

EXTENSIONS OF REMARKS

FEDERAL CIVILIAN EMPLOYMENT,
APRIL 1974

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. MAHON. Mr. Speaker, I include a release highlighting the April 1974 civilian personnel report of the Joint Com-

mittee on Reduction of Federal Expenditures:

FEDERAL CIVILIAN EMPLOYMENT, APRIL 1974

Total civilian employment in the Executive, Legislative and Judicial Branches of the Federal Government in April 1974 was 2,849,009 as compared with 2,835,640 in the preceding month of March—a net increase of 13,369. Total pay for March 1974, the latest month for which actual expenditures are available, was \$2,992,553,000.

Employment in the Legislative Branch in April totaled 34,757—an increase of 75, and the Judicial Branch decreased 94 during the month to a total of 9,394.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Federal Expenditures.

Civilian employment in the *Executive Branch* in April 1974, as compared with the preceding month of March and with April a year ago, follows:

	Full-time in permanent positions	Change	Temporary part-time, etc.	Change	Total employment	Change
Monthly change:						
March 1974	2,451,875		339,783		2,791,658	
April 1974	2,455,621	+3,746	349,237	+9,454	2,804,858	+13,200
12-month change:						
April 1973	2,431,912		333,618		2,765,530	
April 1974	2,455,621	+23,709	349,237	+15,619	2,804,858	+39,328

Some highlights with respect to executive branch employment for the month of April 1974 are:

Total employment of executive agencies shows an increase of 13,200 during the month to a total of 2,804,858. Major increases were in Agriculture with 5,782, Defense agencies with 4,317, Veterans with 1,557 and Interior with 1,546. The largest decrease was in Postal Service with 2,182.

The full-time permanent employment level of 2,455,621 reflects a net increase during the month of 3,746, primarily in Defense with 3,384. The largest decrease was in Postal Service with 1,815.

During the first ten months of fiscal year 1974 there was a net increase of 33,914 employees in full-time permanent positions. This represents an increase of 30,621 among the civilian agencies and an increase of 3,293 in Defense agencies.

Temporary and part-time employment in April shows an increase over March of 9,454 to a total of 349,237. Major increases were in Agriculture with 5,663, Interior with 1,312, Veterans with 975 and Defense agencies with 933. The increases in Agriculture and Interior are largely seasonal.

Total employment *inside* the United States

increased 14,277 in April to a total of 2,661,553. Total employment *outside* the United States decreased 1,077 during the month to a total of 143,305.

In addition, Mr. Speaker, I would like to include a tabulation, excerpted from the joint committee report, on personnel employed full time in permanent positions by executive branch agencies during April 1974, showing comparisons with June 1972, June 1973 and the budget estimates for June 1974:

FULL-TIME PERMANENT EMPLOYMENT				
Major agencies	June 1972	June 1973	April 1974	Estimated June 30, 1974 ²
Agriculture	82,511	81,715	78,503	80,200
Commerce	28,412	28,300	28,419	28,600
Defense:				
Civil functions	30,585	29,971	28,733	28,700
Military functions	1,009,548	957,310	961,841	906,600
Health, Education, and Welfare	105,764	114,307	124,765	123,900
Housing and Urban Development	15,200	15,820	14,938	14,800
Interior	56,892	56,771	57,474	58,900
Justice	45,446	45,496	47,400	48,900
Labor	12,339	12,468	12,276	12,700
State	22,699	22,578	22,543	23,400
Agency for International Development	11,719	10,108	9,222	9,900
Transportation	67,232	67,885	67,954	69,500
Treasury	95,728	98,087	104,369	104,700
Atomic Energy Commission	6,836	7,145	7,334	7,400
Civil Service Commission	5,260	5,911	6,269	6,100
Environmental Protection Agency	7,835	8,270	8,737	9,200

Major agencies	June 1972	June 1973	April 1974	Estimated June 30, 1974 ³
General Services Administration	36,002	35,721	36,236	37,200
National Aeronautics and Space Administration	27,428	25,955	25,499	25,000
Panama Canal	13,777	13,680	13,683	14,030
Selective Service System	5,791	4,607	3,223	3,100
Small Business Administration	3,916	4,050	3,914	4,100
Tennessee Valley Authority	14,001	13,995	13,504	14,000
U.S. Information Agency	9,255	9,048	8,828	9,100
Veterans' Administration	163,179	170,616	173,387	173,400
All other agencies	33,499	34,610	36,231	37,300
Contingencies				2,000
Subtotal	1,910,854	1,874,424	1,895,082	1,942,700
U.S. Postal Service	594,834	547,283	560,539	537,900
Total	2,505,688	2,421,707	2,455,621	2,480,600

¹ Included in the total employment shown on table 1, beginning on p. 3.

² Source: As projected in 1974 budget document submitted by the President on February 4, 1974.

³ Includes approximately 15,000 employees involved in the conversion of certain public assistance grant programs (formerly operated by the States) to direct Federal administration.

⁴ Excludes 4,000 positions involved in proposed transfer of St. Elizabeth's Hospital to the District of Columbia.

⁵ April figure excludes 1,113 disadvantaged persons in public service careers programs as compared with 963 in March.

ADDRESS BY HON. COLGATE DARDEN AT CHOWAN COLLEGE COMMENCEMENT

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 18, 1974

Mr. HELMS. Mr. President, I have long been an admirer of Hon. Colgate W. Darden, Jr., a distinguished American whose remarkable career includes services as Governor of Virginia and as president of the University of Virginia.

On May 19, Governor Darden addressed the graduating class at Chowan College, Murfreesboro, N.C. Chowan College is a fine 126-year-old Baptist institution whose president, Dr. Bruce E. Whitaker, is a close personal friend of mine. It was from Dr. Whitaker that I obtained the text of Governor Darden's address.

I hope my colleagues will take the time to read this address. If they cannot do it now, I suggest that they set it aside for careful reading later on. The entire speech is impressive, but I was especially gratified to note Colgate Darden's com-

ments relative to teaching morality in our schools. He makes the point that—

The argument that our public school system has no responsibility for moral instruction is dangerous nonsense. To say such instruction is prohibited by law is simply a calculated effort to undermine our social and political structure and if it is not countered it will prove very damaging to public and private schools alike. And it will end in weakening seriously if not destroying completely the moral fibre of our nation.

I am delighted, Mr. President, that Governor Darden accepted the invitation to address the graduation exercises at Chowan College in my State. And I

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am personally very grateful to him for choosing to deliver the very clear warning to all of us about a very serious threat to our educational system in America.

I ask unanimous consent that the text of this address be printed in the Extensions of Remarks.

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

ADDRESS BY HON. COLGATE DARDEN

When Dr. Whitaker was good enough to ask me to make this talk I accepted promptly, although it was only a few years ago that I addressed another graduating class here. There were very good reasons for this. For me, at least, it is always a thrilling experience to join in graduating exercises. There is something both stimulating and heartwarming in the enthusiasm of young people who have completed one of the great stages in their education. Without this enthusiasm and hope the world would be a dreary place indeed. To all of you my congratulations and best wishes. Also there is my admiration for Mrs. Camp, whose name the imposing new building we are dedicating is to bear, and my warm regard for her children with whom I grew up in Franklin, Virginia, many years ago. And lastly another reason, I must confess, represents nothing more than nostalgia—a state of mind which appears indissolubly linked with age, for it is nostalgia that weaves the magic web that casts a golden spell over the years long past.

I have always had a deep and abiding love for this part of North Carolina, for it was my father's home and it was here he grew up. Many years ago—more than I care to remember—I would come in the summer to visit my grandmother who lived at Elm Grove on the outskirts of Mapleton, a small village a few miles from here on the road to Winton.

Those were very happy and memorable visits for me. They were before the telephone and automobile had wrought such profound changes. Since then the changes have been profound, indeed, and the passing years have taken their toll. The old home is gone, along with the dependencies which stood nearby. These buildings housed the academy over which my forebears presided, along with other stout Baptists, during the early and middle part of the last century. It was one of many such small schools found in North Carolina during the 19th Century. Most of them, I believe, were provided by Baptists.

It is of passing interest to note that the Reverend Amos Battle, who was for some time engaged in instruction at the Elm Grove Academy, was later at the Chowan Baptist Female Institute which was, as you know, the forerunner of this college. In the cursory examination which I made I did not discover any other connection between the two endeavors. However, I think it likely the two were associated, since they were within a few miles of each other and both were presided over by individuals of the same religious faith.

The school itself had ceased to exist for years before my visits. When I was there the buildings were falling to the ravages of time and over all, like a pall, hung the lingering poverty that so marked our land at the turn of the century. For some strange reason my memory goes back always to the beautiful Crepe Myrtles which dotted the grounds of the old place. They stood out against the aging buildings even though they were overshadowed by the great elms which gave the home its name. The Crepe Myrtles seemed so large and beautiful to me as a child that I could not imagine they would ever disappear. They were small trees, not large shrubs, and at Elm Grove in the summer they were a flaming mass of watermelon colored flowers. They must have been quite old when I first

saw them. However, they too are all gone now along with the buildings and the elms.

Just when they disappeared I do not know because after my grandmother's death I lost touch. However, their disappearance taught me a worthwhile lesson in that they have served to remind me many times over that nothing escapes the remorseless march of the years; the beautiful, and happily the unattractive, go their way. Their going, small yet poignant, taught me yet another lesson. I have come to understand as the years have marched on, that only in the human spirit is there hope of immortality, and then only to the extent that there is woven into the lives of others the enduring virtues that safeguard our race.

It was this that Pericles had in mind when in the deeply moving funeral oration, recorded by Thucydides, he is quoted as reminding his listeners that while famous Athenians are commemorated by columns and inscriptions in their own country, in foreign lands "there dwells also an unwritten memorial of them graven not on stone but in the hearts of men." There can be little doubt that Pericles considered the "unwritten memorial" the most enduring of them all. This judgment has been confirmed by twenty-three hundred years of history.

I have long believed an address to graduating students a trespass. It is quite apt to be too long and it comes when what the students need and, in truth, what they deserve, is respite from wearying tasks and an opportunity to relax and rest. Believing this I shall be brief, but I do want to talk to you about a subject which of late has given me deep concern and which, I fear, is going to give your generation very serious difficulty unless we are able to do something about it.

No thoughtful person can fail to be troubled by the turbulence and violence that have wracked our society in recent years. A good part of the trouble, in my opinion, comes from those individuals, how numerous I do not know, who believe that the state has no responsibility for the moral development of its citizens, and that there is no obligation to see that the public schools offer moral instruction. A startling number of those who assert such a belief go further and declare that since our federal constitution stipulates there shall be a clear separation between church and state our public schools are prohibited from offering such instruction.

The result of this assault has been to weaken our educational system already staggering under the back-breaking problems attending integration. Because of this it comes at a most inopportune time because it is now that our schools, public and private, need all the help we can give them in their efforts to properly instruct those entrusted to their care. The argument that our public school system has no responsibility for moral instruction is dangerous nonsense. To say such instruction is prohibited by law is simply a calculated effort to undermine our social and political structure and if it is not countered it will prove very damaging to public and private schools alike. And it will end in weakening seriously if not destroying completely the moral fibre of our nation.

The men who drafted our federal constitution had lived too close to the terrible religious wars of the 16th and 17th centuries to have any doubt about the difficulties certain to flow from a mixture of politics and religious sectarianism. Consequently they made freedom of conscience the bedrock of the American political system. This was accomplished by placing religion beyond the control of the government. But I have never believed that this wholesome stipulation means or was intended to mean the founding fathers were of the opinion that the government was without moral responsibility. Nor do I think they believed that any

government that lacked moral responsibility could endure.

The Constitutional Convention marked each of us as an independent moral force and it imposed upon each the supreme obligation of citizenship—the necessity of deciding for what we shall stand in life. No government is to tell us what to believe or what to do. That decision must be made by us and for it we are answerable to our own conscience. But make it we must and make it wisely if our government is to prosper. The fabric of our society is woven from the moral sensitivity of our people, therefore it is the personal sense of truth, duty and honor that determines the worth of our society and the effectiveness of our system of government. This sense which comes from within, not from without, is the priceless possession of each. Because of this, the development and moulding of individual character is, in my opinion, the first and paramount obligation of any school system that is worthwhile.

No one understood this better than did Mr. Jefferson, who as you well know, played so important a part in the formation of our government. He expressed his belief succinctly in his second inaugural address when he said, "We are firmly convinced and we act upon that conviction, that with nations, as with individuals, our interests soundly calculated, will ever be found inseparable from our moral duties . . ." Throughout Mr. Jefferson's voluminous writings you find this dedication to truth, honor and fair dealing repeated time after time. When we recall that he was probably America's leading advocate of the separation of church and state it is difficult to understand the reason of those who assert that this provision in any way relieves the state of its obligation to inculcate in each generation the principles by which he set such great store.

When I hear individuals assert that our schools have no responsibility for moral education and that in considering such matters they believe in being "open minded," I am reminded of a story that President Eisenhower used to tell. A distinguished lady, the president of one of the nation's leading colleges for young women, was asked at a White House conference on some subject, the name of which I have forgotten, if she did not think the matter under discussion required an open mind, to which she replied that she always thought "it well to keep an open mind but not so open that your brains fall out."

You will find it very useful to bear in mind always that our government depends upon the quality and capacity of the individual citizens. We depend upon an appeal to the enlightened sense of mankind—on man's commitment to moral values to provide the authority needed to govern. This reliance upon persuasion rather than upon force is what distinguishes our government from the authoritarian regimes that have come and gone over the years. Of course our machinery of government has failed more than once, but it is encouraging to remember that the American people have risen above the difficulties threatening and put things right again. They have been able to do this because there is deeply imbedded within them a sense of what is right, what is honorable and what is just.

The suggestion I wish to leave with you, therefore, is that you spare no effort to see that our schools, public and private alike, never weary in their determination to drive home to the young minds entrusted to them the ageless beliefs as to honor, duty and truth which our forebears held dear, and upon which our civilization rests. In short that you spare no effort in the development of individual character, for without this our system of government cannot possibly succeed.

It was just under 100 years ago that the young lady whose name the imposing science

building is to bear graduated from Chowan Baptist Female Institute, the predecessor of this College. Carrie Savage finished in 1881 in a class of nine, and as you come to know of her you will agree with me that in using her name the College has honored itself fully as much as it has honored her.

Her close association with this institution is interesting because few graduates have ever enjoyed so close a relationship with an alma mater. Her family was closely associated with Chowan from its founding in 1848. Her father, the Reverend Robert R. Savage, was a dedicated Baptist minister who served Eastern North Carolina for many years. As part of his ministry, which must have been an exacting one, he looked after this Baptist Female Institute during bleak and trying years. From 1879 to 1892 he was a member of its Board and for eleven years he was chairman, a position which he held when Carrie, his eldest daughter, was graduated. Her mother, the daughter of Tilman D. Vann, who also was a member of this Board for sixteen years, had attended school here in 1854-55. So you can see that this young graduate, who shortly after her graduation married James L. Camp, came from a family deeply committed to education and the Baptist Church. Both of these played a decisive role in her life and the life of her family. The size of the graduating class, of which she was a member, bears eloquent testimony to the modest undertaking in education which obtained here then. It tells us much also of the vision and determination of those who were attempting to build again in a land ravished and exhausted by fratricidal war. We can better understand this remarkable person, whose name today becomes a part of this new building, if we look briefly at the forces and circumstances that moulded her life. To this end let us recall some of the events that claimed the attention of North Carolina and the nation when this young lady, as a graduate, just as you are today, set forth on what proved to be a long and a very useful career.

It was her fortune to live through and in fact to be a part of what is surely one of the most difficult periods, if not the most difficult period in American history. When she entered Chowan College, North Carolina and her sister southern states were emerging from a tragic period—Reconstruction. Why it should have been so called is not easy to understand, except it was a term fastened upon the time immediately following Appomattox by politically powerful figures in the Congress, and their supporters, who were bent upon imposing the harshest possible penalties upon a broken and defeated foe. For these extremists military victory in the exhausting struggle was not enough. Only impoverishment and humiliation would satisfy them. As a result the humane programs of Presidents Lincoln and Johnson were swept aside to be replaced by legislation which ushered in what Claude Bowers was to call in his moving account of those times "The Tragic Era." Thus the agony of war was prolonged.

There was a better spirit abroad in the land in 1881. The military occupation was over and the troops had gone home leaving an impoverished people to attempt to find their way back into the main stream of American life. But they were a proud and resourceful people and they faced the future with hope although they possessed little more than their bare hands and a fierce determination to survive. It was to be a long and painful journey back but it was made during the lifetime of Mrs. Camp. And it was made successfully because her generation possessed the vision, the stubborn courage and the personal character to make it so.

The period was by no means an easy one for any of those who lived through it, and while some were more fortunate than others,

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there is no denying the fact it was difficult for all. A student of history remarked to me a few months ago that it was the women of the south in the fifty years following 1865 who made both the greatest sacrifice and the greatest contribution to the rehabilitation of the southern states. They did this, he observed, by their valiant efforts to hold together the family as a viable unit thereby creating a social structure that at once possessed stability and vigor. It is the diminished influence of this powerful force that now gives thoughtful persons such uneasiness.

It was her role as a mother that Mrs. Camp seemed to me to play such an effective part. And though I certainly never knew her well enough to qualify as a judge, I do know she left the indelible imprint of her character upon her children. Anyone who grew up with them knew that. And we knew another thing, she possessed an unobtrusive determination touched with courage and compassion through prosperity and adversity that marked her as one of our great people.

I remember talking to a prominent American businessman a few years ago about a visit to Franklin shortly after the Second World War. He told me of a conversation with Mrs. Camp and he observed—"She was a person of great wisdom." I had long thought this but it was good to have my estimate confirmed by one in whose judgment I had confidence.

I must confess it gives me deep pleasure to contemplate the joy and satisfaction it must have given her to see her children grow up and take useful places in the world, and to see her son, building with imagination and boldness upon the secure foundation laid by his father and his uncles, lead Camp Manufacturing Company into the new field of paper making. It was this significant step which in time opened the door to the far reaching merger with Union Bag & Paper and the creation of one of our country's large and prosperous companies that provides employment for many people in manufacturing products unknown a few years ago.

It was a conversation, however, which I had with one of Mrs. Camp's children many years ago that best portrayed her sterling character. She told me of her mother's early years living in the logging camps looking after her husband—years that could not have been easy under the best of circumstances, with children to be tended and housekeeping to be done. But it was here, I suspect, the character that stood her and her family in such good stead in later years was forged. Against the background of her girlhood she came to understand that only spiritual values are lasting and that nothing is more ephemeral and deceptive than are material goals—glittering prizes though they may be. If that one fact can be remembered by those who labor here, then her name over this new science building will be ample reward for the hundreds who have contributed to its construction. And I am certain that a steadfast adherence to the principles in which she believed and which governed her entire life will be the surest guide for those who enter here in quest of what I hope will prove to be a brighter and a happier world.

LITHUANIA'S DARK ANNIVERSARY

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. STRATTON. Mr. Speaker, I am proud to have the opportunity to rise once again to commend the steadfast and

courageous spirit of the Lithuanian people. On June 15, Lithuanian-Americans joined with Lithuanians throughout the free world in commemorating the forcible annexation of Lithuania by the Soviet Union in 1940. These middle days of June have a special meaning to all Americans of Baltic origin because on June 14 to 16, 1941, the Soviet Union deported thousands of citizens of Estonia, Latvia, and Lithuania to Siberian concentration camps in its endeavor to demolish the three Baltic nations which had achieved their own independence upon the conclusion of World War I.

Although the people of Lithuania now must live within the cloud of Communist domination, they still display an independence of spirit which no political realignment can extinguish. Their right of national self-determination has been denied and they suffer continued religious persecution; yet the light of freedom still shines brightly in their hearts and inspires worldwide appreciation of their determination in the face of the ominous Soviet presence in their homeland.

Since the very beginning of the Soviet occupation Lithuanians have waged a valiant fight for freedom. During the years between 1940 and 1952 alone some 30,000 Lithuanian freedom fighters lost their lives in an organized, underground resistance movement against the Red invaders. And the cessation of the guerrilla warfare in 1952 by no means halted the resistance of the Lithuanian people to their captors. On the contrary, passive resistance gained a new impetus.

The Government of the United States has traditionally refused to recognize the "incorporation" of Estonia, Latvia, and Lithuania into the Union of Soviet Socialist Republics. We must not let the mood of the times deter us from our resolution in this regard. An era of détente with the Russians is upon us, and they are desperately seeking a most-favored-nation status; but they certainly have not favored the people of the Baltic nations.

It is imperative that the United States maintain its support for the Baltic nations and do nothing to diminish the hope of Lithuanians, Latvians, and Estonians for their eventual release from bondage. As we in America move rapidly toward the bicentennial of our own independence, let us stand by those same sacred principles when applied to the brave people of Lithuania who are still fighting in defense of the same freedom we achieved 198 years ago.

COUNTRYSIDE ROADS DESERVE A "PIECE OF THE PIE"

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. ALEXANDER. Mr. Speaker, while there has never been a time in the history of man when the technology of transportation is as advanced as today, our utilization of our transportation re-

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sources does not match our technology. Hardest hit by our foot dragging in the development of a national transportation policy are those Americans who live in the heartland of our Nation. While those of us in Washington who are concerned think we may have a grasp of the situation and conditions of countryside roads in our Nation, no one can express it better than the individual who travels those rural roads daily. I would like to share with my colleagues a letter from one such traveler of countryside roads in Arkansas:

JUNE 12, 1974.

DEAR MR. ALEXANDER: I just got one of your reports on transportation. I just want to add my 2 cents worth, even tho it may end in the waste basket. I am so disgusted in the way our tax money is wasted on all kinds of high flying projects and the average don't seem to realize the government grants and other methods of spending are tax-money the poor and middle class people pay. The government can't go on forever operating in the *Red* any more than an ordinary citizen without sooner or later going under. Everybody wants a "piece of the pie."

Personally I think there has been too much highway money spent on high priced thru-ways and expressways and not enough on country roads, so called farm-to-market roads. If you have traveled in the farm country in Arkansas you know what I'm talking about. Most of the county roads are a disgrace when you get a couple of miles off the main black-top. Too narrow for two cars to pass without going into the side ditch and scraping the car with brush along the fence rows. Usually a ridge of gravel and big rocks left by the grader. Up here in the hills is bad enough but in the lower counties no natural gravel they can get so muddy and full of ruts almost impossible to travel. We tried it and found out the hard way.

I live in town now and don't drive a car but I could write a book on some of the road conditions we have seen in traveling in different parts of state over the years. Most of the black tops up here are of such poor quality they have to be resurfaced before the new wears off. Thanks for listening.

Yours truly,

Mrs. CARRIE RUTHERMAN.

LAND USE PLANNING

HON. HAROLD V. FROELICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. FROELICH. Mr. Speaker, I would like to call the attention of my colleagues to an excellent editorial which appeared in the Wall Street Journal on June 17 discussing the land use planning legislation. I think this editorial places the subject in its proper perspective and I am in total agreement with the sentiments expressed therein. The editorial follows:

THE LAND USE FUROR

When the House defeated the Land Use Planning Act of 1974 in a close vote the other day there were enough howls of dismay to suggest that it had just voted 211-204 to repeal motherhood.

The Sierra Club fired off an urgent Telex to editorial page editors accusing the House of "dereliction of duty." The New York Times, as is its wont, blamed it all on Watergate politics. And Senator Jackson, as is his wont,

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promised to use his considerable parliamentary skills to revive land use in the form of a rider to some must bill.

But those of us who are less impassioned on the issue might conclude that the House acted with considerable wisdom. There is little persuasive evidence that it struck any kind of really damaging blow at environmental interests. And on the positive side, it may have headed off a movement towards over-planning that could, over time, seriously damage economic growth.

Fundamentally, the defeated bill would have authorized \$800 million for grants to states to help them set up "comprehensive land use planning." The federal government would have had considerable power, of course, to decide how the money would be put to use.

Assuming that the federal government can afford \$800 million, which is not a safe assumption these days, it may well be that the bill would have achieved some positive results. However, it might also have encouraged the kind of forced draft planning that soon would have had every acre of some states tied up in red tape that would create long delays for people looking for a place to live or conduct a business.

There is no persuasive evidence that any such forced draft is necessary. The states already are taking initiatives in land use planning. And other federal laws, most importantly the environmental protection and coastal zone management acts, already put strict limitations on the kind of land uses that cause "quality of life" problems that disturb environmentalists.

