ever more aid to India, Robert Strange McNamara, "guiding genius of the Edsel, the TFX and the war in Vietnam," that "evidently nothing succeeds like failure."

McNamara and his fellow bleeding heart liberals are at their old stand, bleating in behalf of Indira Gandhi, whose government is so misguided that it prefers to spend millions to manufacture atomic bombs rather than tend to the hunger of its citizens.

I include the editorial for insertion in the RECORD at this point:

FORCE OF ALMS—INDIA HAS FORFEITED ALL CLAIM TO FOREIGN AID

(By Robert M. Bleiberg)

For the International Development Association, so-called soft loan affiliate of the World Bank, and the U.S. Senate alike, it was business as usual last week. On Thursday, the openhanded lending institution, which extends credit for as long as half-a-century at zero rate of interest (plus a small service charge), announced $200 million in advances to several borrowers for a variety of presumably worthy purposes: $6.3 million for a highway project in Rwanda, $10.7 million "to help rehabilitate agriculture" in the Sudan, $21.5 million to Kenya for livestock projects and $150 million to India for imports of raw materials, components and spare parts. Twenty-four hours earlier, the Senate also did what comes naturally. By a lopsided margin of 55–27, it voted to bestow another $1.5 billion on IDA over the next four fiscal years, a move which, if ratified by the House, would encourage contributions of twice as much from other developed countries. The vote, said a pleased Robert S. McNamara, who heads both the World Bank and IDA, "demonstrates that the U.S. Government is prepared to face up to the increasingly desperate situation threatening the poorest peoples of the world."

Perhaps and perhaps not—last January the lower chamber, by what one gratified member described as "an almost unbelievable vote of 248 to 145," in which 21 Republicans and 26 Democrats switched from hot to cold, decisively defeated a similar measure, leaving the issue unresolved. Of course, since then a good deal has happened. In particular, friends of IDA, including (to judge by the Congressional Record) such powerful pressure groups as the National Ass'n for the Advancement of Colored People, National Rural Electric Cooperative Ass'n, United Nations Ass'n of America and U.S. Catholic Conference, have rallied to the cause. Editorial writers throughout the country—notably one from a leading journal whose strongest point was that the money would do no harm—have unsheathed their eloquent pens. Schoolchildren have contributed lunches to the starving sub-Saharans, and much has been made of India's worsening plight.

Yet the arguments that prevailed in January have lost none of their force—to the contrary. As the Record suggests, a handful of die-hards, who tend in their calculations to put the U.S. first, found it impossible to reconcile further global giveaways with the debilitated state of the national currency; in the past five months, the dollar has weakened. Many other lawmakers, for whom dollars-and-cents count more heavily than either philosophy or economics, balked at the vast disparity between the cost of money to their constituents—a minimum of 8%-9% at the time—and to IDA's pampered borrowers. Today the commercial bank's best customers must pay several percentage points more.

These are reasons enough to vote no on IDA—persuasive in January, commanding in June. Domestic considerations aside, there is a compelling case to be made against the agency and its works. Over the years nearly half of all IDA assistance—44% as of March 31, 1974, and the figure has risen since—has gone to India, which, by virtually every yardstick save that of the U.S. Senate, has proven unworthy of help. As a credit risk, for one thing, India leaves much to be desired. At New Delhi's urgent behest, scheduled repayments of its foreign obligations have been stretched out time and again, while last winter Washington obligingly wrote off two-thirds of a $3.3 billion credit balance amassed in counterpart funds.

In the world affairs, India, which leans increasingly toward the Soviet Union, is perennially hostile to the West: it shrilly criticizes the U.S. naval base at Diego Garcia in the Indian Ocean, while ignoring the Soviets' mounting threat to the area. In contemptuous disregard of commitments made to Canada, to say nothing of the good opinion of mankind, by which it supposedly set such store—it has just exploded—for "peaceful purposes"—an atomic bomb. Thanks to Socialist mismanagement, finally, the Indian government has squandered tens of billions in foreign aid and driven its people to the brink of starvation and despair. With Robert McNamara, guiding genius of the Edsel, the TFX and the war in Vietnam, evidently nothing succeeds like failure. Let your profits run, say we, and cut your losses.