Given the cosmic effects that land use regulations can have, it seems to us more sensible to address land use problems on an "as needed" and "where needed" basis, rather than through some grandiose federal initiative. If the Colorado plan works, it might be something other states can emulate. The same for Delaware. But there is no point in everyone getting locked into something that doesn't work just because of pressures to spend federal money.

We already have seen some of the consequences that flow from the difficulties oil companies have in finding sites for new refineries and utilities have in siting power plants. These were not totally responsible for the energy crisis, but they played a role. Some businessmen think a national land use policy that would clearly authorize such sites would be a good thing. But we doubt that the defeated bill was headed quite that way. As things now stand, states individually weigh the drawbacks of attracting industry against its benefits, which probably is a good thing.

At any rate, we don't feel any great sense of loss. And it seems to us that the House deserves some praise for knowing when to say no.

THE LAND USE FUROR

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. SYMMS. Mr. Speaker, I would like to commend to the House on the good sense it showed last Tuesday in the defeat of land-use planning as well as the following editorial from the Wall Street Journal, dated June 17, 1974:

THE LAND USE FUROR

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Assuming that the federal government can afford \$800 million, which is not a safe assumption these days, it may well be that the bill would have achieved some positive results. However, it might also have encouraged the kind of forced draft planning that soon would have had every acre of some states tied up in red tape that would create long delays for people looking for a place to live or conduct a business.

There is no persuasive evidence that any such forced draft is necessary. The states already are taking initiatives in land use planning. And other federal laws, most importantly the environmental protection and coastal zone management acts, already put strict limitations on the kind of land uses that cause "quality of life" problems that disturb environmentalists.

Given the cosmic effects that land use regulations can have, it seems to us more sensible to address land use problems on an "as needed" and "where needed" basis, rather than through some grandiose federal initiative. If the Colorado plan works, it might be something other states can emulate. The same for Delaware. But there is no point in everyone getting locked into something that doesn't work just because of pressures to spend federal money.

We already have seen some of the consequences that flow from the difficulties oil companies have in finding sites for new refineries and utilities have in siting power plants. These were not totally responsible for the energy crisis, but they played a role. Some businessmen think a national land use policy that would clearly authorize such sites would be a good thing. But we doubt that the defeated bill was headed quite that way. As things now stand, states individually weigh the drawbacks of attracting industry against its benefits, which probably is a good thing.

At any rate, we don't feel any great sense of loss. And it seems to us that the House deserves some praise for knowing when to say no.

COMMITTEE REFORM

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, the rank political nature of the move by the Democratic caucus in sidetracking the committee reform resolution,

House Resolution 988, to a caucus committee probably could not be better demonstrated than the action taken by the caucus committee in soliciting, by letter, the views of the Democratic Members of the House on this legislation.

The more you consider that action the more outrageous it seems. Think of that—here is a vitally important piece of legislation, of interest and significance to every citizen of the Nation, and only Democrats are asked for their views.

That procedure is clearly unacceptable for many reasons. As just one of the many inequities created by such action, consider the case of Nebraska. My home State happens to have three Representatives in the House, all Republicans. Are, therefore, none of the citizens of our great State to have voice in what may be recommended at this crucial stage in the life of this legislation?

Not that one would expect the Democratic caucus to request the views of Republican Members of the House. This is not the point at all. The point is that a partisan body such as the Democratic caucus is simply the wrong place for this legislation to be. What could possibly be expected from such an organization but a partisan package, if indeed anything at all emerges.

House Resolution 988 should be released from its partisan captivity and brought before the House now so that it can be considered, evaluated, and voted on by all Members in their capacities as Members of the House of Representatives.

LITHUANIA

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. PATTEN. Mr. Speaker, June 15 marks the 34th anniversary of the Soviet Union's forcible annexation of Lithuania. It is not a happy time to remember, but it is important to acknowledge this date because it marks the time when Lithuanians were subjected to limitations on their religious and political freedoms.

Lithuania achieved its independence on February 18, 1918. This independence was terminated on June 15, 1940, when an army of occupation, which included 140,000 men, was sent by the U.S.S.R. into the small country of Lithuania. The brutality of the incident is almost too much to bear even for those in this country who are free from this sort of oppression. The Russians ruthlessly entrenched themselves in Lithuania and forced their system on these courageous people. Mock elections were held, for instance, where only one slate of Moscow-sponsored candidates were permitted to run.

The Soviet Government has attempted to destroy the identity of the Lithuanian people by prohibiting the continuation of Lithuanian culture, language, and religion. I recently saw a poster containing the words, "You cannot convert a man by

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silencing him." These words hold much meaning for what has happened to the Lithuanian people.

Mr. Speaker, we must commemorate this anniversary with the view that we will always support the efforts of those people, such as the Lithuanians, who are fighting for their basic human rights and freedom.

WE MUST SUBSIDIZE MASS TRANSIT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. RANGEL. Mr. Speaker, today there is a great deal of concern in America's cities over the problem of mass transit. It seems that some solution must be found to this problem since mass transit systems now lose 23 cents for every dollar they collect.

In New York City, for example, without Federal subsidies the New York Public Transportation system will become so costly that the average working people will not be able to afford to use it. If they are not able to use the system then the alternative would be to drive their cars to work. Should this occur then the city's pollution and traffic problems would increase tremendously.

The following article, written by William J. Ronan, the former chief executive officer of the Metropolitan Transportation Authority for New York State speaks to this question. I highly recommend it to my colleagues:

[From the Reader's Digest, April, 1974]

WE MUST SUBSIDIZE MASS TRANSIT

(By William J. Ronan)

A fierce debate that will do much to determine the future of our decaying cities is now under way in Congress. At issue is whether the federal government—*i.e.*, we taxpayers—should provide some \$500 million a year to enable our starving mass-transit networks to continue to provide adequate service at fares most riders can afford. This kind of subsidy has powerful enemies, but if it is not approved the entire nation will suffer.

Right now almost every transit authority in the country is having trouble meeting payrolls, paying repair bills and keeping up with other essential expenses. As recently as 1945, U.S. bus, trolley and subway systems returned a profit of 11 cents for every dollar deposited in the fare box. Then, thanks to federal highway subsidies, the automobile began to cut heavily into mass-transit business. Ridership plummeted from almost 19 billion in 1945 to about 6.5 billion last year. As a result, mass transit now loses 23 cents for every dollar it collects.

Private operators have been driven out of business, and urban transit has become almost entirely a governmental responsibility. Only assistance from states and localities is keeping most of us going. As president of the Institute for Rapid Transit, which represents all rail rapid-transit systems in North America and most of our large urban bus fleets, I know that the problem is national in scope and needs immediate help from Washington.

The urgency of the problem was expressed by Michael Cafferty, a former chairman of the Chicago Transit Authority: "Is public transit worth saving? For our largest cities, one could almost answer this question

merely by asking another: 'Are cities worth saving?'" For mass transit is the circulatory system of our cities, great and small. If some of our big cities have to cut service sharply or raise fares to prohibitive levels, the whole country will suffer.

Suburbanites who start their daily trips to jobs in the city by driving only as far as a commuter railroad or bus station and then taking urban transit to their offices will have to drive all the way. Even if enough gasoline were available, the ensuing pollution and traffic snarls would be intolerable. With breakdowns and gaps in the network of main and feeder commuter lines, people who live farther from the city would be similarly immobilized. Our tight-knit economy would be dealt a serious economic blow.

As it is, eight cities with populations in the 20,000-to-50,000 range have no mass transit at all. Consider Selma, Ala., for example. The city has a fine new school for the handicapped, yet it is of no use to two little deaf children—a girl five and a boy six—because they live beyond the range of the school bus system and have no other transportation. Or Burlington, N.C. A retired couple there spent two years looking for a home along the bus line. No sooner had they bought it than the buses stopped running along that route. If more and more mass-transit systems fail, personal tragedies like these would multiply by the thousands—a foretaste of what may happen in dozens of bigger cities.

I am no anti-highway zealot. Clearly, the private automobile has its place in the total transportation picture. But it is impossible to rely entirely on the automobile, since about 100 million people—half our population—are too young, too old or too infirm to drive.

The situation underscores the need for a federal operating subsidy for mass transit. By saving some of our most hard-pressed systems, it will provide benefits that are by no means restricted to the cities:

(1) An immediate relaxation in the energy crisis. A modern subway or commuter railroad consumes about one tenth the energy per passenger-mile of an automobile. Buses fall somewhere in between, but they are far ahead of automobiles. More effective public transit, a federal study estimates, would reduce our oil-import needs by ten percent.

(2) A dramatic decrease in air pollution. When their various pollutants are compared by volume and toxicity, the diesel bus has a 25-1 advantage over a private automobile; with electric rail vehicles, the ratio is nearly 40-1.

(3) A brake on inflation, if fares are held down. The Bureau of Labor Statistics predicts that a 50-cent subway fare in New York City (it is now 35 cents) would cause a 0.6-percent rise in the area's Consumer Price Index. Furthermore, few people realize how expensive it is to drive a car. In 1972, the out-of-pocket cost was estimated at 13.6 cents a mile. But, according to J. Herbert Hollomon, a former Assistant Secretary of Commerce, the total cost to the individual and to society, in terms of congestion, pollution, parking and traffic, is at least a dollar a mile for city driving.

(4) More mobility for those who cannot afford automobiles or skyrocketing transit fares. The social and economic benefits cannot be stated in dollars and cents. But the McCone Commission, which studied the 1965 Watts riots in Los Angeles, put a major share of the blame on a lack of efficient public transit, preventing blacks' access to available jobs in the metropolitan area. And in any city, how many people earning close to the minimum-wage level would choose to go on relief if it costs more to get to work?

(5) Better land use. The new PATCO commuter-subway line between Philadelphia and towns in suburban New Jersey has given birth to a string of industrial centers, inter-

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spersed with pleasant residential sections. And in recent years ingenious uses of highways have demonstrated how many more commuters can travel swiftly and comfortably without condemning extra land for rights-of-way. Especially impressive is the grade-separated express lane reserved for buses and car pools during rush hours on the Shirley Highway, just south of Washington, D.C. Riders by the thousands zip past motorists crawling along the adjacent lanes. Chicago has built rail lines on the median strips of three expressways. In peak hours, the trains carry 50-percent more passengers than the expressways.

With the energy crisis and the ecological problems that now confront us, public transportation is getting new emphasis across the country. The long decline in ridership appears to have bottomed out—if only fares can be kept down. We have begun to make progress, partly because the federal government is helping us buy modern, comfortable vehicles and build new lines,* and partly because we in the industry are finally beginning to use some ingenuity to attract more riders. Consider:

Atlanta has slashed bus fares to 15 cents from 40 cents. In just a few months, 20,000 automobiles disappeared from that city's streets, more than half of them during peak commuting periods.

In September, Seattle began a "Magic Carpet" no-fare zone that in two months increased ridership by 56 percent. This innovative program, operating on all downtown routes, costs the city about \$64,000 a year, but reduces air pollution considerably.

Tulsa reduced bus fares to 25 cents with surprising results. Not only has ridership increased by almost 50 percent, but total revenues are also up. Now Boston and New York are experimenting with reduced-fare periods on their transit lines. Initial results have been extremely successful.

Many cities, states and interstate bodies have shown willingness to provide extra operating subsidies for urban mass transit. Profits from bridge and tunnel tolls have been used for this purpose in the New York, Philadelphia and San Francisco Bay areas. Voter referendums have approved support of mass transit in Atlanta, Chicago, Cincinnati, Dayton, Denver, Miami, Seattle and in the states of California and New Jersey.

Because the tide of public enthusiasm is rising, urban mass transit needs comparatively modest federal help. Just how much will depend upon the establishment of a national transportation policy and on the allocation of specific roles to the various modes of transportation. Certainly we need improved highways, but not at the expense of other forms of transportation that are especially well suited to these critical times and to the needs of the majority of U.S. citizens.

What worries me and other transit officials is the possibility that the idea of operating subsidies will not survive this spring's Congressional debates. Some opponents of federal aid fear that it would be used to meet unreasonable labor demands for pay raises. Actually, the transit industry has a good record for fair and reasonable settlements in these areas. Others contend that public transportation is solely of concern to the nation's urban areas and should be handled by state and local governments alone. The current energy and environmental crisis, if nothing else, should convince them that public transportation affects every American.

It is high time that we face up to a basic fact: Mass transit, like public health and social security, is a national responsibility.

* Since 1965, federal grants for new transit vehicles and construction of new lines have totaled some \$2.6 billion. None of this money can be used for operating costs.

THE LEAKS, THE PRESS, AND DR. KISSINGER

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. HUNT. Mr. Speaker, like millions of fair-minded and appreciative Americans, I too was appalled by the most recent attack on Secretary Kissinger during his press conference 2 weeks ago. There can no longer be any question about the true intent of the media—to completely destroy any individual, regardless of his achievement, regardless of his level of competency.

No less guilty are those who would "leak" this information to the media. They, too, share in this effort at character assassination, and have rendered themselves unfit to pass judgment on those who they attempt to destroy.

On Friday last, Joseph Alsop writing in the Washington Post put the Kissinger press conference in its proper perspective. I commend it to the attention of my colleagues:

THE POLITICAL ROLE OF THE MEDIA

(By Joseph Alsop)

It is a time to stop being mealy-mouthed. If the U.S. government loses the invaluable services of Secretary of State Henry A. Kissinger, the enormous, Watergate-induced self-importance of the American press will be to blame.

If the U.S. dollar—your dollar and my dollar—loses lot of its value on the world markets; and if American foreign policy also joins American economic policy on the dung-heaps of disorder, you can thank your friendly media.

The plain fact of the matter is that we now have in Washington, not just a double standard, but a triple standard. You have to begin right there to understand the resulting orgies of hypocrisy. And the first part of this triple standard for public judgment of public men concerns the political role of the press, or media.

It is the smarmiest kind of hypocrisy to pretend that the press was not directly responsible for Dr. Kissinger's decision to resign his office unless his name could be promptly and decisively cleared.

On last Thursday, he had just returned from one of the greatest and most totally exhausting diplomatic feats in rather more than a century. The secretary was being very modest if he merely thought he had "deserved well of the Republic"—in the phrase of old Rome.

His reception was a savage and disgusting press conference, during which he was treated like a common criminal. At one point, one of his interrogators even suggested that he might well be indicted for perjury, and bellowingly inquired whether he had already retained counsel to represent him in case of a perjury indictment. To be sure, only a minority thus disgraced the formerly honorable reporter's trade.

Yet in the subsequent commentaries, the members of this minority were never rebuked by their colleagues. Instead, Dr. Kissinger was rebuked. The climax came on the evening of Monday, when The New York Times hit the streets with an editorial accusing Dr. Kissinger of "dissembling" in tones majestically combining self-righteousness and pecksnifery. Telegraphed to Salzburg, the editorial promptly triggered Dr. Kissinger's

press conference and resignation statement on Tuesday.

Those are the plain facts. What has happened cannot be comprehended without those facts. Yet this reporter has seen no account of Dr. Kissinger's threat to resign that has set forth the facts either fully or forthrightly. Overall, it seems a mite odd for the major political role of the press to be left out of the accounting, when we have taken to holding our public men so strictly accountable.

This is the first part of the prevailing triple standard in Washington. As to the other part that justifies the word, "triple," it is simple enough. Dr. Kissinger has in fact been accused of "dissembling," and has even heard the word "perjury" hurled at him, because of a crucial national security matter involving less than a score of wiretaps. Under the law, such wiretaps are entirely permissible for national security purposes.

One wonders, then, why it was so shocking for a servant of the Nixon administration to worry about national security to the extent of knowingly approving under a score of wiretaps. After all, national security wiretaps were very much more numerous in the Truman administration, and they were vastly more numerous in the administration of President Kennedy.

This reporter, with a known three wiretaps to his credit, all pre-Nixon, has long held the doctrine that if you have not been tapped, you have been slacking on your job. As to the Johnson administration, President Johnson sensibly did not trust the late J. Edgar Hoover—so he had the Secret Service do the tapping for him, again on a major scale. In short, the servants of the Nixon administration are plainly being judged by different standards than those that prevailed in happier times.

So we come back to the Watergate-induced self-importance of the American press that was noted at the outset, noting this is not meant to detract for one moment from the great achievement of exposing the crimes and squarrels that now go by the name of Watergate.

Yet it seems this success has now led to a new and dangerous situation. Some people have now openly begun to follow the rule: "I'll be judge, I'll be jury," said Cunning Old Fury; "I'll try the whole cause, and condemn you to death."

Meanwhile Sen. J. William Fulbright, who has seen more than mere leaked bits of the total data, is reportedly confident that Dr. Kissinger did not dissemble when he appeared before the Foreign Relations Committee. Furthermore, even with Cunning Old Fury, one supposes that some vague notions of national interest usually prevailed.

AMENDMENTS TO H.R. 14715

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. DINGELL. Mr. Speaker, later this week the House plans to take up H.R. 14715 which authorizes expenditures—in blank check form—for such Presidential activities, as payment of improvements for preservation of the "Executive residence." It also reinstates the authority previously continued under the discontinued and now famous appropriation entitled "Special projects".

I proposed to offer the following two amendments to the bill:

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PROPOSED AMENDMENTS BY MR. DINGELL ON
H.R. 14715, AS REPORTED

1. On page 6 of H.R. 14715, as reported, line 24, strike the period and insert the following: "at the White House."

2. On page 8 of H.R. 14715, as reported, between lines 13 and 14, insert the following:

"(f) Notwithstanding any other provision of this section or any other law, the Comptroller General of the United States shall have access to any books, documents, papers, statistics, data, records, and other information pertaining to the expenditure of funds to carry out the provisions of this section, shall audit such expenditures periodically, and shall report the results of such audit to the President and the Congress."

STUDENTS SAY BUSING DOES NOT
WORK

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. HUBER. Mr. Speaker, as we all know, the House and Senate conferees are trying to resolve the differences in the two versions of the Elementary and Secondary Education Act Amendments for 1974. Of course, one of the main problems is the matter of restricting forced busing for purposes of achieving a racial balance.

In the entire time that the Congress has been discussing this matter, very little has been said about the views of those most directly effected, the students. Recently, the noted columnist, Allan Brownfield, observed that according to a poll of some 85,000 junior and senior high school students conducted by Scholastic Magazine—

Only 8% thought that busing to achieve racial balance was working.

Thus, there is evidence that even the students do not think that forced busing for racial balance accomplishes anything constructive. Of course, nobody seems to want to pay attention to them, since they are only the people that have to endure the consequences of our actions. It is no wonder that today, the students' biggest fear is of their Government and what it will do to them.

I would like to insert, for the consideration of my colleagues, Mr. Brownfield's article on "Busing and the Failure of Democracy" as it appeared in the May 30, 1974, Anaheim Bulletin:

[From the Anaheim Bulletin, May 30, 1974]

BUSING AND THE FAILURE OF DEMOCRACY

(By Allan C. Brownfield)

WASHINGTON.—If by the "democratic process" we mean a procedure through which the will of the majority is expressed by their elected representatives, then the recent vote in the U.S. Senate against reversing the massive court-ordered busing of school children for racial balance represents an example of how that process is not working.

Sponsored by Sen. Edward J. Gurney, R-Fla., the amendment would have guaranteed to every school child the right to attend the school "closest or next closest" to his home. In addition, localities now laboring under previous busing edicts would have been able to go back to court to have the busing orders

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rescinded if they did not conform with the new legislation.

Following six hours of tense debate, the Senate voted 47-46 to continue compulsory busing. In doing so, it clearly opposed the views of the overwhelming majority of Americans.

Public opinion polls indicate that people throughout the U.S. are opposed to busing for racial balance. Busing is opposed by three and four to one public opinion ratios in every section of the country and by every age group, from high school students to senior citizens.

Young people, those most directly involved in busing, are opposed to the program. According to a survey of 85,000 junior and high school students conducted by Scholastic Magazine, only 8 per cent thought that busing to achieve racial balance was working.

Minority groups have also expressed their opposition to compulsory school busing. Contrary to most public assumptions, whites are not the racial group most opposed to busing. On the basis of San Francisco data released by the Multi-Media Research poll, that distinction goes to the Chinese. San Francisco Chinese were found to oppose busing 92 per cent to 6 per cent. San Francisco whites were opposed busing by a ratio of 83 per cent to 14 per cent.

ONLY THE SENATE

Even black opinion is closely divided. Gallup's national survey found blacks against busing by the narrow margin of 47 per cent to 45 per cent. In San Francisco, the ratio of black opposition is 56 per cent to 39 per cent. In Detroit, a survey by Market Opinion Research found that local blacks are against busing by the wide edge of 63 per cent to 29 per cent.

Who was the Senate representing when it voted to continue compulsory busing? This is difficult to answer. Beyond this, it cannot be argued that the senators were acting as a deliberative body and were resisting the will of the majority because the evidence was so overwhelmingly in favor of school busing. The evidence, quite to the contrary, is almost all on the other side.

The arguments presented by supporters of compulsory busing, that black children will only improve their educational performance by attending schools with white children, because integration assists learning and because they are then certain of equal expenditure of funds, does not seem to be borne out by the available data.

Studies show that blacks finish high school in the North three or more years behind whites in achievement. Prof. Nathan Glazer of Harvard notes, "We also know with fair confidence that this huge gap is not caused by differential expenditures of money. Just about as much is spent on predominantly black schools outside the South as on predominantly white ones. Classes in black schools will often be smaller than classes in white ones—because the black schools tend to be located in old areas with many school buildings, while white schools tend to be in newer areas with fewer and more crowded buildings. Blacks will often have more professional personnel assigned, owing to various federal and other programs."

CLASS NOT RACE

If money is not the decisive element in the gap between white and black, what is? In 1966 the Coleman Report on "Equality of Educational Opportunity" reviewed the achievement of hundreds of thousands of American school children, black and white, and related it to social and economic background, to various factors within the schools, and to integration. In 1967, another study, "Racial Isolation in the Public Schools," analyzed the effects of compensatory education programs and reviewed the data on integration. Both studies showed that integra-

tion could be counted upon to have an effect on education. The operative element, however, was not race, but class.

The conclusion of the Coleman Report said the following: "... the apparent beneficial effect of a student body with a high proportion of white students comes not from racial composition per se, but from the better educational background and higher educational aspirations that are, on the average, found among white students."

A study conducted in 1972 by Harvard sociologist David Armor found that busing, far from improving education, actually had adverse effects on students who were bused. Another study done a year later by Prof. Jeffrey Leech by the Indiana University Law School confirmed the findings of the Armor report. The Leech study concluded that, "... the most recent sociological evidence fails to confirm a basic premise underlying the rationale of court-ordered busing: i.e., that it will positively affect the academic performance of minority children."

In voting for continued busing the Senate flew in the face of both public opinion and the findings of experts. If the democratic process is really working in the Senate, the burden of proving it rests with those 47 men who cast their votes against the Gurney Amendment.

11500 BANANAS IN LONG BEACH,
CALIF.

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mrs. SCHROEDER. Mr. Speaker, I am aware that all my colleagues have been lately receiving statements concerning "11500 Bananas on Pike's Peak." The seed of this series has been the bill H.R. 11500, which would regulate strip mining. It seems that this legislation is as absurd as trying to grow bananas on Pike's Peak.

Mr. Speaker, Pike's Peak is not in my district, but it is nearby. While I am sure that bananas will not grow on Pike's Peak, it would be very comforting to know that in the future there will be something growing on the lands which surround Pike's Peak and my district. Yet, with the "strippable" coal deposits which lie in Colorado and other Rocky Mountain States, there is an element of doubt that this will be. We who know Pike's Peak respect it and the lands which surround it, but it may be fruitless in a few years to try to see Pike's Peak or these lands if mining refuse fills the air.

In this relation, I would like to share with my colleagues the following two editorials from the Denver Post concerning H.R. 11500 and its merits:

HOUSE COAL STRIP MINING BILL IS SOUND
LEGISLATION

The U.S. House of Representatives has been handed a bill on coal strip mining. The bill, H.R. 11500, was prepared by the House Interior Committee. It is a good bill and should be passed with a minimum of alterations.

Within the nation's strip mining going into high gear—largely in the West—because of the energy crunch, it is essential to pass a bill now. The land needs protection before the energy crisis, wrapped in the flag, carries all before it.

H.R. 11500 contains these major elements: It would severely limit where coal can be strip mined. No permit would be allowed on a national forest, in a designated wilderness area or wildlife preserve. States are required to set up procedures for declaring certain areas unsuitable for surface mining by virtue of natural, historical, cultural, or scientific reasons.

A reclamation fee will be charged, and at today's fuel prices it should be a stiff one. Levied according to heat value in the coal, the amount will average 30 cents a ton and will be as low as 20 cents in some Northern Great Plains areas where BTU content is low. This money will be used for reclamation of "orphan" lands—abandoned lands from old stripping operations. On existing operations, the operator will pay the cost of his own reclamation work. These provisions must be stringent.

Strip-mined land must be returned to "approximate original contour" under terms of the bill. The bill eliminates "high walls"—steep slopes remaining after mining—and spoil banks (heaps of ungraded material) on downslope areas.

If reclamation of any land is not feasible for economic or physical reasons, then the land cannot be strip mined until such time as technology permits.

The hydrologic (underground water) balance is not to be disrupted. Surface water is protected from pollution. The bill concedes as inevitable some change in surface water patterns, however, and permits lakes to be left in depressions provided quality of the water is good.

Land reclaimed and returned to federal ownership will, under terms of the bill, be available for agriculture or recreation purposes. Communities undergoing dramatic growth because of coal mining can apply for such lands for use in meeting development needs: housing and other facilities.

These are among the key provisions of H.R. 11500. The chain of command envisioned still includes participation by the states. States may enforce their own laws on coal strip mining, provided they are as strong or stronger than the federal law.

There are a number of areas where the bill is vulnerable to criticism. Environmentalists say it is too weak, that nothing but a complete ban on strip mining is workable.

Thus, Louise Dunlap of the Environmental Policy Center, Washington, D.C., attacks any concession to mining she can find. The section on water, for example, says that coal firms shall give "particular attention" to aquifer recharge. "We don't believe giving 'particular attention' to something is a very precise way to protect it," she said.

A Western utility spokesman, while favoring the bill's reclamation provisions, believes the definition of areas "unsuitable" for mining is so broad as to ban mining almost anywhere. He'd like to see that changed.

But fundamentally the bill is not in bad shape. It should receive favorable consideration. There is one problem, however, which no one has been able to solve, it involves the mining of publicly owned coal which lies under privately-held homestead land. This problem will be discussed tomorrow.

THE WEST NEEDS TOUGH STRIP MINING BILL

One of the toughest questions facing Congress in considering legislation to control coal strip mining is what to do about 38 billion tons of coal owned by the public but lying under land in privately owned homesteads.

The land involved is mostly in Montana, Wyoming and North Dakota. As the nation turns increasingly to coal for electrical power generation and gasification projects, those 38 billion tons assume tremendous importance.

Whether and how the coal is mined is a challenging environmental issue, of course,

but it also raises a tough question about equity for the landowners.

Historically, under the law, mining claimants have had the right to override surface owners to develop underground minerals on such lands. In cases involving oil or gas there has not been much conflict of interest. Those wells don't disturb much surface.

An oil company can compensate the surface owner for the inconvenience and both agriculture and mineral production can flourish on the same ground. But quite clearly when Congress passed the homestead laws it scarcely could have envisioned giant coal stripping machines which are capable of gobbling up the land surface in ranch-sized digging operations.

So the surface owners are fighting back, and this newspaper supports their struggle. They face loss of agricultural income and the fact that the proliferation of strip mines may damage the environmental climate for agriculture beyond the boundaries of the mining area. Water tables, surface water flow, general scarring of the landscape—these are among the legitimate topics for rancher concern.

To try to settle the matter fairly, Sen. Mike Mansfield, D-Mont., last October successfully attached to a Senate strip mining bill an amendment which forbids any strip mining of federally owned coal where the surface is privately held.

Mining companies, waving the "energy crisis" wrapped in the flag, reacted bitterly, claiming that the ban would apply even to mining companies which planned to extract coal under lease rights they already had purchased. Ranchers were divided on the issue; some supported mining for income now; some opposed mining to save the land for the future.

Mining firms also argued that the Mansfield amendment locked up the 38 billion tons of coal at a time when the energy shortage "demands" development of all the domestic hydrocarbon resources we can lay our hands on.

So Rep. John Melcher, a Democrat who represents eastern Montana (where some of the coal lies), developed an amendment in the House. Melcher's proposal promises to move the debate off dead center, but it is controversial, too.

Melcher would give landowners legal authority to grant or withhold permission for mining of subsurface coal deposits. In other words, at least give the surface owner the right to say whether or not his ground will be ravaged by the bulldozer.

Congressmen from the West are divided over the issue; some say the rancher's permission becomes a vested right: money in his pocket for public coal. Others say, why not? Why shouldn't the surface owner make something if he is to let his farming operation be disrupted?

Conservationists who want to halt all strip mining favor the Mansfield amendment. There may thus be surprising strength in this blanket ban even though the case for mining the coal is persuasive. Easterners, jealous of the mining industry's move westward, may vote for the ban for selfish economic reasons.

The mining industry will fight the plan all the way. "The Melcher bill just gives the ranchers leverage to charge the public—in higher coal prices—for a resource the public already owns," said a coal specialist for a large oil company with offices in Denver. He ignores the rancher's right to compensation for damage to his livelihood.

The House bill with the Melcher amendment is moving to floor debate. At minimum the House should pass a tough bill and then let conferees hash out differences with the Senate.

Our Western congressmen probably face no more important vote for the future economy of this region. The essentials of the

House bill look good. At the moment, protection of surface rights demands attention and H.R. 11500, with the Melcher amendment, seems to be the best way to proceed.

Any Western congressman who panics before energy "crisis" pressure and votes to weaken this vital legislation deserves to hear from the voters.

AID FOR SOUTH KOREA—DICTATOR IN DISTRESS?

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. FRASER. Mr. Speaker, one of our country's most distinguished authorities on East Asia, Prof. Edwin O. Reischauer, pointed out in a recent letter to the New York Times the folly of continued American support for the repressive regime of President Park of the Republic of Korea. He argues that the American people are not willing to continue this commitment to "still another dictator in distress".

Professor Reischauer says:

I am deeply opposed to interference in the domestic policies of any other country, but our present support for Park is already a massive interference.

The blatant disregard for human rights demonstrated by the Park regime is a mockery of democratic institutions. The Park government is not the kind of government the United States should be encouraging through economic and military assistance.

I believe, as Ambassador Reischauer believes, that we must make sharp cuts in military aid to South Korea. Last week I became all the more convinced of the necessity to cut this aid. During a hearing of the Committee on Foreign Affairs, Assistant Secretary of State Robert Ingersoll admitted that the State Department had paid no attention whatsoever to the expressed will of Congress. The aid bill last year stated strong opposition to U.S. assistance for repressive governments like that of President Park.

For the information of our colleagues and the public, I insert the text of Ambassador Reischauer's letter be printed in the RECORD at this point:

SOUTH KOREA ON A "DISASTEROUS COURSE"

To the Editor:

If Vietnam has taught us anything, it should be to be aware of danger before we walk heedlessly into it. It is easier to avoid a catastrophe by forethought than to extricate oneself from a disaster after it has occurred.

Korea now is the case in point. After a war costing 142,000 U.S. casualties and \$80 billion, we have poured in another \$12 billion in economic and military aid and still maintain some 38,000 American troops in the peninsula.

I have hitherto supported this involvement for two reasons. First and most important, it lessened the possibility of the resumption of war in this strategically placed peninsula, lying between Japan, China and the Soviet Union. Second, it gave a chance to the people of South Korea to develop the prosperous and democratic society of which their high standards of education and capacity for hard work make them fully capable. The situation, however, is changing dras-

tically, and American policy therefore must be rethought. President Park is making a mockery of the democratic institutions of his country and seriously undermining the loyalty of his people. The kidnapping last summer of Kim Dae-jung and now the charges brought against him of violations of the election law in 1967 and 1971 are merely symptomatic of a harsh oppression that is beginning to resemble that of openly totalitarian regimes. Civil disturbances are predictable and could easily be followed by successful subversion from North Korea and even warfare.

President Park's regime is still supported by American arms, aid and a defense commitment, but as conditions are developing in Korea, if trouble should arise there, the American people simply will not support this defense commitment to "still another dictator" in distress.

This is something Washington should understand and make clear to Seoul. It can do this best by cutting sharply back on its military aid, now proposed at \$252.8 million, and starting to withdraw its troops from the peninsula. If the message fails to get through, at least we would be headed in the right direction—away from a possible catastrophe in Korea.

I am deeply opposed to interference in the domestic policies of any other country, but our present support for Park is already a massive interference. To cut down on it would hardly be greater intervention.

But only the Koreans can decide their own future. There may still be time for South Korea to turn back from the disastrous course it is following, which is sure to lose it the necessary support of both the United States and Japan. A good start for Seoul would be to permit Kim to leave the country, abolish its recently imposed draconian laws and permit again at least a modicum of free speech and political debate.

EDWIN O. REISCHAUER,
University Professor, Harvard U., Cambridge, Mass., June 7, 1974.

U.S. NUCLEAR TECHNOLOGY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1974

Mr. WOLFF. Mr. Speaker, this week I plan to introduce legislation to prohibit, without congressional approval, implementation of the recently declared executive policy to provide U.S. nuclear technology to Egypt and Israel.

The announcement of these agreements has caused considerable concern among many Americans. I view with great concern this new medium of exchange in international foreign policy, whereby nuclear power has been substituted as a bargaining tool for dollar assistance because the dollar presently has little appeal. I do not feel that in this day and age when we are striving for arms limitations and peaceful coexistence, we should add more members to the nuclear club. The recent precedent created by India's nuclear blast indicates that nuclear power designated for peaceful uses can be diverted to military ends.

The volatile nature of the Middle East raises grave concern that nuclear power may serve as a prelude to an extremely destructive force that might ultimately

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jeopardize U.S. security. We have seen the rise of terrorism in the Middle East and the indiscriminate use of terror tactics against the most helpless and innocent, women and children. What kind of nightmare would enfold should the nuclear technology we are providing ever reach the hands of terrorist forces? Once the nuclear chain is started, it is beyond our control. We may perhaps trust the word of President Sadat and Rabin but we have no assurances from whoever follows in Sadat's footsteps. We cannot afford to play nuclear roulette whatever the prize.

LITHUANIA

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. HORTON. Mr. Speaker, last Saturday marked the 34th anniversary of the forcible annexation of the Baltic Nation of Lithuania by the Soviet Union. It is incumbent upon us, as representatives of a free people, to remember this violation of human liberty and the unending struggle by Lithuanians to break the grip of foreign domination.

Since World War II, the history of Lithuania has been one of continuous resistance to Soviet oppression. An armed patriotic resistance movement waged war against the Soviets until 1953. Nearly 50,000 lost their lives. In the years since then, countless Lithuanians have been deported against their will and sent to other areas of the Soviet world. They have been replaced by Russians in an effort to quell resistance. But these tactics have not repressed the vision of a free Lithuania or the desire for self-rule.

Mr. Speaker, the plight of the young Lithuanian sailor, Simas Kudirka, is well known to the Members of this Chamber. Simas sought asylum aboard a U.S. Coast Guard vessel moored in our territorial waters. In a tragic mistake, Soviet officials were permitted to board the American ship and take Simas back to face trial. He is now in a Soviet labor camp.

Last month, Simas' mother, Mrs. Marija Kudirka Sulskiene, was officially registered as an American citizen and issued a U.S. passport at the American Embassy in Moscow. Through his mother, Simas Kudirka has derived a right to American citizenship. Mrs. Sulskiene has expressed a desire to come to the United States, but must first obtain a Soviet exit visa.

I have joined many of my colleagues in urging President Nixon, during his forthcoming trip to the Soviet Union, to intercede on behalf of Simas and his mother and to urge the granting of their immediate release. If the Soviets desire concessions from us in areas such as trade, they should be prepared to yield on issues of great concern to American citizens. To anyone who would doubt the force of world opinion and pressure, I would re-

mind them of Soviet action in the cases of Valery Panov and his wife, as well as that of Alexander Solzhenitsyn.

Mr. Speaker, the Lithuanian-American community has identified four areas of particular concern with respect to Soviet policies. They are:

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 Lithuania to a more reasonable limit.

Third. Elimination of unreasonable travel restrictions on tourists to Lithuania.

Fourth. Provision for Lithuanians to emigrate to other countries.

I hope these areas will also be included in the agenda of talks with the Soviet leaders. In anticipation of the Moscow trip, I asked the Department of State to comment on these policy recommendations and I include that response for the review of my colleagues:

DEPARTMENT OF STATE,
Washington, D.C., June 14, 1974.
Hon. FRANK HORTON,
House of Representatives,
Washington, D.C.

DEAR MR. HORTON: The Secretary has asked me to reply to your letter of June 4, which requests our comments on several policy recommendations made by the Rochester chapter of the Association of Young Lithuanian Americans.

The Department sympathizes deeply with the plight of all individuals and groups which have been prevented from exercising fundamental human freedoms. In general, we believe the more effective way to further the cause of human rights in areas controlled by the USSR is through quiet diplomatic efforts, as opposed to rigid and formal governmental demands regarding what Soviet authorities no matter how strongly we may disagree—consider to be their internal affairs.

We also believe that the moral weight of peaceful, lawful expression of public opinion can have an effect upon Soviet policy, and we believe that organizations within the United States as well as prominent Americans are fully justified in making their views known to responsible Soviet officials.

As with most countries, the Soviet Union regards the setting of customs duties as exclusively within its competence. It apparently imposes high duties on gift parcels from abroad as one of several means designed to accumulate hard currency reserves and perhaps also to discourage the practice of sending such parcels. Whether US citizens send parcels under those circumstances is a matter for individual decision, weighing the expense involved against the potential benefit to parcel recipients.

The United States recently discussed the five-day limit on tourist travel to Lithuania with Soviet authorities and requested that a more reasonable limit be established. We expect a Soviet response in the near future.

We have also raised with Soviet authorities the question of travel restrictions on Americans traveling in the Soviet Union. Unfortunately, the Soviets have not responded to our longstanding proposals to abolish the travel control system or to moderate it substantially. We recognize the hardships that this system imposes, and will continue our efforts to improve the situation.

As you may know, the Soviets view emigration as an internal matter and do not consider that their signing of the UN Charter—which in fact does not mention the right of emigration—or their adherence to other international documents affects their

position. We have nonetheless discussed the question of emigration with Soviet authorities on numerous occasions, through traditional diplomatic channels and in delicate negotiations pursued at the highest level. We have seen encouraging trends in Soviet emigration policy over the past five years. We believe that in the context of an improving US-Soviet relationship Soviet authorities will have incentives to continue these trends.

I hope you will call on me if we can be of further assistance.

Cordially,

LINWOOD HOLTON,
Assistant Secretary for Congressional
Relations.

FPC LICENSING ACTION

HON. WILMER MIZELL

OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 17, 1974

Mr. MIZELL. Mr. Speaker, last week the Federal Power Commission acted to license the Blue Ridge hydroelectric power project effective January 2, 1975. Upon learning of the FPC action, I issued the following statement:

I deeply resent the ultimatum which the Federal Power Commission has today sought to impose on the Congress of the United States by establishing a deadline for congressional action that may "delay or foreclose" the Blue Ridge power project.

The legislative process of the Congress is not, and should not be, subject to any dictates or constraints prescribed by an agency which is itself a creation of the Congress.

I have always sought to impress the urgency of this matter on my colleagues in the Congress, but it is the Congress—and not the Federal Power Commission—which must set the pace of legislative action in this matter, as in all others.

It is my hope, however, that this inordinate and unseemly demand by the Federal Power Commission will serve to strengthen the Congress' resolve to act with favor and with dispatch on the legislation I have proposed to preserve the New River and deny its destruction by the Blue Ridge power project.

Mr. Speaker, I do not like to make unwarranted insinuations or to unjustly question the motives of a Federal agency. I believe the Government suffers from much unjustified criticism today. However, I am compelled to relate my experience last Friday regarding this FPC licensing action.

In addition to being the Representative of the people who will be most affected by the Blue Ridge project, I am an intervenor in the application before the Commission.

But, I learned of the decision from a newspaper reporter contacting my office for a comment. I directed a member of my staff to telephone the FPC office of public information to determine if I could pick up a copy of the decision and press release.

Upon being told I could, I dispatched a staff member to the FPC for the documents. When he arrived, he was refused the needed copies. To make matters worse, he was not even permitted to use their telephone to let me know he would be returning without a copy of the FPC order.

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Mr. Speaker, it is regrettable that I was so thwarted in attempting to discharge my duties as the Representative of North Carolina's Fifth Congressional District.

LITHUANIAN INDEPENDENCE

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. SARASIN. Mr. Speaker, on Sunday, June 16, 1974, I had the distinct honor and pleasure to once again address my constituents at the St. Joseph's Church in Waterbury, Conn. on the Commemoration of Lithuania's Bondage.

A year ago when I addressed the parishioners of St. Joseph's Church, I had secretly hoped that this year's celebration might be a more joyful occasion. I hoped that Lithuanians would be exercising greater rights and freedoms as a result of the much-publicized détente with the Soviet Union. Unfortunately, my hopes have not been realized to any great extent over the past 12 months, but never being a nation to give up hope, our Nation is still striving to attain for our Lithuanian friends and relatives, the individual rights and freedoms we have come to know and take for granted in our country.

We can discuss these infringements and ponder the implications of such restraints upon our own lives, but that is not really helping the Lithuanians and other citizens in the Baltic States who must live under these rules daily. Therefore, I have made several gestures on behalf of Lithuania and her sister States of Latvia and Estonia in an effort to ease these suffocating regulations. I have, of course, kept in mind that we must avoid provoking the Soviet Union while urging that nation to grant the personal liberties.

Last year, I cosponsored a resolution asking the President, as well as our Delegate to the United Nations, to encourage the Soviet Union to release information regarding the health and overall condition of Simas Kudirka. He was the young seaman who attempted to escape to the United States from his Russian fishing vessel, but was captured and imprisoned by the Soviets. I have recently signed a petition which was presented to President Nixon, asking that he bring the Kudirka case before the leaders of the Soviet Government during his planned summit talks in the Soviet Union.

Because I believe that our country should continue to adopt policies which show a deep concern and commitment toward these Baltic States, I have cosponsored House Concurrent Resolution 546 with Hon. EDWARD J. DERWINSKI, which seeks to insure continued U.S. recognition of Lithuanian independence, Estonia and Latvian.

H. CON. RES. 546

Whereas the three Baltic nations of Estonia, Latvia, and Lithuania have been il-

legally occupied by the Soviet Union since World War II; and

Whereas the Soviet Union will attempt to obtain the 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.

I pledge my continued support for all Lithuanians and Americans of Lithuanian descent in striving to achieve freedom for the Baltic States before we commemorate another anniversary marking the loss of freedom. My only wish is that the next anniversary will be one of jubilation for new-found independence for Lithuania and her sister states in the Baltic area.

THE LATE H. F. "FRANK" CARTER

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 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 mechanic 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 unselfishly 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.

THE DEFEAT OF LAND-USE: A VICTORY FOR FREEDOM AND PRIVATE PROPERTY

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. LANDGREBE. Mr. Speaker, it was very satisfying to see the rule for H.R. 10294 defeated. The legislation was rampant with problems and ambiguities, some of which even the myriad of proposed amendments could not cure. The floor of the House is certainly no place to attempt such a grandiose scheme of patchwork. The basic issues manifested in the bill, however, are not dead. There are those who would continue this fruitless struggle with the long-range goal of effectively destroying the concept of individual ownership of property.

No one will dispute the importance of rational and efficient allocation of resources. However, the means as contained in this bill are totally inappropriate.

This country was founded upon the free-enterprise system which rests on the basic notion of individual ownership of property. The market has always directed the use of lands. Because of the profit motive, we can assume that a property owner will tend to put his land to its highest valued use. Thus, the ability of individuals to capture the potential returns from various uses of the resources provides a superior incentive for growth and development and for achieving the maximum output from the resources available.

Furthermore, a market system with private property rights has an inherent check on the actions of individual members of society. Each person's power to allocate resources to his own ends is limited by his wealth and ability to borrow.

Because we believe in these basic values, we firmly oppose this bill. Not only in the legislation drawn vaguely with its cryotic references to areas of "critical economic concern," but there are serious constitutional questions raised both in the area of individual property rights, and in the area of federalism. The following considerations point up the irremedial defects in this bill:

INDIVIDUAL PROPERTY RIGHTS

The bill, as it stands, raises serious questions of constitutionality with respect to individual property rights. The fifth amendment with respect to the Federal Government and applicable to the States through the 14th amendment, provides that any government "taking" of land shall be justly compensated. The difficulty, of course, arises in defining when a "restriction" on land becomes a "taking" within the meaning of the Constitution. Under this bill, a landowner whose property has greatly depreciated in value due to restrictions on its use is faced with initiating "inverse condemnation" proceedings in court in order to be compensated. Obviously, not many land-

EXTENSIONS OF REMARKS

owners can afford to choose this alternative nor can the already overburdened courts afford a rash of inverse condemnation proceedings.

The proponents of the bill claim that it is not economically feasible for either the State or Federal Governments to compensate for all these potential losses and with that argument, they dismiss the issue. Never in this country have we allowed administrative costs to supersede individual rights. We cannot do so here. The proponents of this bill also point out that the legislation itself is not *per se* unconstitutional. However, if there is a legitimate likelihood that in its application it would be unconstitutional, then that is enough to vote against its passage.

The bill is based on the unorthodox premise that land is a public resource—that it is owned privately only to the extent that the public does not need it.

This country was founded upon the notion that the individual rights of the minority cannot be compromised for the benefit of the majority. We must believe this is still valid. Thus, an individual's decision as to the use to which his land will be put cannot be compromised as for the general good to society by a Government decision so long as that use is not depriving his neighbors of their same rights. The Supreme Court, in *West Virginia State Board of Education v. Barnette*, 319 U.S. 624 at 638, states:

One's right to life, liberty and property . . . and other fundamental rights may not be submitted to a vote . . . they depend on the outcome of no election.

Granted, the individual decisionmaking process in the marketplace has not always been free of mistakes. However, these mistakes are never quite so enormous as those made by governments.

FEDERALISM

A centralized decisionmaking cannot produce a superior allocation of resources as compared to a decentralized market system based on individual ownership and property rights. The proponents of this bill claim that this situation is not changed by the proposed legislation—that the decisions are still basically made at the local level.

However, in reading the bill, even the language providing for input for the decisionmaking process at the local level is not persuasive. The bill is not "basically procedural" as its proponents claim. It contains dominant substantive elements that truly amount to an extension of Federal authority into realms traditionally local in nature. The bill purports to be merely an "ongoing decisionmaking process" with the Federal Government playing the most minor of roles, and yet at the same time, the bill contains line after line of specific criteria that must be met by each State in order to qualify for funds. If the Secretary of the Interior finds differently from a particular State with respect to areas of "critical economic concern" within its borders, or determines that a particular land use has more than a statewide impact, then the State must adapt its land use plan so as to be consistent with Federal policy.

The concept of "critical economic concern" is defined by such phrases as: "fragile or historic lands"; "natural hazard lands"; "renewable resource lands." Indeed, this concept is broad enough to include most of the land in every State.

Moreover, "voluntary participation" by each State is a fiction. Even without sanctions, the bill presents an almost irresistible enticement for the States to capitulate to the centralized land control in order to attain the much-needed slice of the \$900 million fund. To call this a voluntary exercise on the part of the States is not realistic. The loss of funds through nonparticipation is truly a penalty, and this coercion easily penetrates to the local level of land use control—indirectly pressuring local land use decisions to coincide with the State and Federal plans.

Finally, this inherent notion of centralized control is based upon the assumption that more viable solutions to our present land use problems can be made at the Federal level. A Washington solution to local land use problems is a sterile decision which cannot possibly reflect the market process. Its plan must necessarily conform to idealistic sociological desires.

If land use regulation is constitutional at all, it certainly is not to be implemented on the Federal level.

OTHER COUNTERVAILING CONSIDERATIONS

(1) There is a question as to whether this bill provides for a program that is at all "manageable." By specific reference, the bill incorporates practically every other Federal agency in the decision as to whether a particular State's plan qualifies it for Federal funds. This, of course, is a legitimate provision since the impact of land use controls at the Federal level extends beyond the jurisdiction of the Secretary of the Interior. However, this greatly adds not only to administrative costs but is also a formidable challenger to any State applying for funds of the different agencies as to which land should be restricted and how.

Second, the practical effect of this bill will be to impede substantially the development of energy sources at a time when we obviously do not need it. For example, the individual seeking to develop mineral resources must not only negotiate at the local level with the land owner, but he must also bear the costs of carrying his case to Washington if his proposed land-use is incompatible with the State and national plans. This will not only greatly slow down the development process but it will force the entrepreneur to pass these excess costs on to the consumer.