And India has been a total loss. Excluding nearly $3 billion in non-interest-bearing IDA loans (which, though the U.S. taxpayer foots much of the bill, strictly speaking is an international affair), this country since World War II has lavished upwards of $9 billion on the hapless land. For good, India has returned naught but ill. Long before the Vietnam war, which it consistently denounced as an act of U.S. aggression, India, in the United Nations and elsewhere, rarely failed to line up on the Communist side. Despite decades of crying peace, its armed forces ruthlessly expelled the Portuguese from Goa and launched a naked attack on Pakistan (the eastern-most part of which, christened Bangladesh, has become another international basket case, depending, for survival on Western alms). And last month, to nearly universal dismay, India set off a nuclear blast.

"A significant achievement for the Indian Atomic Energy Commission," proclaimed Prime Minister Indira Gandhi, "and for the whole country." Some of her countrymen take a different view. Last week the Gandhi Peace Foundation, a prestigious Establishment body which rarely differs with the government, issued a sharply worded dissent. "Dropped from the air, the 'nuclear device for peaceful purposes' would have killed 100,00 and maimed many thousands more. The whole thing is a cruel joke on the (Indian) people—still waiting for the day when they can be sure of two square meals a day, two small pieces of cloth to hide their shame and a shaky roof over their head. . . . When the country's situation is one of great stress, on account of gross underutilization of industrial capacity and available resources, including human resources, the search for a new source of energy of doubtful immediate use doesn't exactly square with our national priorities."

No it doesn't. On conservative estimates, India spent $175 million toward this end in the past half decade, and under its new Five-Year-Plan, has budgeted twice as much. That's more than one third of what the U.S. Senate has so generously voted. Meanwhile, except for a privileged few—businessmen, for example, who profit handsomely from import restrictions and export licenses, and the bureaucrats with whom they share the spoils—the people of India live in growing misery. Years ago Professor B. R. Shenoy, director of the privately endowed Economics Research Centre in New Delhi, estimated such unearned income at over $1 billion per year, channeled into rising production of luxury items like air conditioners. At the same time, living standards of the huddled masses, measured by the consumption of such necessities of life as cotton cloth and food grain, suffered a steady decline.

Since then, with an occasional respite, things have gone from bad to worse. Trig-

gered in part by the costly Bangladesh adventure, inflation lately has been running at an annual rate of roughly 25%. Food supplies have dwindled, to the point where only huge tonnages of grain from abroad suffice to stave off widespread hunger. Unrest has surged: in mid-1973 Uttar-Pradesh, India's most populous state, had to be taken over by the military when local Congress Party functionaries, frightened by a revolt of the provincial constabulary, proved unable to rule. Last month, a nationwide strike on the railroads (government-owned and operated), which cost India some $2 billion in production and trade, was crushed only by mass arrests—estimates ranged from 20,000 to 50,000—of union members. "A major triumph," said The New York Times, "for Prime Minister India Gandhi." A few more such victories, and all will be lost.

As to the why of the Indians' plight, it plainly lies not in their stars but in themselves. Ever since taking office—notable since her sweeping re-election after the Pakistan war—India Gandhi has pushed her country relentlessly left-ward. Import curbs, which automatically raise the cost of living and heap windfalls on an undeserving few, have proliferated. Everything in sight—banks, insurance companies, oil producers—has been nationalized. (Indeed, government seizure of the wholesale grain trade, now hastily rescinded, nearly succeeded in touching off a famine.) Restrictions on foreign investment, the latest promulgated as recently as March, even as New Delhi was renewing its plea for foreign aid, has effectively barred the door to private capital from abroad. (Fertilizer, by the way, is in terribly short supply because India has refused to permit foreign investment in such facilities.) The U.S. government may or may not, in McNamara's words, "face up to the increasingly desperate situation facing the poorest peoples of the world," but that's not the point. When will the Indian government face up to it?