Finally, we in Congress are responsible for appropriating funds for this bill if it should pass. The obvious question that has not been answered is: Where is the \$900 million coming from? Are taxes to be raised? If not, then what present programs are to be cut in order to finance this project? The Federal Government's deficit spending and the worst inflation in the history of this

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country should lend an air of caution to the consideration of this bill.

CONCLUSION

It is essential to this country's prosperity to provide for efficient use of land. However, this bill adopts the wrong method. The free market process through mobilized public opinion can be just as effective as law in attaining this goal. We also agree that the environment must be protected through wise programs setting up minimum standards. However, this goal can be achieved without implementing a Federal land-use law which infringes on the fundamental right of individual ownership of property and greatly extends Federal authority into local concerns.

U.S. CHAMBER OF COMMERCE WARNS AGAINST H.R. 11500

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. HOSMER. Mr. Speaker, the U.S. Chamber of Commerce has forcefully warned of the unwisdom of H.R. 11500, the bill which would practically stop surface coal mining under the guise of regulating it.

The reclamation of mined land can be effectively mandated by H.R. 12898, which does not have those disastrous consequences. H.R. 12898 should be substituted for the defective measure H.R. 11500.

The U.S. Chamber's warning dated June 10 follows:

ULTRA-TOUGH STRIP MINE LAW COULD CAUSE A DISASTER

WASHINGTON.—The Arab oil embargo deprived the United States of about 1.4 million barrels of oil a day. Chances are you either felt that loss personally or you know someone who did.

Using that experience as a standard of comparison, ask yourself this: What would life be like if, next year, we faced a fuel shortage equivalent to 2.3 million barrels of oil a day?

In the opinion of federal experts a bill to "control" the surface mining of coal—now before the House as H.R. 11500—could have such an effect if it became law. (Surface, or "strip" mining is any kind of mining in which topsoil, rock or other strata are removed to get at underlying mineral deposits.)

The problem with this bill is not its intent. There is general agreement that land should be returned to a useful condition following surface mining, and that steps should be taken by the extractive industries to prevent such secondary consequences of mining as damage to water supplies.

GOING OVERBOARD

But H.R. 11500 goes much too far in pursuit of these goals.

John Sawhill, head of the Federal Energy Office, says that in its present form, this bill "would seriously cut existing coal production and also remove vast amounts of coal reserves from future production."

Rogers Morton, Secretary of the Interior, says of the same bill: "I am led to conclude that the bill will involve unacceptable coal production losses."

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Both men cite Bureau of Mines estimates that H.R. 11500 would reduce 1975 coal production anywhere from 31 million to 187 million tons, depending on the stringency of interpretation and administration. For 1980, the loss would range between 33 million and 271 million tons.

We can't afford such losses. The facts are these:

One ton of coal is equivalent in energy value to 4.5 barrels of oil.

Coal is the only fossil fuel we still have in relative abundance.

Electricity is now generated by nuclear reaction, water power, or by burning natural gas, oil or coal. Of these power sources, only the supply of coal can be increased significantly within a year or two.

Surface mining currently accounts for 50 percent of all coal production, or roughly 300 million tons. In 1970, more than 28 percent of our electricity was produced by surface-mined coal. Fifty-five percent of total 1970 coal production and 75 percent of 1970 surface-mined production of bituminous coal was shipped to electric utilities.

Coal high in sulfur content contributes to air pollution. Most of our low-sulfur coal is in the West. Most of the Western coal lies in shallow beds, near the surface. Therefore, it is not suited to deep mining.

It takes 3-5 years to open a new deep mine; only months to begin surface mining. There is a shortage of experienced deep miners. Surface mining entails fewer dangers and health hazards for the workers than deep mining.

LIVING WITH REALITY

Someday we will have better, cleaner sources of power—solar power, hydrogen fusion, perhaps even wind power.

In the meantime, we must get along on what we've got. To do that will require striking some difficult balances between the costs to the consumer and the costs to the environment.

Some people, I've noticed, have a tendency to pay lip service to the environment by backing almost anything proposed in the name of protecting it, no matter how extreme. But many of these same people go right on buying and using electric appliances, heating their homes comfortably in the winter and cooling them comfortably in the summer, taking long, high-speed drives in their cars, and complaining bitterly when utility rates are raised.

We just can't have it both ways at once. No fueling.

THE REVEREND LEON H. SULLIVAN AND OIC

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. RANGEL. Mr. Speaker, the employment and economic development problems of the inner cities are one of America's most important, but neglected, crises. The Reverend Leon H. Sullivan has been and continues to be a driving force in providing job training and placement, the vital first steps in the economic development of our inner cities. The success of his Opportunities Industrialization Centers of America is delineated in the *Wall Street Journal* article that follows. Mr. Speaker, I hope all my colleagues will read this significant success story of a great man:

June 18, 1974

THE WORK ETHIC: LEON SULLIVAN PUSHES JOB TRAINING AS KEY TO BLACKS' SUCCESS

(By Thomas J. Bray)

PHILADELPHIA.—Leon Howard Sullivan leans his six-foot, five-inch frame forward in the pulpit, gazes sternly out over his congregation and launches into his weekly sermon.

"God likes to stir people's nests from time to time." (Scattered amens.) "God stirred America's nest in the 60s during the civil rights movement." (More amens; his voice rises.) "God stirred President Nixon's nest, and little Mitchells and Deans fell out." (Laughter, "right-on.") "And God's stirring your nest—because he wants you to stand on your own two feet." (Loud chorus of amens and approval.)

It's an old theme—God helps those who help themselves—but one on which Leon Sullivan is well-qualified to preach. As founder and national director of the Opportunities Industrialization Centers of America, Mr. Sullivan has made a career out of self-help for blacks and other minorities. The OIC program began 10 years ago in an abandoned police station in the North Philadelphia slums and has since grown into a network of more than 100 job-training centers across the Nation. Over 150,000 disadvantaged and unskilled workers have been trained and placed in jobs ranging from brickworking to court reporting, and labor experts praise the OIC as one of the most successful and efficient manpower programs going.

AN INFLUENTIAL LEADER

The OIC program has helped make the 51-year-old Mr. Sullivan one of the more influential black leaders in the U.S. "He comes as close as any man to being my idol," says Jesse Jackson, the charismatic Chicago civil rights leader and onetime aide to Martin Luther King. Politicians of both parties regularly beat a path to Mr. Sullivan's door, and the businessmen who have lent their support read like a Who's Who of American industry. In 1971, Mr. Sullivan became the first black director of General Motors.

The OIC hasn't been Mr. Sullivan's only contribution to the black cause. He was a key—if youthful—organizer of the 1943 equal-rights march on Washington. In the 1950s, as pastor of Philadelphia's Zion Baptist Church—the largest church in Philadelphia, white or black—Mr. Sullivan pioneered the business-boycott techniques later adopted and expanded upon by the civil rights movement. "It was one of the stellar contributions to the movement," Chicago's Mr. Jackson says.

But it was the OIC program that brought Mr. Sullivan to national attention. He had begun his Philadelphia OIC in early 1964 with less than \$750,000, most of it raised privately; Mr. Sullivan mortgaged his own home to help meet start-up costs. The federal government, desperate for new ideas and programs that might help dampen growing inner-city tensions, was quick to embrace the OIC concept, however. Several million dollars in federal funds flowed into OIC coffers in 1965; by 1970, the sum had risen to \$13.5 million, and in the current fiscal year, it is expected to reach about \$23 million.

A GROWING CHAIN

The result has been a steadily growing chain of job-training centers modeled along the lines of the Philadelphia OIC. But the OICs haven't been without problems. A number of them are little more than shells, floundering for lack of local leadership or suffering from mismanagement. Others have been closed in the wake of revenue sharing, which gives city halls a veto power over financing. Federal cutbacks in manpower spending have also hurt; the OIC, which is almost entirely financed by the federal government, started this fiscal year expect-

ing to receive \$32 million in funds from Washington, but has been cut back twice to the current \$23 million level. But, as one staffer puts it, "The most impressive thing is that the OIC still exists at all."

In any case, the ups and downs of Mr. Sullivan's operations tell much about minority efforts to implement the gains of the civil-rights movement of the 1960s. Mr. Sullivan's career is also a remarkable story in its own right.

INTEGRATING LUNCHROOMS

That career started in Charleston, W. Va., where Leon Sullivan was born in a dirt alley to a mother who was an elevator operator and a father who was a janitor. He was raised mainly by his grandmother, and it was apparent fairly early that young Leon had brains, ambition and zeal. He was a good student, a good athlete—and a constant pest to white lunchroom owners who tried to deny him service. "I tried to integrate every place that said blacks couldn't enter," he recalls, "I couldn't understand why my people put up with it." Occasionally, he was successful: one establishment served him a Coke after he recited the Declaration of Independence from memory.

Mr. Sullivan won an athletic scholarship to West Virginia State College, and when an injury put an end to his football and basketball career, he worked his way through school in a steel mill. He also picked up a little extra cash as an itinerant preacher. In person, he is soft-spoken, almost shy, but his pulpit style is in the best tradition of fire-and-brimstone Baptist revivalism.

Soon after graduation, Mr. Sullivan encountered a flamboyant Harlem minister (later to be a controversial Congressman), Adam Clayton Powell, who was in West Virginia on a speaking engagement. Mr. Powell, impressed by the youth, invited him to New York, where he helped organize the wartime civil-rights march on Washington and entered prestigious Union Theological Seminary for his doctorate in divinity. For several years, he also served as assistant pastor of Mr. Powell's powerful Abyssinian Baptist Church.

In 1950, Mr. Sullivan came to Philadelphia as pastor of Zion Baptist, which then had a congregation of about 600. (It now is about 6,000.)

"There was a big problem with gangs," Mr. Sullivan recalls, "so I did a lot of youth work, organizing basketball leagues and things like that. But then I began to realize that a big reason for juvenile delinquency was unemployment. So I contacted every large company in Philadelphia—about 300 of them—and asked them to at least give job interviews to some of the kids. I wasn't asking them necessarily to hire all the kids, just to take a look at them. I heard back from 10 companies, and two said they would."

Outraged by the lack of response from the business establishment, Mr. Sullivan called a meeting of Philadelphia's 400 or so black clergy. He emerged with their backing for a massive business boycott. Boycott tactics had been tried before, notably by Harlem's Mr. Powell, but they were usually applied on a limited scale, such as demanding a few jobs as checkout clerks at local stores within the black community.

The Philadelphia boycott was designed to pressure companies on a citywide basis, starting with such vulnerable concerns as bakers and soft-drink bottlers. Blacks constituted about 20% of the city's population, and Mr. Sullivan estimates that at one point the boycotts involved nearly a half-million consumers. "After a while, all you had to do was show your face at a company," he recalls. Between 1959 and 1962, he figures, several thousand jobs were opened up for blacks.

EXTENSIONS OF REMARKS

Other observers recall the boycotts as being less successful for the number of jobs they opened up than for the sense of pride and organization they instilled in the black community. Mr. Sullivan shared the spotlight with the boycott's other organizers, but he was clearly the leader. His reputation was solidified when Martin Luther King asked him to go to Atlanta to help organize the boycotts there.

At the same time, however, Mr. Sullivan was moving beyond the protest tactics of the civil-rights movement. "Jobs were becoming available," he says, "but our people couldn't do them."

The result was the OIC. At first, Mr. Sullivan thought the solution lay in mobilizing the savings of the black community to form companies that would train and employ other blacks. "I got the idea from Jesus feeding the 5,000 with loaves and fishes," he says, referring to a Biblical story that emphasizes the Christian concept of sharing. Mr. Sullivan asked members of his congregation to set aside \$10 a month for 36 months—the 10-36 Plan, he called it—to form the seed capital for his ventures. More practical heads, however, persuaded Mr. Sullivan to separate the investment and job-training aspects of his program.

From the start, the OIC didn't claim startling new concepts in training as such. But it was soon apparent to the OIC staff that enrollees needed something more than training in skills. "The transition from unemployed to employed can be a lot for some of these people to grasp," a Philadelphia OIC staffer says. "Our feedback was that many people were losing their jobs not because their technical training wasn't adequate but because of personal problems and attitudes."

A feeder program was quickly established to acquaint the trainees, about half of whom are welfare recipients ranging in age from 21 to 40, with the realities of the largely white workaday world. The students learn such rudiments as how to apply for a job, how to take employment tests, how to accept criticism from their future bosses—and how to make complaints of their own. Punctuality, courtesy and social amenities are stressed; gum chewing and wearing hats indoors are out, good diction is in. One classroom is lined with mirrors to make students aware of their dress and grooming. "Basically," says Lorraine Lockett, an instructor, "we teach them to conform."

The applicants also take refresher courses in basic math, reading and oral communication during the feeder program. When the enrollees are judged ready—usually in two to five weeks—they are sent to the job-training centers. The Philadelphia program, for example, offers 14 courses ranging from keypunch operator to auto mechanic; there are four centers around the city. Close continuing contact with employers and careful follow-up work with trainees have produced a relatively high job-retention rate; more than 50% of the trainees are still on the same job six months later. (And a good many others move on to other jobs, it is believed.)

"That shapes up just as well as most company-run training programs," says a Labor Department official in Philadelphia who monitors the OIC program here. Adds a labor expert with an old-line civil-rights organization: "The OIC may not place its people at the highest level, but it is definitely productive—unlike most government programs that are supposed to deal with the hard-core unemployed." The OIC also says it does the job more cheaply—for about \$1,500 a trainee, compared with about \$3,500 in most federally financed programs.

For the enrollees, however, there can be financial problems. No stipends are paid in the OIC program, making it difficult for many to attend classes regularly but ensuring that those who do tend to be fairly well-

motivated. For various reasons, about a third of the enrollees drop out during the feeder program or during actual job training.

At about the same time that Mr. Sullivan was beginning the OIC program in the mid-1960s, he was also forming Zion Investment Association, an investment company in which parishioners provided most of the capital. (This was an outgrowth of his old 10-36 Plan.) ZIA bought some garden apartments, built a new shopping center in North Philadelphia and started several companies that supply parts to the aerospace and automotive industries. Assets now are about \$5 million, and ZIA has more than 8,000 stockholders.

But like the OIC, Zion Investment Association has had its share of problems. ZIA has stubbed its toe badly on several investments, notably a garment-manufacturing operation that attempted to double as a job-training program. The aerospace company lost \$500,000 last year, and the automotive-parts concern has been hurt, like other auto suppliers, by the energy crisis. Mr. Sullivan got a chilly reception recently when he approached John Bunting, chairman of First Pennsylvania Corp., Philadelphia's biggest bank, to ask for financing for shopping centers in other cities. "I told him we only back successes," says Mr. Bunting, whose bank had nonetheless been a heavy lender to earlier ZIA ventures.

Mr. Sullivan contends that ZIA eventually will turn the corner; one of his priorities is to help ZIA become a self-sustaining, dividend-paying enterprise. "It won't be easy," Mr. Sullivan says, "but it has to succeed so minorities can see that they can manage businesses, too."

Another of his goals is to cajole General Motors, of which he is a director, to assign more dealerships to blacks, promote more blacks to executive positions and train more black mechanics.

And, always, there's Mr. Sullivan's church, which burned down in 1971 but has been rebuilt on a larger, more modern scale, complete with a day-care center, classrooms for adult education and a gym for the basketball league that Mr. Sullivan organized nearly two decades ago.

It is from his modest church salary that Mr. Sullivan receives his only compensation, aside from some lecture and directorship fees; his clothes tend to be wrinkled and a little threadbare. He recently moved to a comfortable but modest home in a predominantly white suburb in order to be closer to the Quaker school that his three children attend. The move drew the predictable hate mail and telephone calls.

Mr. Sullivan continues to put in long hours, and he makes substantial demands on his congregation. At one recent service, offerings were asked separately for the Girl Scouts, and the church mortgage fund, missionary work and the general church fund.

He doesn't plan to let up, either. One ambitious project he is planning: to use the resources and manpower of his church, the OIC and ZIA to rehabilitate large chunks of the black ghetto in Philadelphia.

TWO FINE YOUNG MEN

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. PETTIS. Mr. Speaker, last week I was privileged to have two fine young men visit me from Palm Springs, Calif. Eighteen-year-old Will Marek, a high school senior, and 13-year-old Kevin Ambler, a junior high school student, were

visiting our Nation's Capitol as part of their prizes for winning the Palm Springs Rotary Club sponsored Americanism Essay Contest.

The topic of the contest was "How Can Faith in America Be Enhanced Among Youth?" Will and Kevin won in their respective age group categories and, after reading their essays, it is easy to see why they were chosen.

I am proud to commend the essays of Will Marek and Kevin Ambler to my colleagues as outstanding examples of the thoughts of two young men who personify what is right with our younger generation.

The essays follow:

HOW CAN FAITH IN AMERICA BE ENHANCED AMONG YOUTH?

(By Will Marek)

With Watergate, the energy crisis, the Middle East hot bed, and bearish Wall Street making their nightly appearances on the six o'clock news, many young Americans are beginning to seriously question whether their country will survive these turbulent upsets intact.

The seventeen generations of Americans that came before them could have had the same question. They lived through that first freezing winter at Jamestown, fought the Red Coats for their independence, and looked on as the Compromise of 1850 and following acts attempted to avoid the inevitable Civil War. They saw Lincoln fall in the Ford Theater, sat tight as depression, scandals and graft ravaged the nation in the 1870's, and were shaken as Harding's Secretary of the Interior was imprisoned for his part in the Teapot Dome Scandal. American life has never been a picnic. Hardship and controversy are part of our heritage. But so is overcoming them.

We have reached a point in history when every facet of our government has become suspect. Criticism is an essential part of a healthy society; however, it can be carried too far. Theodore Roosevelt observed this danger in 1906: "Men with the muckrake are often indispensable to the well-being of society, but only if they know when to stop raking the muck."

The time is coming to stop criticism and begin rebuilding faith and respect in our government. Just as Americans overcame such crises as the impeachment and acquittal of President Johnson, the Gold Conspiracy of 1869, and the McCarthy era, we will weather today's trauma and look back a little sadder, but wiser.

If our country is to survive these hard times, this generation, as well as those following it, must not only have faith that there will be a better day, but also do everything in their power to head us out of these troubles. Our worst enemy is indifference. If the people are apathetic, how can one expect their representatives to be anything but indifferent to the people's wishes?

Faith is a lot easier to lose than regain. Youth has become disillusioned with politics and government and now government must respond to this. A drive to make our leadership more open might be the answer. Through legislation requiring officials to make their incomes, income taxes, health and pertinent personal data public, some integrity and faith might be recovered. Not only would this preclude the unworthy candidate, but it would strengthen the truly qualified man.

Laws should also be passed regarding campaign contribution limitations and the "dirty-trick" side of politics. If politicians are no longer dependent on big business and personal interests, they can devote them-

selves more easily to the needs of the people. Perhaps these measures could be the start of the faith-restoring process in our politics.

We must also pick up some of our national goals that have lost ground on the priorities list. If we can continue to make strides toward a decent income for our aged and poor, improved social equality for all citizens, and a clean environment, perhaps youth would have a little more respect for government. There is a lot less to criticize in a "working" government that is accomplishing something.

In the past few decades the word patriotism has become unfashionable among the younger generation. Perhaps this is because the term patriot has taken on a false connotation. Most people think a patriot is someone who loves his country, but there is more than that to it. To truly love your country you must accept and acknowledge its faults. Some people called patriots are merely infatuated with their country and never admit it has shortcomings. An inadequacy not admitted only becomes bigger.

Adlai Stevenson said in 1952, "What do we mean by patriotism in the context of our times? . . . A patriotism that puts country ahead of self; a patriotism which is not short, frenzied outbursts of emotion, but the tranquil and steady dedication of a lifetime."

I am one person who thinks America can face just about any crisis and come out better from it. I only hope that the rest of my generation can maintain that same faith for the future.

HOW CAN FAITH IN AMERICA BE ENHANCED AMONG YOUTH?

(By Kevin Ambler)

The gong clanged and the siren yelped. Within minutes, thirty young people appeared from all directions to answer a fire call in Nashville, Tennessee. It seems that the adults had all lost interest in their volunteer fire duties so the youngsters took over and they are doing a great job.

In Modesto, a sixteen year old girl was appointed to the Park Commission. In San Anselmo, a twelve year old girl was appointed to the Parks and Recreation Board. The city fathers in both communities said that since youth represent the largest single segment of the population who use the park and playground facilities, they should have representation on the commission.

In Sacramento, a fifteen member panel of persons under twenty-five years of age will be appointed to the newly established Advisory Committee on Youth. The Commission, created by an executive order of Governor Ronald Reagan with Lt. Governor Ed Reinecke as chairman, will be responsible for coordinating information on youth activities throughout the state, advising the executive and legislative branches and conducting forums on areas of concern to youth. Members will be selected to represent, as closely as possible, the state's youth on the basis of geographical area, population, race and sex.

Another view of youth involvement can be seen in Tucson, Arizona. In a skid-row section, in the vicinity of the University of Arizona, a group of young people got together. Using more imagination and hard labor than money, they transformed the dilapidated stores into a unique shopping area. It is a popular place with the students as well as with the rich people in town who flock there, bored with their fancy shops and turned on by the real craftsmanship produced in the establishments. They like the decorated store fronts that show great originality. Twice a year, a crafts fair is held and everybody comes down and has a ball. What these industrious young people

have done is to recycle a tired-out urban district into an environment which reflects the dream of lots of kids who want to get into their own kind of business in their own way.

These are just a few of the positive aspects of youth involvement. This is the way young people should be heard—no picketing, no demonstrations, no riots—just positive action. Youth suffer from a shortage of confidence in their own abilities and as a result, adults panic at the thought of turning over to them any responsibilities. Those young people who are bold enough to chart a new course of youth involvement and youth leadership will be the ones to succeed, providing they also possess the follow through necessary to get things done.

In Los Angeles, Mayor Bradley's Youth Advisory Council is composed of forty-five members from every race and every walk of life. These young people feel that they are really involved. They are concerning themselves with the problem of developing gratifying roles in youthful enterprises so they can be certain that they have a place in society. Young people are looking for meaning and recognition in their lives just as older people do. Kids can feel rage and frustration the same as adults if they are thwarted in their attempts to achieve a meaningful existence.

Since the beginning of time, almost every man has wanted a son—and why? The reason for this is that the son can carry on the family name and in that way the father can feel as though he has achieved immortality, in some small degree anyway. Well, perhaps. Young people have the same needs only they want to accomplish their goals in a more self-fulfilling fashion. Rather than projecting their hopes and dreams through their children, they want to reach their destination in a more personal way like the well-known quotation, "please Mom, I want to do it myself."

The Los Angeles Youth Council plan to use the media for communication and urge the media to cooperate with them for areas of improvement and new programs. Youth must make known what they are doing and the facilities being provided for them to get involved. This group is working hard to get and to stay organized so that the council will not fail. They know if success is to be achieved that they must lay the groundwork for future councils. It is important that they establish a good track record. For instance, they are starting at the grass roots level—and what better place to begin? Find the areas of interest to the young people and direct them in a positive way toward those ends—into recreational opportunities, educational opportunities, employment opportunities or if they are so inclined, toward political opportunities. This last category is going to be somewhat of an uphill battle, I am afraid. For, since the franchise was granted to the eighteen to twenty-one year old group, only a small percentage have exercised their voting privilege. Young people, instead of protesting after an election must become active before the election.

No Monday morning quarterbacking here. We must learn all about the candidates and what they stand for. If we don't like what we hear then we must run our own candidates. This is the proper way to fight the system. Rioting will only get you an arrest record and a label of trouble-maker.

We youth of the nation want adults to listen to us because we feel very strongly that we have something to offer that is important. We have brains, common sense, physical strength, education and courage. We beg you to listen and after you hear us and have your pictures taken with us for the publicity of it, please don't turn your backs. Let something happen. Let us expect that we will have a real part in the schools, in politics

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and in society and we shall try to play our roles in a meaningful way. Knowing that we belong, really belong is the only way that faith in America can be enhanced among youth!

A TRIBUTE TO THE AMERICAN LEGION

HON. JAMES R. GROVER, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. GROVER. Mr. Speaker, I was honored last week to address the Suffolk County, N.Y., American Legion Convention at Babylon High School, hosted by my own Post No. 94. My remarks were as follows:

REMARKS OF HON. JAMES R. GROVER, JR.

Fellow Legionnaires, my comrades in arms, over fifty years ago a small group of Americans gathered in a Paris hotel to discuss the great challenges facing America after World War I.

Their vision saw the continuing international perils in an unsettled world. They saw the need for Americans to dedicate themselves to those keystones of our Nation's history: life, liberty and the pursuit of happiness!

They said to you, "Your mission, Legionnaires and American Legion, if you choose to accept it, is to work with patriotic zeal in the troubled years ahead for America, the bastion of democracy in the free world, by fighting the autocracy of classes and masses, by making right the master of might, by inculcating law and order and assisting your community and one another with a brotherly spirit of mutual helpfulness."

My comrades you have willingly accepted that mission, and you have performed well. You have worked to develop an American Legion which has helped the United States of America in the dangerous decades as defender of democracy, and in its recent years as world policeman. And you will now aid her and support her in the new role of international peacemaker. A generation—indeed a century of peace—is within our grasp, within the grasp of a strong America, strong in arms and strong in spirit. What the Grand Alliance could not do, what the Geneva League of Nations failed to do, what the United Nations cannot do, a united United States of America can and will do!

And as we as Legionnaires meet with new resolve to see new and historic accomplishments for our great country in its world posture, let us not be unmindful of our responsibilities to each other as veterans and brothers. It has been a tradition long-standing that our servicemen be compensated for their sacrifices with more than citations and medals. Simply stated, the Vietnam veteran should receive penny for penny, dollar for dollar, equal parity with the GI benefits which a grateful nation gave the veterans of World War II. The Legion stands for it; you do; I do, and so must the Congress of the United States! We must not settle for less!

And another way we can honor our Vietnam heroes is to stand firm on amnesty! The Congress of the United States has never granted amnesty, and the Congress of the United States will never grant amnesty!

To those who refused to serve for conscientious reasons, and who have remorse and prove it, and profess to love their country and prove it, I say, "Come back, face the music, take your punishment. You're lucky. Most other countries would have the firing squad waiting!"

In all justice, a full accounting for the

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families of the MIA's, we insist upon. For those comrades damaged in mind or limb, we have some good, some fine facilities. But good and fine hospital treatment is not enough. We insist excellence be the hallmark of the Veterans Administration.

And lastly, my friends, for those heroes of World War I who braved the hazards of that conflict and who are now needy after four or five decades of personal war with taxes and inflation, a retirement pension is now in order.

Suffolk Legionnaires, much has been done. Yet our mission is far from accomplished. When this convention is finished, take up the challenge anew to work, through the security of strength and with God's help, for peace in the world and here at home.

CON ED OF NEW YORK AND THE PUBLIC ATTITUDE TOWARD BUSINESS

HON. ROBERT J. HUBER

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. HUBER. Mr. Speaker, the recent energy shortage, plus other disruptions in supplies of raw materials for our economy have brought forth a wave of denunciations against the business community of this Nation. An attitude is appearing that asserts that all big business, by virtue of its size, is against the best interests of the people as a whole.

This attitude creates grave problems as Mr. Irving Kristol recently discussed in an article entitled: "The Mugging of Con Ed." Professor Kristol's article inspired the Richmond Times-Dispatch to write an editorial on this general problem, which I feel is worth the attention of my colleagues. The item from that paper of Friday, May 24, 1974 follows:

URGENT WARNING

Published on this page today is an article conveying an urgent warning that should be heeded by all Americans eager for their nation to remain economically strong and progressive. Written by New York University Professor Irving Kristol, the article specifically discusses the frightening financial plight of Consolidated Edison Company of New York, the nation's largest generator of power. Since many of the troubles of Con Ed, which has skipped a quarterly dividend for the first time in its history and faces the possibility of being taken over by the state, flow from a pernicious attitude that Americans are increasingly showing toward business in general, the company's problems are of more than provincial import.

That attitude views business—especially big business—and the "people" as antagonists pitted in an unequal struggle. Large corporations are often portrayed as oppressive and greedy giants who extort exorbitant amounts from consumers for the sake of making unconscionable profits. To combat the alleged avarice of big business, its critics constantly demand punitive and restrictive government regulations; and ambitious politicians, ever eager to appease any potentially large bloc of voters, strive to comply.

This attitude inspired many of the official governmental policies that led to Con Ed's troubles. It has inspired congressional efforts to impose an excess profits tax upon the nation's oil companies and to abolish the fuel depletion allowance, which has served as a vital incentive for the exploration of oil and

gas. It inspires the diatribes against business that flow from the pens of many of the nation's liberal and most influential journalists.

The essential weakness in this attitude is that it rests upon the false notion that large corporations are aloof and impersonal titans that stand apart from the people. The truth is that big business is people. Corporations are stockholders; anyone who owns a single share of stock in a corporation, or who has an interest in a pension fund that is invested in stocks, is part of business. If his interest is in a large corporation, he is part of big business.

Thus, Con Ed is not simply a group of high-salaried executives and directors; it is more than 300,000 stockholders. It is people like Mrs. Sydell B. Pflaum, 76, of Miami Beach, who had planned to use the dividends from her stock to support herself in retirement. It is people like Dorothy Belle Pollack of Teaneck, N.J., who has watched her \$25,000 investment in Con Ed dwindle to \$7,000. It is people like Mrs. Sylvia Gentleman of New York who has received nothing "but a lot of sleepless nights" from her \$17,000 investment in Con Ed.

And what about the Exxon Corporation? Is it simply a collection of fat cats who sit around counting their oil profits? No, Exxon is 755,000 individuals, men and women who have invested, some at great sacrifice, in the company. And consider the Virginia Electric and Power Company, whose request for a rate increase is being severely challenged in the State Corporation Commission. Vepco is 86,000 stockholders.

According to the most recent figures compiled by the New York Stock Exchange, more than 31 million persons own stock in 10,000 corporations and investment companies. At the time of its study, one in every four American adults—one in every four—was a stockholder. And most of these stockholders had family incomes of less than \$15,000 a year.

So when the critics of business attack, they attack millions of ordinary people. They threaten the financial welfare of teachers, plumbers, truck drivers, clerks and pensioners. They attack you, Mr. Stockholder. Unfair restrictions upon business can make its stocks less attractive to investors and deprive it of funds it needs to grow. By treating the big corporation as if it were an enemy of the people, instead of as an aggregate of people, which is what it is, critics of business discourage initiative, innovation and expansion.

It is precisely such an attitude that has helped push Con Ed to the brink of disaster, and it is such an attitude that is pushing the American economy in general closer to statism and further from the principles of free enterprise. If America is to avoid economic catastrophe, it must learn, before it is too late, that when it kicks business, it kicks and cripples itself.

100TH ANNIVERSARY OF THE NORTHPORT JOURNAL

HON. ANGELO D. RONCALLO
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. RONCALLO of New York. Mr. Speaker, it is my honor today to call the attention of the House of Representatives to the 100th anniversary of the Northport Journal of Northport, N.Y.

The Journal was originally founded in 1874 by Benjamin T. Robins who held off publication of his first issue to announce

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the birth of his first child, Archie. Robins continued publication until 1900 when he sold it to Dan Arthur who continued publication taking on Henry G. Simpson as a partner. Simpson published as sole owner from 1915 until 1921 when he sold it to John Alden Brett, a Boston newspaperman who handed over daily operation of the paper to his wife, Marion H. Brett. Tragedy befell that family, however, with the death in 1922 of Brett, and his wife, who was left with three small children, also found herself with a newspaper to manage.

She continued as editor-publisher of the Northport Journal for 50 years until the demands of business forced her to sell it to its present owner and my good friend, Angelo C. Scandalis, and his wife, Gwen.

Together they have brought imagination and hard work to produce a fine quality weekly and important part of life in one of my district's most beautiful areas.

I congratulate Tony and Gwen and wish them all future success in their fine work. I know all the Members of the House join me in that wish.

H.R. 12898 VERSUS H.R. 11500

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. HOSMER. Mr. Speaker, America's energy requirements demand that we mine and use every ton of coal we possibly can. Yet, equally as important as the availability of this coal is the reclamation of land from which it may be surface mined.

The following extract from Dissenting Views opposing H.R. 11500 and calling for the substitution of H.R. 12898 explain how both the environmental ethic and the energy ethic can be respected by the adoption of H.R. 12898 and the rejection of H.R. 11500:

DISSENTING VIEWS

We oppose the passage of H.R. 11500, the "Surface Mining Control and Reclamation Act of 1974", as amended and reported by the Committee on Interior and Insular Affairs.

We fully recognize the need for strict and fair legislation to regulate surface coal mining to assure that environmental degradations of the past are never repeated. We believe that an essential and integral part of the surface mining process is the prompt and certain restoration of mined land to a decent and environmentally acceptable condition.

We also recognize that our complex industrial society is power dependent and that the availability of adequate energy from surface mined coal is a societal value in America deserving at least equal legislative consideration with environmental values.

We oppose H.R. 11500 because the bill unwisely and unnecessarily discriminates against energy values in its single minded focus upon environmental values.

We propose substitution of the bill H.R. 12898 which we believe properly respects both these values.

The bill H.R. 12898 is quite strict in its requirements that mined land be reclaimed

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and restored. It prohibits the mining of any land that cannot be put back in as good a condition as before mining. But it does not impose unreasonable and unneeded restrictions or bans upon surface coal mining in order to accomplish these objectives as does H.R. 11500.

Rather, H.R. 12898 fairly and squarely reinforces both the environmental ethic and the energy ethic in the United States. By contrast, H.R. 11500 is an overreaction environmentally to the need to control and regulate surface coal mining in this country. It is ill-conceived legislation, the provisions of which are ambiguous, vague, and indefinite of application to the facts and varied conditions of surface coal mining in the United States. It is in essence a detailed federal regulatory measure which pays no more than lip service to the concept of state regulatory programs. It is short-sighted and dangerous legislation for a nation which is involved in serious energy circumstances because it minimizes the access to and the production of coal—our most abundant and logical fuel source—and presupposes the protection of the natural environment as our paramount national interest.

NUTS TO THE PEANUT PROGRAM

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. PEYSER. Mr. Speaker, on Friday of this week the House is scheduled to consider the agriculture environmental and consumer protection appropriations bill. I intend to offer an amendment to this bill prohibiting the use of any funds provided therein for the purpose of formulating or carrying out a price-support program for peanuts.

The price-support program for peanuts has cost the taxpayer \$611,926,000 in the years between 1955-73. In 1971 the program cost the taxpayer \$66.91 an acre for each of the 1,454,000 acres planted for a total cost of \$97,287,000. The situation results from 1938 legislation which requires the Secretary of Agriculture to support the price of peanuts at 75 percent of parity. If the market price is below this amount, the Federal Government buys the peanuts from the growers and sells them, at a loss, often up to 50 percent.

Additionally, the peanut program maintains a feudal system in this democracy of ours. Only those farmers lucky enough to hold peanut allotments may market this commodity. These farmers can lease the allotted land to others for substantial amounts of money. Thus, the value of the land increases dramatically. The Federal Government is therefore subsidizing the peanut grower and the allotment holder—often one and the same person.

According to USDA figures, the peanut program will cost the taxpayers \$1,183,000,000 between 1975 and 1979. The General Accounting Office—GAO—in 1968 and again in 1973 recommended the enactment of new legislation. The peanut program, however, is permanent legislation and will not terminate of its own accord. I therefore urge you to support my amendment and to finally terminate these outrageous payments.

June 18, 1974

OKLAHOMA WELCOMES THE PRESIDENT

HON. JOHN N. HAPPY CAMP

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. CAMP. Mr. Speaker, last month Oklahoma's Sixth District which I am privileged to represent was honored by a visit from the President of the United States and his lovely wife. I was proud of President Nixon and I was proud of the warm and rousing welcome the good people in my district gave them.

The President had come to Oklahoma to deliver the commencement address at Oklahoma State University in Stillwater. Some days later, I read a very interesting editorial concerning his appearance at OSU in the Daily Oklahoman. The article follows and I commend it to the attention of my colleagues:

LIGHT AND SIDELIGHTS

President Nixon met a warm reception on his arrival at Vance Air Force Base in Enid Saturday, although that might have been expected. If Oklahoma is still largely Nixon country, Garfield County is more intensely so. The men and women of the military bases also hold the President in special esteem because he was able to bring the prisoners of war home and end American participation in the Southeast Asia war—to most intents and purposes—without abandoning the reason we were there in the first place.

So an air base in Garfield County was certainly safe ground. Oklahoma State University, at Stillwater, was another scene, however. There is much blind opposition to Nixon on all campuses merely because he is Nixon and students are expected to support "liberal" political figures—just because! Yet on a campus with over 18,000 students only 50 or so could be mustered for what has come to be known as a "demonstration"—although all it usually demonstrates is bad manners. Another hundred were assembled from Oklahoma City and Norman to make up the cat-call section, which seemed to annoy the audience more than it did the President.

And Oklahomans turned out although it is custom for OSU to have big attendance at graduation ceremonies (in contrast to OU). The 25,000-seat south stands overflowed into the two end zone stands, and there were at least 5,000 seated on the playing field in the stadium. There was no doubt they were pleased to have a President as commencement speaker, and they listened respectfully as he discussed the problems and challenges of the age, as commencement speakers do.

The next night was commencement night at Norman. The speaker, chosen by the student government, was Harvard economist and political gadfly John Kenneth Galbraith, whose views set many teeth on edge in this part of the nation anyway. Galbraith used the occasion to indulge in political gibes at the President, and tempers flared in the sparse audience. Although only 3,000 or so of the graduates attended their own ceremonies, they comprised about half the total audience.

One irate Oklahoman is reported to have told Galbraith after the speech that although he minimized the importance of the office of the presidency, Oklahomans consider it vital "enough that three out of four of us voted against the man you recommended for the job."

The Washington press corps had traveled with Nixon, and of course had gone home, so the contrast was lost on them. But there were other revealing sidelights involving

them during the Stillwater visit. One, turning away from the President's address to seek more information on the lonely hecklers in the stands, was heard to say "There's my story!" Watergate and impeachment fever have so gripped that group that they can no longer believe a warm reception for Nixon, but have no trouble spotting his antagonists everywhere.

The presidential visit and the Harvard professor, and even the visiting reporters, gave Oklahomans some interesting insights into the President's problems. New light was shed on the man and his concerns, and the sidelights helped us to understand the rocks in his path.

REPORTERS' WORK COMMENDABLE

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. MIZELL. Mr. Speaker, it is a privilege to take just a few minutes today to recognize a young reporter for his excellent service to the constituents of the Fifth Congressional District of North Carolina. Charles Osolin has worked for the Winston-Salem Journal and Sentinel since the mid-1960's, and for the past several years he has held the position of Washington correspondent for that paper. Prior to his work with the Journal and Sentinel, Mr. Osolin was the editor of the Old Gold and Black at Wake Forest University in Winston-Salem, where he received his B.A. degree in English. In that position, the American Newspaper Publishers' Association presented Mr. Osolin with a "Pacemaker" award for his work. Mr. Osolin also distinguished himself by 5 years of service as an information officer in the U.S. Air Force.

Most recently, Mr. Osolin was the recipient of the 1973 Edward J. Meeman Award for excellence in reporting on conservation issues. The Meeman Awards are meant to encourage newspaper men and women to help educate the public and public officials to a better understanding and support of conservation through their newspaper writing.

I can think of few individuals more deserving of this award than Mr. Osolin. He has been one of the most influential journalists covering an environmental controversy in North Carolina that has attracted national attention. Mr. Osolin's efforts and talent have played a major role in thus far keeping an environmental nightmare from coming true.

The case involves the New River on the North Carolina-Virginia border and an attempt by the Appalachian Power Co. of Roanoke, Va., to dam the river and cause severe environmental damage in the process of constructing and operating a massive, and most probably inefficient, powerplant. New River is believed to be the second oldest river in the world, and the last remaining major unpolluted river in the eastern United States. It has been identified by the Environmental Protection Agency as a "major environmental resource," and its destruction would be a loss to the immediate region and the Nation as well.

Mr. Osolin's influence in this case has

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been demonstrated time and time again by repeated references in congressional and Federal agency testimony to his incisive and intelligent reporting. When making the presentation, President Matt Meyer of the Scripps-Howard Foundation, which sponsors the Meeman Awards, said:

Your hardhitting in-depth reporting, and then your eloquent editorial comment, must have great impact and will eventually save New River from harmful exploitation.

There is little doubt that both Mr. Osolin's reporting and the impact of his influential and widely read opinion column have helped to persuade public officials to support the conservation position.

Last week I learned with personal sadness that Mr. Osolin will soon be leaving his position with the Journal and Sentinel for another job. I feel that the citizens of my district are losing an effective and forceful voice for their interests, but I congratulate Mr. Osolin on his good fortune. I am confident that this young man, only 31 years old, will continue for many years to serve the people of this country with vigorous and effective reporting. Mr. Osolin is the kind of newspaperman we need more of in our Nation. I wish him well, and thank him again for his outstanding service to the citizens of the Fifth Congressional District of North Carolina.

It is proper that I should recognize another young, dedicated journalist on the Journal and Sentinel staff, Mr. Robert M. Poole, who, like Mr. Osolin, has been honored with a Meeman Award. Mr. Poole's award was for a series of articles he wrote dealing with the preservation of North Carolina's coastal areas. This is a matter of concern to all North Carolinians, and Mr. Poole has rightly been commended for his efforts. Mr. Poole also received a Meeman Award last year for articles on stream channelization. That same series also won the Thomas L. Stokes Award, given by the Washington Journalism Center annually for what it considers the best energy or conservation writing in the United States and Canada. It is a privilege, as Representative of the Fifth Congressional District, to offer congratulations and thanks to Mr. Poole for his meritorious service to my district and the State of North Carolina.

HON. STOKES OFFERS PROPOSALS TO AID LITHUANIA

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. STOKES. Mr. Speaker, I am proud to be able to speak in behalf of the people of Lithuania who for the past 54 years have been denied the right of national self-determination, who have suffered continual religious and political persecution, and who have been unable to exercise their basic human rights.

Following deportations of thousands of Lithuanians to Siberian concentra-

tion camps, the Lithuanians have continued to suffer the rigors of arbitrary oppression which is so repugnant to those who are dedicated to freedom.

We have a unique opportunity as we extend and expand our relationship with the Soviet Union to urge as strongly as we can that some of those policies most abhorrent to the United States, and which are not vital to the national interests of the Soviet Union, ought to be curbed. In light of what has already transpired, I think the following suggestions for the improvement of the situation of the Lithuanians are entirely in keeping with fairness and the basic tone of our foreign policy:

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 Lithuania to a more reasonable limit;

Third. Elimination of unreasonable travel restrictions on tourists to Lithuania;

Fourth. Provision for Lithuanians to emigrate to other countries as provided by the Charter of the United Nations signed by the Soviet Union.

I call upon the U.S. Government and its officials to utilize this unique opportunity to ease the plight of the people of Lithuania and other captive nations.

QUEST FOR FREEDOM

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. FORSYTHE. Mr. Speaker, the Baltic States of Latvia, Lithuania, and Estonia continue to inspire our admiration for their thirst for independence. Their refusal to allow the yoke of tyranny to negate their love of freedom demonstrates an unquestionable loyalty to democratic principles.

The struggle from oppression began over 34 years ago on June 15, 1940. It was this forcible entry and subsequent annexation by the Soviet Union, that was followed quickly by a public policy of tyranny, repression, and cruelty which began with thousands of deportations to Siberia the following year.

Soviet tyranny continues to this day to forcefully restrain independent action by Baltic citizens. It attempts to control every movement as well as every thought. Religious, political, and national ideologies contrary to Soviet doctrine continue to be strictly discouraged, while excessive tariffs, travel restrictions, and emigration laws remain unreasonable.

Such repression does not diminish but instead nourishes the Baltic citizens' unique spirit of independence. Their response is one of continuous vigilance in efforts to remind the free world through petitions, demonstrations, and desperate acts of suicide that they refuse to succumb to the treachery of the Soviet Union.

Let us respond to their tireless efforts by continuing our refusal to recognize

the annexation and incorporation of the Baltic States by Soviet Russia. And let us recognize as we negotiate at the Conference on European Security and Cooperation in Geneva that the cherished ideals of truth, freedom, and independence should never be extinguished.

MRS. GREEN TEACHES ACLU

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. CRANE. Mr. Speaker, all of us support the concept of due process of law. It is one of our fundamental liberties guaranteed by the Constitution. Many have even formed organizations to protect this concept, and to challenge violations in the court. Yet many of these same persons and organizations are strangely silent regarding the violation of such principles with respect to the current impeachment process. Indeed those who profess to champion these civil rights are themselves ignoring them here.

It is time to speak out in protest against those who urge the Congress to impeach without examining the evidence, and who cloak the accused with a presumption of guilt rather than the presumption of innocence which the Constitution guarantees to all.

Mr. Speaker, my close friend and esteemed colleague from Oregon, Representative EDITH GREEN, has taken a strong stand against such double standards, urging the preservation of due process in these proceedings. As she has stated so eloquently:

The means by which we arrive at our decision may prove of even greater importance than the decision itself . . . abandoning the due process can only make a travesty of justice.

Mr. Speaker, I should like to place in the RECORD a recent article detailing the remarks of my distinguished colleague. I would urge us all to follow her strong leadership in taking a stand against any abuse of the constitutional guarantees which we hold so dear:

MRS. GREEN TEACHES ACLU

(By Bill Anderson)

WASHINGTON.—One of the most respected members of the U.S. House of Representatives is Mrs. Edith Green, often called a Liberal Democrat from Oregon as she helped in the presidential nominations of John F. Kennedy and Adlai E. Stevenson.

Before her election to Congress in 1954, Mrs. Green was a teacher. Today, as she is about to step out of the House (although she was a cinch for reelection), her expertise continues to be in the field of education. Today she also happens to be teaching the American Civil Liberties Union a thing or two about the duties of a member of the federal legislature.

The background for this is that the Oregon branch of the ACLU is just as staunchly pushing for the impeachment of President Nixon as is the national organization. In its zeal, the Oregon ACLU sent Mrs. Green a rather long letter, which we excerpt:

"We regret that you did not find the time

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during the recess to discuss impeachment issues with us," the ACLU letter says.

"While we agree that your decision on impeachment should not be based on the opinions of your constituents, we had hoped to be able to present arguments on the merits for your consideration.

"We hope that you will reconsider your position that it would be inappropriate for you to decide whether the President should be impeached prior to a report of the judiciary committee. Since you would only be deciding that evidence should be presented to the Senate so that it may determine whether he is guilty of an impeachable offense, you need not and should not require the production of conclusive proof of the President's guilt.

"As we have pointed out in our previous resolution, evidence sufficient to justify impeachment is already before the nation as facts which are not disputed by the White House. Evidence sufficient to prove or disprove many of the charges against Richard Nixon will apparently not be made available to Congress or to the people except through the impeachment process.

"We have had more than a year of trauma and impeachment is the only way to end it. The House of Representatives has a constitutional duty to impeach. Failure to do so will not only prolong the nation's agony until 1976, but will destroy the fundamental principle of our form of government for which the Revolutionary War was fought: that the people may be free of tyranny by virtue of a system limiting the powers of government generally and particularly those of the chief executive."

Mrs. Green replied that she was "fully aware" of her responsibilities. She acknowledged that while the House action would be similar to a grand jury, one difference was the political pressures at work. Mrs. Green said:

"The Members of the House nevertheless have a right—indeed, a duty—to conduct their own inquiry in a dignified manner and to resist outside pressures to prejudge the results. While I appreciate the ACLU's and other lay organizations' attempts to relieve me and my colleagues of our constitutional responsibilities, I, speaking for myself, most respectfully decline."

"The House has appropriated \$1 million for the purpose of gathering and assessing pertinent data. We have had a few precedents to guide us in a proceeding of enormous consequence both to present and future generations. The means by which we arrive at our decision may prove of even greater importance than the decision itself. As the ACLU should surely be aware, abandoning the due process can only make a travesty of justice."

Then she asks: "Where in the Constitution does it state, as you state in your letter, that 'The House of Representatives has a constitutional duty to impeach'? My copy of the Constitution reads, 'The House of Representatives . . . shall have the sole power of impeachment.' To me, there is a significant difference."

And she adds: "Do you genuinely believe the House should accept, without separate inquiry, the conclusions of the ACLU or any other organization? If the answer is yes, how would you suggest we decide which organization's conclusions to accept? As you know there are other organizations whose viewpoint is diametrically opposed to yours . . ."

Mrs. Green asks: "Do you believe the accused, the most powerful as well as the least, are entitled to a presumption of innocence and to due process of law? If so, how do you justify the ACLU's current nationwide lobbying effort to pressure members of Congress to forthwith impeach the President? . . ."

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VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974

HON. JAIME BENITEZ

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BENITEZ. Mr. Speaker, I understand that the Senate will be considering S. 2784—Vietnam Era Veterans' Readjustment Assistance Act of 1974—tomorrow. I am gladdened by the fact that we are recognizing the special needs of our recent returnees from Vietnam, and am especially gratified by certain provisions in the bill, which deal with providing special services to the Vietnam era veteran who has a limited English-speaking ability.