CANADIAN NATURAL GAS PIPELINE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ASPIN. Mr. Speaker, I believe that we should move forward as rapidly as possible on the proposed trans-Canadian natural gas pipeline sponsored by a consortium of U.S. and Canadian oil and gas companies. But, Mr. Speaker, at the same time it is important to remember that the major oil companies are flip-flopping in their arguments on the relative merits of the Canadian vs. Alaska pipeline. The same companies that argued against the Canadian oil pipeline have now switched sides and favor building a natural gas pipeline through Canada. The oil companies are using precisely the same arguments in favor of the Canadian natural gas pipeline that they vehemently denounced a few months ago when the Canadian oil line was under consideration. For example, during the oil pipeline battle the oil companies said the Alaska route would be superior environmentally to a Canadian route. Today the consortium promoting the trans-Canadian natural gas pipeline says that a Canadian pipeline would have minute environmental impact.

Also, during the Alaska pipeline debate the oil companies argued that in the interest of national security oil should not be piped through a foreign country—Canada. Today the same companies including Exxon, Arco and Sohio say that the Canadian pipeline project is "attractive from a national security point of view."

Clearly the big oil companies are willing to expound contradictory argument as long as it means higher profit. When there is a buck involved the oil companies could care less about the truth of their previous arguments.

Mr. Speaker, I believe a Canadian pipeline is the best way to provide the Midwest with larger amounts of relatively cheap energy. In fact, I have joined with six of my Midwestern colleagues in intervening in the Federal Power Commission case which will determine whether an Alaskan or Canadian route is built.

THE PROBLEM OF AGE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 13, 1974

Mr. ROSENTHAL. Mr. Speaker, it gives me a great deal of pleasure to be able to call to the attention of my colleagues an article written by one of my constituents, Robert I. Queen, which appeared in the 40th Annual Page One Awards Yearbook, published by the Newspaper Guild of New York.

Bob Queen is a well-known journalist, writer, and press aide, and had served in the House of Representatives as an assistant to Congressman Alfred E. Santangelo from New York for about 3 years, from 1960 to 1963.

He has been most active in the field of public relations, and is an author of note. As an indication of his outstanding ability, this is the 23d year that an article of his has appeared in that prestigious publication. That record speaks for itself.

Several years ago he had written an article, which had then appeared in the Yearbook on "My Younger Generation," a report on living with three active children. This year his article is on "The Problem of Age." I do not know if that is a consequence of living with his three active children, but I want you to share the benefit of his writing.

I am taking the liberty of inserting the article in the RECORD at this point, and I offer my warm congratulations to him on his unique achievement over the years.

The article follows:

THE PROBLEM OF AGE

The author, Robert I. Queen, has served as volunteer chairman and coordinator for a number of professional organizations attempting to locate jobs for newsmen adversely affected by mergers and newspapers going out of business. He has written numerous articles on the plight of newsmen suddenly cast on the beach by circumstances. He recently took another survey of the situation and here are his findings.

"Things are seldom what they seem—Skim milk masquerades as cream!"

These words from H.M.S. Pinafore, by Gilbert & Sullivan, capsule a devastating truth that must occur to any man, particularly one past 35 who finds himself looking for a job.

It starts early, almost immediately after the job hunt begins. You find your old résumé and begin to bring it up to date. It seems to present the picture of a vigorous, responsible, well-qualified man who should be able to fit into a number of higher echelon positions. But just to be sure, you discuss it with a few friends whose judgment you respect and who may be able to put you in touch with persons who may have a few choice vacancies.

At the end of the week, you find that they "would be happy to have a few copies of your résumé to pass along." However, they feel that you could profitably make a few changes in it.

"The résumé is too long." "It's too short." "It's too specific." It's not specific enough." "You must never mention your age." "You should only give your date of birth." "A graduate degree and a doctorate is the kiss of death." "List all of the courses you have ever taken."

While your friends fight the battle of the résumé, you make the rounds of the agencies, all of which are advertising the perfect position for you: a job that seems in fact never to exist outside the Help Wanted pages of The New York Times or Wall Street Journal. Meanwhile, they have an excellent opening in New Delhi if you're willing to relocate and have a fluent knowledge of Sanskrit.

You are also, of course, writing letters of application and sending out your current temporary résumé to all and every opening advertised in the newspapers and such appropriate magazines as Editor & Publisher, Broadcasting, Advertising Age, Television, and Quill.

A satisfying number of responses arrive and your days begin to fill up with interviews, usually an hour apart, at opposite ends of town. These interviews are never decisively positive, only decisively negative.

You soon find out that what you considered your strong points are going to be held against you. Twenty-five years experience is just what you need, only "unfortunately our pension plan makes it impossible for us to hire anyone over 35 . . ." You could do the job with one hand tied, which means you're "over-qualified" and they won't insult you by offering it to you. You are "a gentleman and a scholar" but a "City College degree doesn't fit in with the corporate image." The interview is closed with ". . . What a shame your father didn't send you to Harvard or Yale!"

Should your interviewer decide to overlook your gray hair, your ability and even an Honor Fraternity, you then begin to run the gauntlet from Personnel Officer to Vice President, from Psychologist to Psychiatrist, from ink blots to personality inventory. Your wife is also called in for an interview to determine if she can "fit the image required." At the end of three months, they become tired of the entire thing and hire the president's nephew who just dropped out of college.

Meanwhile, your file fills up with letters expressing the writer's regret at not having a position for a man of your "unparalleled ability and experience" and assuring you that "your letter and resume will be kept in the active file should a position develop in the future."

One such letter is from a "Mr. X." to whom you are introduced by a friend. He almost weeps when he hears that you are available. He had the perfect position for you but he filled it yesterday. If only you had sent him a resume for his active file.

Apparently no man over 35 is supposed to be able to take instruction by reading or by any other means. You must find your economic niche in life early and spend the rest of your life guarding it, or a similar neighboring niche, and never mind what lies over the economic horizon. Should your niche somehow be destroyed, you can easily find yourself economically homeless.

Take a man of 55 who has a family, owns his home and has roots in the community. He has spent all or most of his life in the newspaper field and this field has been getting smaller and smaller in the last 30 years. Suddenly his job is gone and he is faced with the choice of destroying his roots of a lifetime in order to take another position in another community or finding another kind of employment.

Suppose that he moves to another town, another paper, can he be certain that another merger, another bankruptcy, might not move him on again and again? If he should decide to stay, can he start again as a beginner in another field?

He may be willing, but no one else seems to think it possible. Over and over he will hear the words, "Yes, we have a job, but its for a beginner, a younger man. You wouldn't be interested in this position with your experience." But this "experience" doesn't count for any job, it seems it's always the "wrong kind of experience."

What the potential employer really means is that the applicant is "too old" although age is a word that is not mentioned. Instead, it is covered with euphemisms like "experience" "background", "training,"—a whole lexicon of words to cover the obviously unmentionable one—AGE!

What happened to the people on the New York Daily Mirror, New York Herald Tribune, World-Journal-Tribune has been happening to those on many other papers in our country. It is also happening to elevator operators, billing clerks, gas jockeys and executives in many corporations. Given a choice, industry seems to prefer narrow experience to broad experience, youthful inexperience to mature, varied experience.

Why?

What does a man out of work do between age 35 and when he becomes eligible for Social Security benefits?

MAY 3, 1974.

Mr. ROBERT I. QUEEN,
Flushing, N.Y.

DEAR BOB: The Newspaper Guild of New York's 1974 Page One Awards in Journalism will be presented at our 40th Anniversary Page One Awards Dinner on Wednesday evening, May 22, 1974 in the Wine Cellar (lower level) of Mamma Leone's Ristorante, 239 West 48th Street.

You and your guest are cordially invited to join us on this occasion.

Cocktail Reception: 7:00 p.m.

Dinner: 8:00 p.m.

We would appreciate it very much if you would be kind enough to let us know in advance whether or not you plan to attend.

Looking forward to seeing you on May 22nd, and with all good wishes.

Cordially yours,

HARRY FISDELL,
Secretary-Treasurer and Chairman, Page One Awards Committee.