If the problems of the veteran are serious, they are even more acute for the veteran who possesses a limited command of the English language. S. 2784 provides for the dissemination of information relating to benefit eligibility, claims, education, employment, et cetera. It also provides for VA counselors in areas where there are large concentrations of Spanish-surnamed veterans. Federal agencies, such as the Department of Labor, are authorized to fund groups which possess skills and expertise in veterans' affairs, so they can provide the necessary special information and orientation services to these veterans.

I would like to recognize the arduous task undertaken by the National Congress of Puerto Rico Veterans, who conscientiously espouse the cause of the Puerto Rican veteran, and who have strongly supported the aforementioned provisions in the bill. But I would especially like to endorse and commend Senator VANCE HARTKE, chairman of the Senate Veterans' Affairs Committee, for his strong initiative and commitment which will be of incalculable benefit to the Puerto Rican veteran, both in Puerto Rico and in the States.

I would like to enter in the RECORD the letter which I sent Senator HARTKE in this regard:

CONGRESS OF THE UNITED STATES,
Washington, D.C., June 18, 1974.
Hon. VANCE HARTKE,
Chairman, Veterans' Affairs Committee, Old
Senate Office Building, Washington, D.C.

DEAR SENATOR HARTKE: I would like to commend you and your colleagues on the Committee on Veterans' Affairs for making the Veterans' Outreach Services Program more responsive to the needs of the Puerto Rican veteran. Section 217 of S. 2784 addresses itself to these special needs by providing for V.A. information in Spanish, and V.A. bilingual counsellors in areas with large concentrations of Spanish-surnamed veterans.

The aid and assistance which is provided to the veteran with limited English-speaking ability through the outreach services (Section 241, Subchapter IV, "Veterans' Outreach Services Program") is commendable. This section provides information regarding benefits, education, employment, and claims in the language of the veteran with limited English-speaking ability.

In addition, Section 244 allows community-based national or local organizations who possess the knowledge and expertise, to pro-

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vide special services to veterans, through Federal support, particularly through the Department of Labor.

I trust that the Senate will act favorably upon legislation, and hope that these invaluable provisions dealing with the needs of those veterans with limited command of the English language will be reaffirmed in the final bill.

Cordially,

JAMIE BENÍFEZ.

ONE CONSTITUENT'S VIEW

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. REES. Mr. Speaker, Mr. L. E. Cutler, a constituent in the 26th Congressional District of California which I represent, has requested that his recent letter to me be read into the RECORD. In accord with his wishes, I am submitting his letter:

LOS ANGELES, CALIF.,
May 3, 1974.

Congressman THOMAS REES,
U.S. House of Representatives,
Washington, D.C.

My DEAR CONGRESSMAN: With the action of the President, Mr. Nixon, regarding the tapes comes a clear charge to all of Congress. There is no debate, no possible out, no compromise of principle available to provide room for more inaction on Congress' part. The congressional subpoena issued to Mr. Nixon and extended for his convenience by the Judiciary Committee was defied. Defied by Mr. Nixon in both the substance of the "compromise" and in principle. The tapes were not made available, and I'm not certain the requested documents were delivered. Now, you tell me that he has not defied Congress and that he is not in contempt of Congress.

He can be and should be impeached on that basis alone. The President of the United States completely disregards his oath of office to uphold the Constitution, and he decides how Congress shall execute its right of impeachment. The accused or investigated (whichever you prefer) edits the evidence and tells Congress, "That's it. All of it. That's all you get. And now, that you have this, I don't want you to investigate anything else, milk deals, taxes, contributions. No, just look at the edited evidence I've delivered to you."

As a forum for this gesture of defiance, Mr. Nixon chooses to go before national television in a histrionic speech and appeal to the people. It is obvious from the transcripts and much more obvious from Mr. Nixon himself that he is not fitted to the stature of the office. He finds himself in superior company. I would imagine that Grant would (have been) embarrassed to be seen with Richard Nixon.

Mr. Nixon said that the act of impeachment was the most solemn Constitutional act. Well, that shows you where his thoughts are. The most solemn act in a Constitutional democracy is the electoral act itself, for it is the only feeble means for the governed to change and influence the direction of their state. It is this solemn act which Mr. Nixon has abused and perverted and distorted in every one of his campaigns. It is in part, for these same abuses that he is now being investigated. However, he now sees no need even to be discrete in his abuse of the Constitution itself as evidenced by his behavior throughout the "Watergate" investigations.

Still congressmen and women hold their tongues, still committees debate and mull

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over this and that. Do you all think there is no cause for reasonable men and women to wonder?

"But when a long Train of Abuses and Usurpations, pursuing invariably the same Object, evinces a Design to reduce them (the people) under absolute Despotism, it is their Right, it is their Duty, to throw off such Government, and to provide new Guards for their future Security."

The Declaration of Independence, July 4th, 1776.

Something to think on.

Sincerely,

MR. L. E. CUTLER.

VIEWPOINT ON JEWISH POOR

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Ms. ABZUG. Mr. Speaker, an article recently appeared in *Viewpoint*, a publication of the National Council of Young Israel, that is of special interest to my constituency and ultimately to the Congress as well. According to Jerome M. Becker, president of the Metropolitan New York Coordinating Council on Jewish Poverty, nearly 20 percent of New York City Jews are potential welfare recipients. These astonishing figures came out of a coordinating council study of New York's Jewish poor. Rabbi Jack Cohen, who is executive director of the Coordinating Council, disclosed statistics showing that one-tenth of New York City's Jewish population lives below the poverty level as defined by the Bureau of Labor Statistics.

Our priorities in this country are topsy-turvy. The astronomical amount of money we are spending on the military could be better spent for the Nation's poor, ill, aged, underprivileged, and handicapped. The Federal budget, at a time of supposed and illusionary peace, includes the highest military appropriations ever proposed—some \$94 billion. There is no way to justify this misuse of human and natural resources.

On disclosing the numbers of Jewish poor, Rabbi Cohen declared:

We must be ever cognizant of the fact that only the Federal Government commands the personnel and the funding needed to break the pattern of poverty that ruthlessly entraps its victims.

I concur with Rabbi Cohen's observation and therefore I commend the following article to the attention of my colleagues:

JEWISH POOR

One out of every five Jews in New York City is a potential welfare recipient, Jerome M. Becker, president of the Metropolitan New York Coordinating Council on Jewish Poverty, declared recently.

Commenting on the results of a report compiled by the Coordinating Council, the central communal body for ameliorating the plight of New York City's Jewish poor, Mr. Becker said, "Our statistical data discloses that 357,100 persons, or 19.9 per-cent of the estimated 1,800,000 Jews in New York, may now be considered potential welfare risks." This represents an increase of 85,500 persons from the total of 272,000 poor Jews cited by the Federation of Jewish Philanthropies in

its 1972 demographic report on the Jewish poor.

The latest study, prepared by Coordinating Council Executive Director Rabbi Jack Simcha Cohen, disclosed a total of 190,800 persons, or 10.6 per-cent of the Jewish population living under the Poverty Level. A total of 80,800 persons, or 4.5 per-cent of New York City's Jews have incomes between the Poverty and Near Poverty levels. (Near Poverty is defined as the maximum income of the Poverty Level multiplied by 1.25) These two categories constitute the estimated 272,000 Jewish poor, the earlier figure reported by the Federation.

However, in recent Federal programs, the Bureau of Labor Statistics Lower Income Level has been utilized as the base for defining low income. In addition, this figure has been utilized in New York City as the criteria to determine the number of residents who are potential "risks" of going on welfare. According to the New York City Human Resources Administration, these are persons who just manage to make ends meet and must turn to welfare in any financial crisis; e.g. sporadic unemployment.

By taking this new income category into account, an additional 85,500 persons, or 4.8 per-cent of the total Jewish population of New York City may now be labelled potential welfare risks.

While the survey discloses that 1,105,400 or 61.4 per-cent of New York's Jews earn decent incomes which are greater than the moderate BLS level, the percentage of potential welfare risks has now outstripped the percentage of working class, defined as having incomes between the BLS lower and moderate budgets, which now constitutes 337,500 or 18.6 percent of New York City's total Jewish population.

ORTHODOX NEEDS CITED

Furthermore the report notes, these standards do not take into account the additional needs of Orthodox Jews for kosher food, or the cost of day school education. "As a result of these expenditures for religious necessities," Rabbi Cohen noted, "certain segments of society may actually be poor even though their incomes are above the officially accepted yardstick level."

Indicating that the statistical data utilized in compiling the report was now nearly two years old, Rabbi Cohen added, "It is imperative to note that, when one takes into account the skyrocketing rate of inflation, especially as it pertains to food costs, and the problems of rising unemployment, particularly as they are exacerbated by the energy crisis, these figures of Jews approaching the poverty level are, in reality, minimum estimates. Were one able to compile a 1974 up-date on these figures, all indicies point to a dramatic rise in the percentage of persons in the Poor and Near Poor categories."

Noting that "the organized Jewish community does not possess the boundless resources needed to support the masses of the needy and the impoverished," Rabbi Cohen declared, "we must be ever cognizant of the fact that only the Federal Government commands the personnel and the funding needed to break the pattern of poverty that ruthlessly entraps its victims."

PERSONNEL BRIDGE GAP

Calling upon Jewish organizations to aid the Coordinating Council in the development of "facilitators," people who know to properly and legally "work the system," Mr. Becker added, "As a result of this report it becomes evident that our priority must be to train the personnel who will serve as the interlocking bridge between communal needs and governmental aid. In keeping with its role of communal advocacy, the Coordinating Council will exert every effort to insure that a high level of rapport is main-

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tained between the government and the poor."

The Metropolitan New York Coordinating Council on Jewish Poverty represents more than three score national and grass roots leadership organizations, including the National Council of Young Israel, providing a communal response to Jewish poverty in New York City. In December 1972, the Coordinating Council received a grant from the New York City Human Resources Administration. This grant was renewed with a 30 per-cent increase in December, 1973, for 1973-74. In addition, the Coordinating Council has been awarded a grant from the Federal Office of Economic Opportunity.

The Coordinating Council has developed neighborhood Jewish Community Action Programs in the Lower East Side of Manhattan and in the Concourse section of the Bronx. In addition, it has staffed local Jewish community councils in Boro Park, Brighton Beach, Coney Island, Crown Heights, Queens, the Rockaways, Rugby-East Flatbush and Washington Heights Inwood, provides research on Jewish poverty, and serves as an advocate of the Jewish poor.

U-CREST FIRE COMPANY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. KEMP. Mr. Speaker, I would like to draw to the attention of my colleagues in the Congress that June 20 marks the 50th anniversary of the U-Crest Fire Company, Inc. of Cheektowaga, N.Y. On that day in 1924 a group of community minded and dedicated men formed a fire company which presently holds the distinction of providing protection for more property than any other fire company in Cheektowaga, N.Y.

I draw this to the attention of my colleagues because of my continuous interest in fire prevention and control act benefits and services for both full-time and volunteer firefighters. I recently helped sponsor H.R. 11989, the Fire Prevention and Control Act of 1974.

This measure would, specifically—

Create a National Bureau of Fire Safety and a Fire Research Center within the U.S. Department of Commerce:

Authorize an improved treatment program to be conducted by the National Institute of Health;

Authorize the Secretary of Housing and Urban Development to extend loan insurance to nursing homes for fire prevention equipment; and

Provide reimbursement for local fire-fighting efforts on Federal property.

Title I of the bill establishes within the Department of Commerce a National Bureau of Fire Safety, within which will be established a U.S. Fire Academy.

These benefits will be available to full-time and volunteer departments.

The second objective is the establishment of a national fire date clearinghouse to provide a better understanding of the fire problem and to secure accurate, reliable data urgently needed in order to expand fire technology R. & D. programs.

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The third objective is to facilitate the transfer of NASA technology to the fire service.

The U-Crest Volunteer Fire Company, like all others, deserves these benefits and deserves to be supported by the Congress.

The U-Crest Fire Company had modest beginnings with only the bare minimum of equipment. The devoted men worked hard to achieve their present status which currently boasts the most modern firefighting equipment and facilities.

Certainly the efforts and the deserving rewards of such efforts should not go unnoticed. Certainly an organization which exists because of the loyalty and undying dedication of 80 volunteer men should serve as a model to all community-oriented agencies and must gain the recognition it merits.

The U-Crest Fire Company provided me with a brief history of their career focusing on the highlights of their history. It is now my privilege to relate their experiences and say how proud I am of those volunteer firefighters not only from U-Crest but all over our community and country who give unselfishly so we can be safe from the scourge of fire.

HOW IT ALL BEGAN

In the summer of 1924, upon the urging of several local merchants, a group of young men: Bremiller, Fath, Wise, Schieder, Kielholz, Kron, and several others met at the Gangnagel Real Estate office located on the north corner of Northcrest and Union. The building is now moved back on lot from the corner. The fire company was born, and after several meetings at this location, moved its headquarters to the backroom of a tavern owned by Baptist Schieder and located on the corner of Union and George Urban.

The infant fire company took the name U-Crest from the U Shaped curve made at the intersection of Northcrest and Southcrest Ave. By standing at Union and George Urban and looking down the trolley tracks on Orchard Place this U was clearly visible.

The first fire of recollection was in the Wenzel home on Orchard. A chimney fire. The men responded and fought the fire with the only equipment they had at the time; two-hand-held fire extinguishers of approx. 5 lb. each, carried on the run from the back-room hall.

The equipment situation improved when Eggertsville loaned U-Crest a hand-drawn hose cart. This was kept in a garage which stood, until recently, just across Evergreen from the present firehouse. At an alarm the men would run to Dan Davids back door, get the key which hung by a round steak-bone from a nail, open the garage and pull the hosecart to the scene. Occasionally, the cart was tied to a car for the trip.

The year 1928 was a momentous one for U-Crest. Ground was broken for the firehouse and an honest-to-goodness Buffalo pumper was received. The hosecart was returned to Eggertsville where it may still be seen. The bill for the construction of the firehouse? \$19,000! This firehouse is the central structure of our present hall with the exception of the original hosetower which blew down, siren and all, in a heavy wind-storm.

The 30's were hard years but by individual sacrifice the company continued to serve the community.

During the war the members of the company were required to take their turn in sleeping at the firehouse each night. George Keller, company Secretary, would shine a light in the window each night to check.

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During the war years the men were trained in first-aid and in 1944 the reconditioned Dodge panel truck went into service as a rescue truck.

In 1952 with the purchase of the Maxim Quad and in 1956 with the replacement of the Buffalo by a Maxim pumper the modern era at U-Crest began. The improvements followed quickly, in 1958 the Maxim First-Aid truck, two 1000 Gallon per minute pumbers, the Snorkel and this year the 1500 gallon per minute diesel pumper from Ward La France and the GMC Emergency truck for house calls.

The beginnings were humble and the improvements were many, but the spirit that has brought U-Crest this far cannot help but propel us eagerly into the future.

U-Crest Fire Company is located at 255 Clover Place near the Genesee-Union and Geo. Urban-Union intersections in the heart of Cheektowaga. It is one of two Fire Companies in Cheektowaga carrying a Class "A" rating, and affords fire protection to more property valuation than any other fire company in town.

Paul Tachok Jr. has been Chief since 1956. His father Paul Tachok Sr. is one of the Charter members and still active in the company.

Our equipment consists of 4 pumbers; 1 Snorkel; 2 Rescue Trucks all manned by 80 active volunteer firemen.

CITIZENS AID BRONX COMMUNITY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BINGHAM. Mr. Speaker, Government inattention or local decay often inspires unusual remedial actions by private citizens.

Two examples of such initiative were recently described in the New York Times. In one case, a young Bronxite, Frank Kowalski, prodded the New York City Parks Department to protect the Edgar Allan Poe cottage, a landmark which had suffered from increasing vandalism; he was hired as a night watchman. In another case, Bronx police commander, Anthony V. Bouza, a Scarsdale resident, organized a volunteer program to clean up the banks of the Bronx River. Bronxite Ruth Anderberg and Queens resident, Herbert Miller, are now coordinating this very successful effort.

These citizens should be commended for assuming an active responsibility for the improvement of the quality of life in their community. Certainly all Americans can benefit from their example and find opportunities for similar action in their own communities. I include in the RECORD the articles from the May 25 edition of the Times:

BRONX PROJECT IS LIFTING FACE OF RIVER'S BANKS

(By Allan M. Siegal)

An alien growth is poking out of the banks of the Bronx River near West Farms Square. It is grass.

What kept it from growing before, at the busy crossroads just south of the Bronx Zoo, was, among other things, the following:

Six wrecked cars, two rusted horse trailers, 50 to 60 refrigerators, one discarded 25-foot

lamppost, five rotted sofa beds, a mimeograph machine, two boiler tanks and the remains of an upright piano. And—oh, yes—a wine press.

All of that has been hauled off so far in a month-old volunteer project that yesterday drew 100 seventh-grade pupils to the river with rakes, shovels, pitchforks and zeal.

'KEEP CIVILIZATION CLEAN'

"We've got to keep civilization clean," said 12-year-old Philip Jones as he hefted a small boulder. A classmate, Phyllis Savage, 13, shoveled rocks into a tar bucket and called to a woman passer-by, "We're cleaning up New York City."

"You've got a long time to go," said the woman, who had a point. Rusting junk and old tires still line much of the river's path through the Bronx. In at least two spots, in the East 230's, raw sewage pours in from open pipes.

Environmentalists of the New York Botanical Gardens concluded in a report the other day, "At no point in its course is the Bronx River water suitable for drinking." Below Yonkers, they said, "the river is unsuitable for bathing, swimming or other recreational purposes."

"When I was a kid, living nearby on Crotona Park, my father and I used to go bathing on that river," said the pupils' science teacher, 31-year-old Martin Gidansky, who now lives in the Riverdale section. "The water was pretty clean then. We've been teaching the kids to take water samples and soil samples to show them what they're up against."

Along with the seventh-graders, from Intermediate School 167, cleanup volunteers have included Bronx units of the National Guard, local tow-truck owners, and scrap dealers, who sell what they fish up. The city has assigned Sanitation Department and Water Resources Department equipment to help out in free moments.

Coordinating the job is an effervescent young woman named Ruth Anderberg, administrative assistant for a nonprofit study group in Manhattan. Yesterday, in jeans and sweater, she beamed as a city bucket crane scooped up mounds of fiber dumped in the river by an upholsterer.

"They handle that thing like it was sugar tongs," she said.

Miss Anderberg hopes the project will last for years, creating "parkland all the way down to the mouth of the river." Already, she said, other teams are at work near the Westchester County line and inside the zoo.

The project's founder—who jokes that he has "nothing to offer except bullying power"—is Assistant Chief Inspector Anthony V. Bouza, borough commander of the police.

"At home, my wife and kids and I walk the banks of the Bronx River and it's bucolic," said the chief. "Every day I would ride in on the train and look out and think. 'Why should the Bronx live that way?' We picked West Farms for a start because I wanted it in the heart of the ghetto, where things were worst. I wanted people to see that things could happen here. That goes to the root of everything."

**A GENTLE POET NOW PROTECTS POE
COTTAGE IN BRONX**

(By Richard Severo)

About 2 A.M. last April 30, a drunk stumbled up to the front door of the Edgar Allan Poe cottage in the Bronx and tried to kick the front door down.

It wasn't out of malice; he was drunk and he was cold.

The door to the house where Poe lived 128 years ago swung open, and in a scene Poe would have relished the drunk found himself confronted with an elongated shadow, which explained that this was a museum, not a flop-house and that the drunk might be better off elsewhere.

EXTENSIONS OF REMARKS

As surprised as anyone in his condition could be, the drunk stumbled off toward benches in the park at Grand Concourse and Kingsbridge Road, mumbling and wondering at how a museum would have someone around at that hour.

The watchman, only recently hired, in question, is himself a poet, a young man who has read everything Edgar Allan Poe ever wrote and who is determined that while he is around, there'll be no more nighttime vandalism at the Poe cottage.

Frank Kowalski, a 24-year-old literature major at John Jay College, is a tall, thin young man who has to keep explaining to people that he really doesn't want to be a police officer, although his late father was a detective and his school is best known for its courses in police science.

"I grew up right around the corner on Briggs Avenue," Mr. Kowalski said the other day, "and I've seen this neighborhood decline. I got so upset at what was happening to the Poe cottage that I decided to do something about it."

What he did was to write to the Parks Department expressing his concern, and as a result, he has become the Department's answer to drunks and drug addicts. He spends at least five nights a week in the cottage (salary: \$111 a week) and he regards it as kind of a scholarship, for from his point of view, no other place in New York can equal the cottage as a place to write and sketch (Mr. Kowalski illustrates all his poems), and with minor interruptions from an occasional would-be night-time intruder, Mr. Kowalski is free to immerse himself in the past, in the ambience of Edgar Allan Poe.

In any event, Mr. Kowalski has become the Parks Department's answer to night time vandalism at the cottage. He spends at least five nights a week in the cottage, but staggers his hours so that potential malefactors can't determine his schedule.

YAMAHA'S SCARE COMMERCIALS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. GAYDOS. Mr. Speaker, I am incensed that a Japanese company doing big business in the United States has now seen fit to attempt to profit by fanning fears of new gasoline shortages and price hikes here.

I refer to Yamaha, the Japanese motorcycle maker, which currently is filling the airwaves with speculations that our fuel shortage suddenly may worsen and gasoline prices shoot up to \$1 a gallon. The "commercials" cite warnings made back in the midst of the recent crisis—warnings which use only a minimum amount of gasoline. At the same time, I might add, we are urged to give up our U.S.-made motor cars and thus create greater American joblessness.

As a Member of this Congress, I protest this kind of scare merchandising and especially by a foreign concern which has enjoyed high profits in the U.S. market while American competitors continue to find it almost impossible because of import restrictions to do business in Japan.

Few domestic firms, to my knowledge, are bent on frightening us into buying their products. And I think the FCC ought to look into the Yamaha "dollar-

a-gallon" commercial on the simple grounds that it is not telling the present truth about our fuel situation.

WHAT'S HAPPENING TO CHEESE?

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, as representative of Wisconsin's Sixth Congressional District—and the many people who own and operate dairy farms there—I have been increasingly concerned about the harmful effect administration policies have had on dairy farming in the Nation.

Several factors have contributed to uncertainty in the dairy industry. Among them are the administration's circumvention of existing import quotas on non-fat dry milk, butter, and cheese; its failure to raise support prices at the proper time; its ill-advised imposition of wage/price controls; publication of the Flanagan report; inadequate inspection of dairy imports; and the Treasury Department's failure to implement countervailing duties on imports from countries subsidizing their dairy industry.

The net effect of these actions and failures to act is that dairy farmers and processors alike are having a difficult time continuing operations. And some farmers who do maintain their herds are having a hard time finding a market for their milk.

This is an incredibly serious problem. What is happening—and will continue to unless drastic immediate action is taken—is a closing down of operations by milk producers and processors. The administration's announcement last week that it will be buying surplus cheese at the support price is welcome news to those who have seen cheese selling below that level at the beginning of the price chain only to be sold to consumers at steadily rising prices at the retail level.

Further action to restrict imports, to implement countervailing duties where applicable and to toughen import quality standards is clearly needed. The law of supply and demand has not been given the opportunity to work. In fact, administration actions have completely skewed the entire cheese market.

Carl Zimmermann, director of communications for WITI-TV, channel 6 in Milwaukee, in a June 7 editorial, presented an excellent case for immediate change in our present dairy policies. I commend it to your attention:

[Editorial, June 7, 1974]

WHAT'S HAPPENING TO CHEESE IN THE DAIRY STATE?

It came as quite a shock to all of us . . . a cheese storage plant suddenly stopped taking milk products from a large number of Marathon County dairy farmers . . . thus denying the milk producers their market.

Yes, it happened here in the dairy state. Your first thought, of course, is . . . this shows there's a surplus and by the law of supply and demand . . . the price of cheese at the supermarket should be coming down. Well . . . not so! Prices are still high . . .

and the farmer not only get less money . . . but has one heck of a time trying to find a market for his product.

What is happening here, is that we have bureaucratic manipulators at work . . . controlling the market at severe cost to both the farmer and the consumer. Blame must go to the farm administration. They have so-called experts who are supposed to be able to predict future market conditions. It's obvious those manipulators have "goofed" on allowing a flood of cheese imports.

Where is our faith in the good old law of supply and demand? TVA hopes the so-called experts will stop tampering with that law. It has worked in the past . . . there's no reason why it shouldn't work now . . . for the betterment of both the consumer and the farmer.

CHANGES FOR PORTUGAL

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. GUDE. Mr. Speaker, the recent change in government in Portugal should be a welcome sign for the African States under Portuguese rule—Mozambique, Angola, and Guinea-Bissau.

These areas represent three of the last bastions of colonialism in Africa, and the willingness of the new Portuguese regime to negotiate a settlement gives new impetus to the continentwide drive for freedom and human rights. Particularly welcome is the possibility of a peaceful transition, affirming the rule of law after years of guerrilla activity.

As the Mideast situation moves slowly toward stability, I am hopeful that the United States too can give increased attention to the problems of colonialism and provide significant diplomatic and economic support to governments obtaining independence. Some of the least developed countries in the world are in Africa, and it is of vital importance that we do more, not simply to relieve human suffering, but also to assist these countries along their own chosen paths of developing their often limited natural resources and abundant manpower into self sufficient economies. A recent editorial in the Baltimore Sun summed up the promise of Portugal's new government for the Africans:

[From the Baltimore Sun, May 1, 1974]

CHANGES FOR PORTUGAL

Breaths of fresh air are sweeping Portugal. An army junta may be a strange source of civil liberties. General Antonio de Spinola is by background an authoritarian and hardly a democratic figure. But in their comparatively bloodless coup and remarkably humane transfer of power, Portugal's new rulers have abolished a dictatorship, censorship and the political police. In promising a provisional government of varied views, free speech and assembly, free political associations and elections within a year, General Spinola has created the expectations of liberal democracy. In calling for a negotiated rather than military conclusion to the three wars in African colonies, General Spinola has raised domestic hopes for an end to the costly fighting, and encouraged the rebels in Guinea-Bissau, Mozambique and Angola.

The international implications are large. Democracy in Portugal would raise pressure in Spain for comparable reforms there. De-

mocracy and an end to the colonial wars would make Portugal a less embarrassing ally in NATO and create political acceptability should Portugal later seek to join the Common Market, which would further heighten demands for democracy in Spain and Greece. Independence for Angola, Mozambique and Guinea-Bissau would probably number the days of the minority white regime in Rhodesia, and create difficulties for South Africa.

Contradictions are built into the present situation. General Spinola anticipates that the Africans will freely negotiate a federation with Portugal, while the African rebels vow to fight on until total independence. Mario Soares, the democratic Socialist who has triumphantly returned from exile, is a valiant crusader for democracy, but when the real left emerges, its nature and strength may well alarm the likes of General Spinola. Throughout history, rebel regimes have failed to deliver liberties they promised. The deposed prime minister, Marcello Caetano, himself abolished the hated political police amid general rejoicing, only to retain them under different initials. What is clear now is that the Portuguese have responded enthusiastically to the promise of liberal democracy. Any attempt to deny it would meet opposition that the junta and General Spinola have summoned into being.

TVA ANNOUNCES NEW-STYLE MONTHLY RATE ESCALATOR POLICY

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. EVINS of Tennessee. Mr. Speaker, the Tennessee Valley Authority in an unprecedented series of electric power rate increases in the past few years has boosted power rates 8 times in 7 years, aggregating a net increase of 80 percent to the public.

Many people in the Tennessee Valley are concerned and are protesting these increases and now TVA has announced a new method of adjusting power rates monthly—rates will "float", depending upon the cost of coal each month.

The increases—the latest one included—have raised questions in the minds of many TVA customers as to who is setting policy for TVA—the Office of Management and Budget—OMB—in the White House, or the TVA Board.

These increases and the revenue realized from each increase as reported by TVA are as follows:

Month rate increase effective	Average percent of increase	Additional annual revenue
July 1967	7.5	\$27,300,000
March 1969	7.3	28,200,000
August 1969	6.0	24,800,000
August 1970	3.4	16,200,000
October 1970	24.1	98,700,000
January 1973	8.9	64,600,000
January 1974	20.0	190,000,000
August 1974	3.0	(0)

¹ Fuel escalator clause.

In prior years TVA had built a justified reputation of having rates among the lowest in the Nation.

Now, however, although TVA officials still insist that overall TVA's power rates

remain lower than the national average, the fact is that, according to TVA, TVA's rate of increase since 1970 is .33 of a cent per kilowatt hour, which is slightly higher than the national average of .32 for power rate increases per kilowatt hour.

Testimony before the Subcommittee on Public Works Appropriations, which I am honored to serve as chairman, has indicated that TVA has increased its rates 70 percent from 1967-1972, while investor-owned utilities increased their rates by an average of 12 percent during that same period.

This is not a bright picture for a public power agency.

The significance of this parallel pattern of rate increases by TVA and other utilities, in my view, is that TVA, which was formerly a low-cost power yardstick, is becoming a higher cost power pace-setter.

I have warned repeatedly since the current epidemic of rate increases began in 1967, and have admonished TVA that this agency is losing its image as a low-cost power rate yardstick—its traditional role in the field of public power.

It now appears from TVA's own figures that the agency's example is being followed generally throughout the Nation as rates go up, and up. These comparisons indicate that as TVA goes, so goes the Nation.

While TVA has accomplished much good for the people of the area and the Nation in the fields of navigation, flood control, reforestation, recreation, attraction of industry, TVA in its recent rate escalation policy is embarked on a course running contrary to the public interest.

The rate increases are too frequent, too much and too consistent—the Bonneville Power Administration, another public power agency—for example—reviews its rates once every 5 years. TVA has been reviewing its rates quarterly and has now, in effect, gone to a monthly adjustment.

In this connection The Tennessean in Nashville in a recent editorial calls the most recent rate increase announcement by TVA a "mistake of tragic consequence".

Because of the interest of my colleagues and the American people in this most important matter, I place the editorial in the RECORD herewith.

The editorial follows:

[From The Tennessean, June 10, 1974]

TVA AND THE PUBLIC

The new rate escalator policy announced last week by the Tennessee Valley Authority is distressing for the people of this region—both for short-term and long-term reasons.

The new system of automatically passing increases in fuel prices along to TVA's customers certainly will mean frequent jumps in electric bills. That alone is bad news enough for the consumers of TVA power, who have watched those bills climb steadily upwards over the past seven years.

But additionally, the escalator policy itself may prove even more detrimental to the TVA's role as a public utility.

Superficially, the spreading of hefty coal cost increases over monthly, rather than quarterly, billing periods may seem to be a means of softening the blow to the consumer. Heretofore, the significant jumps in electric bills have come in strong doses only four times a year, rather than 12.

In that context, the effect of such a policy would be relatively subtle after the initial public response to the escalator plan dies away. And yet, that is the very danger of it.

The historical role of the TVA in America's electric power system has been that of a publicly-owned "yardstick," against which citizens could measure the privately-owned utilities in terms of their true production costs. However, the performance of that function depends predominantly on public awareness, and it seems that members of the public may tend to pay less attention to fluctuations in their electric rates when they are structured to appear smaller than before—and especially when they are unannounced.

Rep. Joe L. Evans, Tennessee's senior member in the House, is correct in suggesting that TVA "is now embarked on a course running contrary to the public interest" and that the agency may lose its image as "a lower-cost power rate yardstick."

The power rates charged by the TVA still may be below the "national average," but obviously no real relief is in sight for the bill-paying consumers of TVA electricity. It seems, then, that the only savings under the new escalator plan will accrue to the TVA's management—in the form of smaller, more infrequent doses of public criticism.

That, in the short run, may be to their benefit. But in the larger context of the TVA's role as a government agency which should be responsive to the public, it will be a mistake of tragic significance.

WRONG VIEWS ON RIGHT TO LIFE

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. ZWACH. Mr. Speaker, I would like to share an editorial, which recently appeared in *Our Sunday Visitor*, a Catholic publication, with my colleagues, by inserting it into the CONGRESSIONAL RECORD.

I commend the reading of this editorial, because it may clear up misconceptions some people have about the right-to-life movement:

WRONG VIEWS ON RIGHT TO LIFE

(By Richard B. Scheiber)

A few weeks ago, Mrs. Marion K. Sanders wrote an article in *Harper's* magazine. Her message was that the pro-life movement is promoted and generously financed by the Catholic Church. She compiled a convincing set of half-truths and "managed" facts, cementing them all together with innuendo to build her "Catholic" wall around right-to-life.

That original article is not the subject of this essay. Rather, it is about the attitudes—erroneous attitudes—that many people hold about abortion, right-to-life and the Catholic Church.

First of all, pro-abortion people keep trying to characterize the pro-life movement as some kind of giant monolith, founded, directed and generously financed by the Catholic Church. Here at OSV, we have dealt with people in the right-to-life field long enough to know this simply is not true. In fact, it's hard to nail the movement down.

Right-to-life groups, under many names, have sprung up all over the country without any real, centralized direction, and certainly without widespread financing. Their members include people of all faiths. Quite frankly, many of them are Catholic, but, by and large, they try to avoid any religious label.

EXTENSIONS OF REMARKS

It's true that the position of most members of the Catholic Church, except for a few mavericks, is solidly behind the right-to-life philosophy. How could it be any other way? God's word is clear. But that does not make right-to-life an exclusively Catholic movement, any more than support for freedom of religion (in colonial Maryland) was a "Catholic" movement.

And where financing is concerned, most right-to-life groups with which I am familiar must scrape for every penny. "Angels" are few and far between.

One astonishingly inaccurate—more than that—totally false phrase turned up in *Harper's* in a letter from Beatrice Blair, executive director of the National Abortion Rights Action League in New York. Twice in a two-paragraph letter, Ms. Blair referred to right-to-life groups as "compulsory pregnancy" people. What apparently escapes Ms. Blair is that there is no such thing as a "compulsory pregnancy." No woman is forced to become pregnant, with the possible exception of rape.

Perhaps the biggest trouble with pro-abortion people is that they apply the principle of free will to pregnancy, but fail to carry it to its logical conclusion, the freedom not to get pregnant in the first place. I find it hard to believe these people are unaware of what causes pregnancies.

Then, as if Mrs. Sanders did not have enough to say in her original attack on right-to-life advocates in general and Catholics in particular, she added some comments in the letters column of *Harper's* which really revealed her attitude toward those who disagree with her.

Complaining about the heavy volume of opposition mail, she wrote: "The fervor of this well-organized opposition is documented by the mail that has poured into *Harper's* and to me. That most of the writers are not regular *Harper's* readers (as attested by their syntax and rhetoric) is unimportant."

I think it is important. For a couple of reasons. First, if the pro-life people are so well organized and financed, they could surely hire somebody to organize letters which would have "syntax and rhetoric" of which people as well-educated as Mrs. Sanders and the regular readers of *Harper's* would approve. Instead, she got letters from people who feel, deep in their gut, that to kill an unborn baby is wrong. Too bad.

Second; Mrs. Sanders reveals a "better-than-thou" attitude towards people who have the temerity to disagree with her. This attitude, in its condescension, is insulting at best, frightening at worst. It is the same attitude which exists among the "elite" of the pro-abortion and pro-euthanasia people. It is the attitude which leads them to try to take the discussion about sanctity of life out of the public arena, where they know they cannot win, and into the courts where their anti-life philosophy can be imposed against the will of the people.

Obviously, this has already taken place in the United States. But it can be changed.

STUPIDITY OR MALICE

HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. GOODLING. Mr. Speaker, we are all aware of the attacks recently heaped upon the brow of Secretary of State Kissinger with respect to his supposed involvement in wiretapping.

An editorial dealing with this matter and titled "Stupidity or Malice" appeared in the June 13, 1974, issue of the

Dallas Morning News. Because this article is both meaningful and timely, I am inserting it into the CONGRESSIONAL RECORD and commanding it to the attention of my colleagues.

It is interesting to observe that on a recent television program reflecting the identical circumstances to which this editorial addresses itself, a Democrat on the Judiciary Committee having rank superior to the Congressman discussed in the article, stated forthrightly there was absolutely no evidence in the materials before the committee of positive proof that Secretary Kissinger ordered security wiretaps on White House personnel and newsmen 3 years ago.

STUPIDITY OR MALICE?

In its attack on Secretary of State Henry Kissinger, the impeachment crowd has stormed into more than just Nixon's last preserve of credibility—foreign policy. The irresponsibles in rumor-ridden Washington are foaming with the peace of the world.

They couldn't have chosen a worse time to declare that Kissinger ordered security wiretaps on White House personnel and newsmen three years ago. Only a triumph of stupidity or malice could burst a bomb like that over a delicate peace mission.

Rep. Joshua Elberg's declaration that the House Judiciary Committee has "positive proof" that the wiretap orders came from Kissinger must, given the circumstances, qualify as one of the most irresponsible incursions of politics into foreign policy in our history. He simply couldn't wait to add his say to the "leaks and innuendos" that Kissinger denounced from Austria in his passionate threat to quit.

The question isn't whether Kissinger did wiretap. He has flatly denied doing so twice—and until the facts are established he has a right to his honor and credibility. But whatever the truth of the wiretap allegations (and even proof that Kissinger did order them is not necessarily culpable) is the Mid-East mission so trifling that a trial of the truth can't wait?

Whether stupidity or malice spurs the effort to drag Kissinger—at this time—into the malarial mist of rumor and allegation that is Watergate Washington, Congress must know that it is pushing the probe game into an area where it has no business: Foreign policy, American security, the peace of the world.

Are the impeachment-minded so blind to the world beyond the Potomac that they can sabotage a world peace offensive as casually as they have destroyed Nixon's effectiveness at home? Or is the drive to get Nixon so consuming that everything else comes second—even great achievements with old enemies and adversaries who have made our lives less secure in the past?

The irresponsibles cheapened Nixon's and Kissinger's accomplishments as much as they could before the mission began—questioned even Nixon's right to go and secure the peace while under threat of impeachment at home. Now they have pursued him and Kissinger abroad.

Not on the basis of established fact, but on the same basis on which so much of the impeachment movement has so far proceeded: Rumor and repetition overrunning each other to establish new rumor and repetition while truth trails far behind.

That is the nature of the beast—little responsibility, less concern. The Potomac cloud will follow the presidential party and do as much harm as malice and stupidity can do to wreck a great venture in world diplomacy—one which any other president and secretary of state of another party or time would have been honored to the skies for even attempting.

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CHAOTIC SITUATION IN THE
LIVESTOCK INDUSTRY

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. MATHIS of Georgia. Mr. Speaker, I would like to call to the attention of all the Members of the House that the Committee on Agriculture, under the leadership of its distinguished chairman, W. R. POAGE, this morning began hearings on the chaotic situation in the livestock industry in this Nation.

The committee properly felt that the House could not sit idly by and allow this administration to continue policies that are leading to bankruptcy for America's producers of food. These hearings intend to expose the problems of producers, and to try and determine why, in the face of declining prices paid producers, prices remain so high in the supermarket.

In opening the hearings this morning, the first witness was the Speaker of the House, the Honorable CARL ALBERT, whose testimony followed an opening statement by Chairman POAGE. I am including both presentations for the consideration of all Members of the House:

REMARKS OF CHAIRMAN W. R. "Bob" POAGE, JUNE 18, 1974, OF 3-DAY HEARING ON LIVESTOCK PRICE SITUATION

Good Morning: Mr. Speaker, the disastrous financial strait in which livestock producers of the nation find themselves brings us together in the hope of alleviating their condition before it spreads to the entire American economy.

This is no idle warning. Today, I fear that we see only the tip of the iceberg. Every depression for a century past, including those dire years of the early 1930s, has been preceded by a break in farm prices. Not every such break has ended in depression, but certainly the stage is set for one.

For weeks we have had increasing complaint that cattle prices were falling, and that many producers, especially feeders, were facing losses of a hundred to two hundred dollars per head. You don't have to understand the cattle business to realize that this means certain ruin to a great number of producers. I realize that this should have given us much lower prices in the retail market. Apparently, rather little of the reductions have reached the housewife. We propose to seek an explanation of this. These deplorable market conditions have spread to hogs and poultry and only a few days ago a Texas turkey grower was here and told us he was losing \$2.50 on each bird.

Obviously, this state of affairs can't go on long. This break in prices, unless corrected promptly, will inevitably and probably soon spread to feed grains and to all farm commodities. Next it could well develop into a general depression. Three out of every 10 jobs in private industry are related to agriculture. Even before the sharp inflationary spiral began a couple of years ago, the farmers of this nation spent over \$10 billion a year for goods and services to produce crops and livestock, \$5 billion on tractors and other equipment, and nearly \$5 billion for fuel. If a depression should come, residents of the big cities would suffer most. Farmers may not have much money but at least they can produce some food.

I could go on into more detail, but I won't do so because we have the distinguished Speaker of the House, the Honorable Carl Albert of Oklahoma, here as our lead-off

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witness. We expect to have the Minority Leader of the House, the Honorable John Rhodes of Arizona, as the opening witness tomorrow, and the Secretary of Agriculture, the Honorable Earl Butz, as the opening witness on Thursday. Other witnesses who have been invited include spokesmen of consumer groups, bankers, distributors, farm organizations, and public officials. We trust that if they have nothing to hide that they will all appear.

Our purpose in these meetings is not to consider specific legislation but rather to suggest the course of action we should pursue. On June 25 and 26 our colleague, the Honorable Tom Foley of Washington, will convene his Subcommittee on Livestock and Grains to consider specific legislation and to consider facts brought out at this current hearing.

We are now honored to have the Speaker of the House, the Honorable Carl Albert, formerly a distinguished member of this Committee and now, as always, a friend of both consumers and producers.

STATEMENT OF REPRESENTATIVE CARL ALBERT
BEFORE THE COMMITTEE ON AGRICULTURE,
JUNE 18, 1974

Mr. Chairman and distinguished members of the Committee on Agriculture: Thank you very much for the opportunity to appear before this Committee. The Congress may well be faced with one of the most serious economic problems since the depression. The cattle industry is in a financial squeeze which could have a serious impact on our entire economy if it is not straightened out. The market price of cattle has dropped to an average of \$150 a head, the worst price decline in twenty years while at the same time the worst peacetime inflation in history causes production costs to skyrocket. Small, independent ranchers as well as large operators are suffering terrible consequences as a result of this situation. In the South Central Great Plains alone, I am advised that over \$2 billion in income has been lost since last October. This economic debacle rages today while the Administration gives every evidence that it understands neither the depth nor the meaning of the problem which exists in the cattle industry.

The problem was well put by a constituent of mine, when he wrote:

"I am a retired service station man, 65 years old, and am trying to supplement my social security income by raising cattle; however, it is becoming increasingly hard to do because of the drop in beef prices. It is ruining the cattlemen in this community."

"Since last August, prices have gone down almost half price, while the price of feed and costs for raising cattle are continually rising.

"Yearlings that were bringing 70c a pound last year have gone down to 39c to 40c. Top price for a cow and calf are now approximately \$375, while last August they were selling for \$600. Prices have not come down in the grocery store.

"There is no way for the cattlemen to stay in business when everything is so out of balance. The cattlemen in this community believe it is due to the beef imports. Something is going to have to be done if the cattlemen are to stay in business."

I feel that several factors are contributing to this alarming condition plaguing our farmers and ranchers. First, there has been significant pressure from foreign beef which has had a direct effect on the domestic price. For two years the United States has been without quota protection for American beef as a result of the President's decision in the Spring of 1972 to lift the import quotas imposed by the Meat Import Act of 1964. This, in itself, did not affect the American market until recently, when in the face of decreasing demand and increasing production, several

countries instituted import quotas on foreign beef, and as I understand it, they are now prohibiting the import of beef altogether. Thus, with the United States having the only open market, foreign producers have begun exporting inordinate large quantities of beef to the United States. In essence, the United States is quickly becoming the dumping ground for world beef producers.

Adding to the increased supply of foreign beef was a tremendous production increase by American farmers. Reacting to American consumer pressure, cattlemen rapidly increased the numbers of their animals. In one year we have seen an increase of 6 million head of cattle in the United States. Therefore, due to rising imports, greatly increased domestic production and decreased demand the beef market has become glutted.

A second major factor in the present crisis is the soaring increase in the cost of production. The Oklahoma Cattlemen's Association reports that cow-calf producing costs are up 20% over last year. Fuel, fertilizer, baling wire, and feed costs have increased dramatically and continue to soar.

A large number of my constituents raise cattle, and we have watched the cost of farmers' and ranchers' supplies very closely over the last year. Baling wire sold last August in my home town for about \$14.00 a roll, provided you could find it. Today, in the same area, a roll of wire will cost anywhere from \$35-50, once again, provided you can find it. One farmer wrote:

"No cattle producer can pay the high price of baling wire, fuel, taxes, and machinery and make ends meet when cattle are so cheap."

Another stated:

"I depend on cow-calf operations. Since Nixon froze the price of beef and opened foreign imports on beef, I will not be able to meet my creditors. There is no way I can pay \$50 a spool for baling wire, pay high taxes, high cost of fuel, and machinery when the price of beef has dropped in half."

A third factor to consider is the impact of the price ceiling placed on beef at the retail level one year ago by the President. At that time I stated that such a stopgap effort was little more than a misplaced band-aid on the inflationary sores of this country. It was evident then, and it is evident now, that the farmers and ranchers are taking the full brunt of a badly managed economy. The only effect of the price freeze was a total disruption of the cattle industry. Farmers and ranchers, in an effort to avoid this disastrous move, held cattle off the feed lots and out of the slaughterhouses, hoping to turn a profit when the price freeze was lifted. Too many cattle were held off, and a glut formed on the market, only to be followed by increased production. There is no doubt that this price freeze by the Administration was a major factor in the total disruption of our agriculture economy.

The final factor to consider in this disruption of our agriculture economy is the cash situation of our producers and feeders. Cattle feeders require large amounts of capital to operate. Through normal banking channels, cattlemen obtain mortgages on their cattle, their land, and everything else they own. If cash is not available, then the whole system grinds to a halt. One manager of a federal land bank in Oklahoma reported to me that of 1100 loans he has outstanding, 200 are in immediate jeopardy of default. Our small town banks, dependent upon loans to farmers, are faced with unknown numbers of defaulting borrowers, all to the detriment of our rural areas.

What is the effect of this? In the narrowest sense, as costs continue to increase, and prices continue to fall, the farmer's cash flow is disrupted. As his cash supply dries up, debts begin to accumulate. He must refinance his loans. Having neither cash nor

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equity, the farmer is faced with bankruptcy or liquidation.

You cannot divorce the cattlemen from the rest of the economy. It is like a row of falling dominoes. First one segment fails, then another, *ad infinitum*. This domino effect reaches to the outer limit of the economy. Our small town businessman is hurt because the farmer's income is reduced, the bank is hurt because of defaults, agriculture-related industries are hurt because the farmer, no longer in business, does not purchase products. As the dominoes fall, one by one, an additional segment of the economy is devastated. Finally, we reach the same result as before—bankruptcy or financial liquidation for many segments of agriculture and the entire economy.

In view of the critical situation facing the American cattlemen and indeed the country, I would urge this Committee, as well as the entire Congress, to consider a number of steps to alleviate this problem.

First, and most important, is the immediate implementation by the President of a moratorium on the import of foreign beef. Several days ago, I urged the President in a letter to institute such a moratorium to be followed by tough restrictions on the import of beef. The Oklahoma Department of Agriculture has reported that if beef imports were curbed to 7% of domestic production, this would go far in shoring up the sagging market.

While I have not as yet received any definitive response from the Administration to this request, the news media have reported that the White House will not reimplement import quotas. This is disappointing news for it means only a continuation of the past mistakes made by the Administration. When the President removed the quotas two years ago, I vehemently opposed the action. As we can see now, the Administration made a mistake, and it will only compound this mistake with a decision to postpone the implementation of the quota system.

Second, I would urge the Congress to consider a guaranteed loan program for our financially troubled farmers, feeders, and other segments of the industry where needed. A loan fund to be used through normal commercial banking channels as a prop for the cash troubled cattlemen might be considered. I feel sufficient safeguards could be provided to prevent, in the words of one USDA official "the bailing out of creditors rather than the farmers." Dr. John Goodwin, Professor of Agriculture Economics at Oklahoma State University, has suggested that a guaranteed loan fund of \$1 billion would produce \$5 billion worth of loanable money. It is this type of capital that is needed to keep our farmers afloat. Once again, Mr. Chairman, this proposal will not solve all the problems of the cattlemen, but it will be of great aid. Perhaps this idea was best expressed by a farm family in Oklahoma when they wrote, "It is not necessarily more loans we need. Too many cattlemen are already too deeply in debt." However, an emergency guaranteed loan program would provide one instance in which a program of assistance could begin.

Finally, in an effort to absorb the vast quantities of beef available, I would urge that appropriate steps be taken by the various federal departments to buy up excess beef. For example, a requirement that purchases by the government be limited to American-grown beef would be a viable option. Also, a possible utilization of the food stamp program to increase beef consumption among food stamp users would be a potential source of aid to the cattle industry.

In implementing these suggestions it is important to consider the consumer, for the ultimate result of the present trend of the cattle industry will be complete scarcity of beef for the consumer. Beef will become so scarce and expensive that meat substitutes

EXTENSIONS OF REMARKS

will become the rule rather than the exception. By moving to aid the domestic cattle industry, the Congress will be helping the American beef consumer as much as it will be helping the American beef producer.

In the same light, it is important to ask why the price of beef in the supermarket has remained essentially the same over the last year while the price received by the producer continues to decline. The prices in the grocery store simply do not reflect the huge cut of cattle prices. Somewhere between the stockyard and the family table things have gone awry. Some have alleged price gouging by various elements in the market. Whether this is true or not, I do not know. But I would urge this Committee to take an in-depth look at this particular problem.

Mr. Chairman, one last word, if the Department of Agriculture and the Administration refuse to recognize the problem, then it is up to Congress to take action. At this time, Mr. Chairman, I would like to introduce into the record a resolution signed by 29 of the nation's governors just ten days ago at the National Governor's Conference in Seattle. I think you will find the resolution indicative of the thought of the cattlemen in the United States.

I appreciate being invited to appear before this distinguished Committee, and I congratulate you for calling these hearings to focus attention on these monumental problems.

WHAT THE AMERICAN FLAG MEANS TO ME

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. SARASIN. Mr. Speaker, on June 14, 1974, I had the honor of participating in the Flag Day ceremony held by the Cross Street Elementary School of Naugatuck, Conn.

To me, there is a particular attraction in spending this day, when we pause to pay homage to this great symbol of our nationhood, with the young people who will carry on the traditions and the spirit that have made this country what it is.

There is great satisfaction in observing the understanding, dedication, and reverence of young Americans for the history and the ideals embodied in that banner.

Never have I heard it better exemplified than by the essay written and delivered by Miss Kim Bradley of Cross Street Elementary School on the occasion of Flag Day, 1974.

I therefore offer for inclusion in the RECORD the simple and heartfelt tribute in the words of this young schoolgirl:

WHAT THE AMERICAN FLAG MEANS TO ME

The American Flag to me, means Freedom, to do, say, and believe in what you want. The American Flag to me means a lot. Let's thank the men and women, who with their help, their lives and the will to fight for something they believed in, have made this possible. Fathers have fought for their families, friends, and neighborhood to defend the things they believed in since the beginning of time. The American Flag is a symbol to be proud of. Many foreign nations have asked for help, and received it because the American Flag stands for help, understanding, and our belief in the right of each nation to govern itself as a free nation and to let the people of that nation live a free life. This in-

cludes the freedom to pray the way they want, to talk and form groups, to stand up and say: "We Want To Be Heard," without fear of being killed or put in jail. What does the American Flag mean to me? As I said, it means a lot, but not nearly as much to me as to the men and women who fought to keep the good old Red, White, and Blue flying. I have not yet reached the age and maybe I never will at which I can really realize how great a country I live in and what it cost to say I have Freedom.

KIM BRADLEY.

NEW YORK CITY PLANS URBAN ACADEMY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. RANGEL. Mr. Speaker, the mayor of the city of New York, Abraham Beame, recently announced plans for the establishment of the first municipally sponsored training institution for city employees in the United States. I commend the mayor for initiating this plan.

Some 350,000 city employees will be eligible for the program. They will take courses that deal with various aspects of urban life and government.

Their training at the academy will undoubtedly enable city employees to study new technology and also be more responsive to the needs of the people they serve.

The following article, which discusses this very noteworthy program in more detail, appeared in the New York Times. It follows:

[From the New York Times, May 22, 1974]
URBAN ACADEMY PLANNED BY CITY

An Urban Academy—said to be the first municipally sponsored training institution in the country for city employees and executives—will be established jointly by the city and The City University, Mayor Beame announced yesterday.

With the formation of a planning committee to outline the scope and content of the academy program, Mayor Beame and Chancellor Robert J. Kibbee of the City University said that they expected the project to get under way this September.

The venture, which was announced at a City Hall news conference, will rely heavily on Federal funds, with additional money, if needed, coming from private institutions, the university and the possible diversion of some city funds earmarked for training purposes.

All 300,000 city employees and 50,000 persons employed by quasi-governmental agencies will be eligible, but the planners are not yet able to say how many will be accommodated initially.

The students will be allowed to proceed at their own pace through courses in urban sociology, psychology, personnel management, economics, accounting, computer science and government.

IN MAYOR'S PROGRAM

Mayor Beame, who was credited with having advanced the idea for the program before he took office last January, said: "New York City is uniquely suited to create such a program, which would be the first of its kind nationally."

The Urban Academy will have its headquarters at the CUNY Graduate Center in mid-Manhattan. The following four major tiers of training programs are being considered:

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A university-wide program aimed at specialized career development and advancement in Civil Service.

Seminars and conferences shorter duration for top-level management. These will provide background information and specific training.

A comprehensive, degree-granting mid-career program of full-time study.

A professional degree program for urban generalists, at a doctoral level, as an urban "West Point" for training future top-level executives and program heads.

One of the facilities for inservice training planned for the academy will be a computer-science learning center. Courses will be available in such specialized areas as computer programming, computer-systems analysis and computer management.

EDELSTEIN TO LEAD

Dean Julius C. C. Edelstein of City University, will head the planning committee. First Deputy Mayor James A. Cavanagh will serve as vice chairman.

In addition, the CUNY representatives on the committee will be Harold M. Proshansky, president of the Graduate School and University; Dean Mary Jane Kingcade, Dean James McGrath, Dean Kenneth King, Prof. Joseph Shenker of La Guardia Community College and Dean Irene Impellizzeri of the School of Education at Brooklyn College.

The city's representatives will be Alfred Eisenspreis, Economic Development Administrator; Harry I. Bronstein, personnel director; Stanley Kreutzer, Board of Ethics counsel; Robert Bott, Deputy Budget Director; Edward Brennan, assistant budget director, and Alice Levy of the Health and Hospitals Corporation.

CONGRESSIONAL REFORM

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, the irony of a nonlegislative Democratic caucus committee meeting in secret with a shadowy membership of opponents to the select committee reform bill is overwhelming. For a positive result to come from such a group is highly unlikely, if not impossible.

The stakes are very high on the Democratic side of the aisle. For the first time since 1946 they are threatened with an alternative to the present set of relationships between outside groups and the existing committee leaders. Members of this group who have talked in favor of reform in the past are not thinking about the House now, but about their own perceived selfish interest.

But do their constituents lose under the plan? No, because each representative elected to Congress will have an important committee assignment under the plan. National subjects which need attention such as energy, transportation, environment, and health are organized so that the problems can be grappled with, not handled piecemeal as they are today. Congressional oversight over existing Federal programs and activities would be strengthened so that Congress would know more about the results of previous legislation. The public will be far better served.

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Then what is the fuss all about? Simply that those men with power do not want to give any up to be spread around so that the Congress can work. That is why they are so desperate as to abandon all principles and try to kill the reform proposal in secret, and wheel and deal behind closed doors to unravel a bipartisan unanimous plan that took 16 months to put together.

FATHER TOM GAVIN, S.J., SPEAKS OUT AGAINST THE DENIAL OF RELIGIOUS FREEDOM IN COMMUNIST COUNTRIES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. KEMP. Mr. Speaker, we must speak out today about the denial of religious freedom in the Soviet Union. Despite the existence of a handful of functioning churches within the major cities, the official policy of the Soviet Government is to suppress religious freedom—because that government denies, as official state policy, the existence of God and discourages—with awful and stringent sanctions—religious worship.

In these days of heightened interest in the problems of Soviet Jewry—problems with which I feel great empathy and about which I have fought long and hard on this floor—we must be mindful not to overlook the millions of Christians and those of other religions who are similarly deprived of the right to worship and who are denied benefits of government because they believe in a god and claim a right to worship him free of state interference.

In Rumania, Bulgaria, Czechoslovakia, East Germany, and the other countries of Eastern Europe—in the lands of central and east Asia too—religious freedom is denied, suppressed, or restrained by Communist Governments. The Roman Catholic Church has felt the full, blunt impact of these policies in Eastern Europe.

In a recent column in our outstanding western New York Catholic newspaper, Father Tom Gavin, of the Society of Jesus—the Jesuits, recently addressed himself to this issue, depicting—country by country—how the Roman Catholic Church is suppressed. Father Gavin is a regular columnist in the pages of this important publication and has contributed mightily to its readers' understanding of some of the major, profound issues confronting our Nation and the Church. He is to be commended for his efforts, and I do so.

At this point in our proceedings and for the benefit of all my colleagues, particularly those Members who concentrate on the vital issues of foreign policy—and how we must use our own foreign and economic policies to help effect important changes in the policies of those nations who want our trade and friendship, I include the full text of Father Gavin's article:

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CHURCH STILL RESTRAINED IN RED-CONTROLLED LANDS

U.S. News and World Report in its issue of Sept. 3 summarizes the situation. The article estimates that there are about 31 million Catholics in the captive nations. Nation by nation.

RUMANIA

Enrollment in seminaries restricted and printing of religious books banned.

BULGARIA

While tolerated, the Church enjoys no official recognition, judicial status or property rights.

HUNGARY

Religious education of the young is prohibited.

CZECHOSLOVAKIA

Only half of the dioceses have bishops. In 1972 many nuns were deported to work camps for teaching religion.

EAST GERMANY

Catholics are second class citizens, meaning, for instance, that they have trouble getting into universities or holding public office.

ALBANIA

All religious activity is banned. Recently a priest reportedly was executed for baptizing a child.

YUGOSLAVIA

Tito propagandizes against the Church but Catholicism has more freedom here than in the rest of Eastern Europe.

POLAND

Clergy and laity are under close watch for any sign of "political" sermons or activity.

If you want to know how conditions are in Russia, read "With God in Russia" by Walter Ciszek. An American priest from Pennsylvania, he spent about 30 years in Russian prisons and Siberian work camps. His crime was exercising his priesthood. The simple, matter-of-fact story of what he went through makes "The French Connection" read like a bedtime story for children.

THE LITHUANIAN STRUGGLE

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. NEDZI. Mr. Speaker, on June 15 Lithuanian Americans and people sympathetic to the cause of Lithuania will commemorate the forcible annexation of Lithuania by the Soviet Union in 1940.

Despite mass deportations of Lithuanians to labor camps, despite the religious and political persecution, despite heavyhanded policies of Russification, the people of Lithuania have continued to struggle for individual dignity and their Lithuanian identity.

The Lithuanian-American community in the United States, particularly, has succeeded in keeping this issue alive for over three decades. In recent years, occasional dramatic events in Lithuania have increased international understanding of the plight of Lithuania.

Personally, I have reservations about the much-publicized United States-Soviet détente.

It seems to me that external détente on the part of the Soviet Union cannot be separated from her domestic policies.

Indeed, a Russian strategy of rigidity internally and flexibility externally does not necessarily bode well either for us or the Russian people.

International public opinion can make some difference. The recent cases of Alexander Solzhenitsyn and the Panovs are examples of how international concern and pressure can cause even a repressive state to make some changes. Certainly, some liberalization of travel restrictions on tourists to Lithuania should be within the range of possibility.

Accordingly I am pleased to have this opportunity to join with my colleagues in commemoration of this occasion.

THE STUDENTS OF THE FIFTH AND SPRING ELEMENTARY SCHOOL: INVOLVEMENT IN CLEANING UP THE ENVIRONMENT AND COMMUNITY ACHIEVEMENT

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. YATRON. Mr. Speaker, one of the impressive and noteworthy examples of environmental efforts by young people is reflected in the involvement of the students at Fifth and Spring School, Reading, Pa., who are making constructive headway toward a cleaner environment.

Often, these young students can be seen walking to classes each morning, carrying old tin cans, which play an important role in their learning process. Twice a week after breakfast, the children gather all the family's empty tins and promptly deposit them in a steel trash container in the schoolyard. Despite the fact that this program was only recently initiated, already the trash container is filled to the top.

Mrs. Barbara A. Wunder, sixth-grade teacher and PTA program planner, devised this meaningful environmental program. She is to be commended, as are the students and Mrs. Jean Gaspari, PTA president, for taking part in this meaningful effort. Last summer, Mrs. Wunder and the Fifth and Spring School students decided that the time had come to do something for a cleaner ecology. Problems were encountered at first, for it was necessary to find someone to donate the trash container and also some had to be located to take the trash for recycling—without charge.

The students, therefore, clearly recognized the importance of recycling.

Fortunately, Clements Brothers, Inc., in Wyomissing, generously donated the container—and the program began.

Both the students at Fifth and Spring School, and their parents, have displayed great enthusiasm. In fact, the program is going to be expanded. Posters are being made for display at playgrounds and business establishments. Everyone is being urged to contribute toward the collection and deposit of old tin cans, to be recycled.

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The recycling aspects are being helped along through the assistance of Carpenter Technology Corp. of Reading, which will lend its full cooperation in making certain that the cans are delivered to the proper recycling center in Maryland.

Mr. Speaker, the students of the Fifth and Spring School in Reading have outlined their major environmental goals and I feel that they are deserving of our attention. I am, therefore, pleased to list these goals below, which could be followed by schools and students throughout the Nation:

First. To generate excitement and interest in ecology among children and parents.

Second. To become better informed on conservation issues.

Third. To help students and families be more thoughtful users of products made from our natural resources.

Fourth. To have a small share in helping to insure a lasting supply of these resources for future generations.

Fifth. To provide the machinery for a school/community action program that might help to make a difference in the neighborhoods.

Sixth. To provide a service not presently being provided by collecting materials for recycling.

These are goals of great importance and significance and clearly reflect the acute awareness of the students of environmental problems and needs. And, each is being very successfully promoted and carried out.

Participation in civic and community projects is not just a fad with the students at Fifth and Spring School in Reading. It is an awareness that pollution is everyone's problem and that it will take a very special effort on everyone's part to realize a cleaner world in which to live.

Mr. Speaker, I know that my congressional colleagues join me in extending our warmest congratulations and commendation to the teachers and students of the Fifth and Spring School, who are setting an example worthy of emulation.

TRIBUTE TO REAR ADM. WARD S. MILLER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. ANDERSON of California. Mr. Speaker, at the end of June the U.S. Navy will lose one of its more distinguished officers through the retirement of Rear Adm. Ward S. Miller.

Rear Admiral Miller has devoted 35 years of his life to the services of his country through his active involvement in the U.S. Navy.

A native of Denver, Col., Rear Admiral Miller left his land-locked State during college to seek adventure throughout most of the world.

Graduating in an accelerated program

from the U.S. Naval Academy on December 19, 1941, he quickly made a mark for himself during World War II through his heroic activities which were to typify the remainder of his outstanding career.

Naturally, space does not permit an examination here of each of the extraordinary events which have earned him the respect from his fellow officers for his courage, professional skills, and sound judgment. However, I am confident that the Distinguished Flying Cross awarded him 22 years ago during the Korean conflict when his plane was hit after returning his group from a successful mission must be for him most memorable.

His dedication to preserving freedom has been recognized through numerous awards including the Legion of Merit with Gold Star, the Meritorious Service Medal, the Air Medal with Gold Star, the Navy Commendation Medal with Gold Star, the Purple Heart, and the Navy Commendation Ribbon. In addition, he has earned awards for his efforts in the defense of our country including: the American Defense Service Medal, American Campaign Medal, European-African-Middle Eastern Campaign Medal with two stars, Asiatic-Pacific Campaign Medal with two stars, World War II Victory Medal, China Service Medal, National Defense Service Medal with Bronze Star, Korean Service Medal, United Nations Service Medal, and the Vietnam Service Medal. And he has also earned numerous other medals in recognition of his efforts in behalf of the Republic of Vietnam.

In addition to the exceptional professional skills he has displayed as a military leader, Rear Admiral Miller also possesses an astute personality which has made him an effective leader when representing the Department of Defense or the U.S. Government.

Since September 1973, he has displayed his sound judgment and administrative skills as the commander of the Los Angeles-Long Beach Naval Base. Here he has been responsible for coordinating the various activities of 43 separate commands throughout southern California, including the naval station, naval shipyard, and naval supply in Long Beach; the Naval Weapon Station in Seal Beach; and the Naval Air Station in Los Alamitos.

In this capacity he has been most effective in accommodating the orderly phasedown of the Long Beach Naval Complex. I am confident that most city officials and community leaders will agree with me that he has maintained a continuous hospitable relationship in facilitating this transition.

Mr. Speaker, the presence of this dynamic public servant will definitely be missed in the Harbor Area. I am sure that his lovely wife, Betsy Jane, and his five children, Mrs. Carol E. Olson, Catherine, Ward, Christine, and Betsy, are as pleased with him as we are in southern California. I join his many friends in the military and civilian community in wishing Rear Adm. Ward S. Miller and his family the joys of retirement he has so richly earned.

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THE ENVIRONMENT AND TEXAS

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

MR. STEELMAN. Mr. Speaker, the Texas Constitutional Convention is presently in session in Austin. One of the major tasks left to the delegates is assurance of the quality of life that has made Texas unique and to strike the proper balance between growth and maintaining this quality.

Bert Holmes, associate editor of the Dallas Times Herald, recently offered to the constitutional convention delegates some very perceptive guidance about growth and the quality of life that I commend to my colleagues.

The article follows:

THE ENVIRONMENT AND TEXAS

(By Bert Holmes)

The protection of the environment in which every Texan lives and will live is perhaps the single most important issue facing the Constitutional Convention now in session in Austin.

The pockets of pollution are easy to ignore in the vast reaches of blue skies and clear streams, but the rapid growth of population, the increased industrialization and the extensive urbanization of Texas make it certain that we need laws which will help clean up present pollution and prevent more of it in the future.

The convention delegates have not shown a strong environmental conviction, but there is reason to hope that the final draft of the new constitution will find a satisfactory balance between environment and growth.

Dallas Rep. Ray Hutchinson, the author of one controversial proposal with serious environmental drawbacks, has called a Monday meeting of all interested groups to discuss a constitutional statement on the environment.

Hutchison's plan to ban class action suits against polluters, permitting plain citizens only to sue state agencies which are charged with protecting our air, water and land, goes too far. It is true that environmental extremists have tied up vast projects through their suits, but it would seem preferable to write tighter guidelines on class action suits than to forbid them altogether.

Although Hutchinson does not agree with the position or the tactics of the Sierra Club, the Environmental Coalition and other groups, he admits that there are either "perceived or artificial misunderstandings" regarding the convention's proposals on the environment.

The constitution writers might do well to write a general statement about the citizens' rights to a good environment and leave the details—including who can sue whom—to future legislative deliberations.

Certainly, the convention should do nothing which will give even the slightest constitutional protection to polluters.

Great concern about the environment is of rather recent vintage. Americans and citizens of other highly developed nations for decades ignored their foul air, polluted rivers and spoiled landscapes. We all came late to the realization that we are all part of one interrelated ecosystem and that we must cooperate to protect that system.

Although this nation is moving toward zero population growth, it is likely that Texas will continue to attract immigrants from less desirable parts of the country. Its economic growth will exceed the national average in the decades ahead and we must insure

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that industrial expansion does not diminish the quality of life in Texas.

In a recent speech, Russell W. Peterson, chairman of the national Council on Environmental Quality, said: "During the energy crisis in the U.S., it became clear that the public is tired of watching opposing groups alternating in trying to place the blame on one another. It became clear that the people want adequate energy AND a healthy environment. They called for workable solutions, not contrived issues."

Rep. Hutchinson, in calling for a conference on the environment and the constitution, noted that it is a subject which deals with important fundamental rights of all, not just a few citizens of Texas.

Peterson said it more completely: "If you care about your physical health, you must care about the environment. If you care about your spiritual well-being or the productivity of your soils or the wise use of your water, then you must care about your environment. If you care about the survival of your cities or about the welfare of your children's children, then you must also care about the environment."

The delegates to the Texas Constitutional Convention must now demonstrate that they, too, care, and care deeply, about the environment.

THE INSECURITY OF SOCIAL SECURITY—PART II

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

MR. ALEXANDER. Mr. Speaker, yesterday, I inserted the first of an article entitled "The Insecurity of Social Security." This article has evidently touched on the concerns of many of my constituents who have written to draw my attention to this piece and to the problem which exists for older citizens forced to live on inadequate social security benefits. Today, I would like to share with you the second part of this article along with a letter from Mr. Bruce Wheatley of Forest City which I believe echoes the feelings of many Americans today.

The letter and article follows

FOREST CITY, ARK., June 4, 1974.

Hon. BILL ALEXANDER,
House of Representatives,
Washington, D.C.

DEAR SIR: I am 27 years old, married, have 3 children, and an employee of A.T. & T. in Forrest City.

I was spurred to write to you after reading the enclosed article. I found it both informative and alarming.

The Social Security Tax is becoming more oppressive and burdensome from year to year, to both employer and employee, and it appears that there is no let-up in sight under the present system. That is why I advocate reform or change of some type. I realize that the change as mentioned in the article may not be an effective course to take. I realize that there can not be an overnight solution, for an effective solution will take time, study, and research. And I realize that these are trying times for you and our other Representatives in Washington.

But I feel that this problem, which is growing all the time, must be solved before it becomes a crisis. I believe that the time to start working on it is now.

I know that the elderly of this nation that are on fixed incomes are especially hard-hit

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at these times of higher and inflated prices, and they have my whole-hearted support. But I feel that both they and we could be better served under a revised system.

Your feelings on the above would be greatly appreciated, and your endeavors toward reform would have my sincere support.

Sincerely,

BRUCE WHEATLEY.

[From the Memphis Commercial Appeal, June 2, 1974]

THE INSECURITY OF SOCIAL SECURITY—

PART II

(By Warren Shore)

THE MIDDLE YEARS

For most of today's young wage earners the real inequities of the Social Security system won't become clear until their middle years. By then it will be too late.

The questions we should be doing right now include:

Why should the cost of protection during my healthiest years (22 to 55) come to more than \$50,000?

Why should that bill be going up every year when the protection promised is going down?

Why should my wife (in the care of a male worker who dies or becomes disabled) be faced with government imposed alternatives that are so bad she might not be able to claim her benefits?

The real answer to all these questions is that Social Security is not insurance at all. In spite of federal publications developing Social Security's "benefits" or "contributions" or the existence of a special insurance trust fund, the system is emphatically unlike insurance.

What the Social Security Administration calls a contribution is, in fact, \$100 to \$120-a-month worker-employer payroll tax which if unpaid would result in federal prosecution. If you're "covered" by this system, you can't get out.

As for the trust fund, it's simply a myth. More about that later.

While the middle, child-raising years are the time when most couples need the greatest protection, it's also the time when Social Security can be the most cruel.

Mrs. Marion Potecka found out the hard way. When her husband, Joseph, died recently of a heart attack at age 39, Mrs. Potecka was left with the couple's two sons, mortgage payments and some hard decisions.

"When Joe died," she recalls, "I was in a fog for a few weeks. But when I came home from the Social Security office, I was sick all over again."

The family benefit check, Mrs. Potecka learned, was not computed on the insurance value of what Mr. Potecka paid in taxes or even the family's need. It's based on the "average contribution" Joseph Potecka made to Social Security during his whole working career.

The difference is critical. Mr. Potecka was earning over \$14,000 a year when he died, but there were many leaner years before that.

"When we were married," said Mrs. Potecka, "Joe got whatever work he could—delivering pizzas, selling furniture—anything. I worked for a while too, until things got straightened out. Last year, I worked again."

The "average" for all those years came to "slightly more than \$6,600 which meant that the total family benefit check, for Mrs. Potecka and her two sons (ages 10 and 8), would be \$435 per month.

"That would have helped a lot," said Mrs. Potecka, "but then the man explained that I couldn't get it."

What the Social Security representative explained was the system's incredible "earnings test." Because Mrs. Potecka is making \$125 a week as a food store checkout clerk,

the family benefit check must be "reduced," he said.

What he should have said was that the benefit would be all but destroyed. The law says that a widow cannot receive full benefits if she earns more than \$1,680 a year. That's \$140 a month.

Thus because Mrs. Poteka earns \$6,500 a year as a check-out clerk (now the family's only source of income), her \$435-a-month benefit is "reduced" to \$133.50.

I couldn't believe it when he told me," recalled Mrs. Poteka. "Joe and I were both working to make ends meet. Now this man tells me I'll have to quit my job and live on \$435 a month—or keep my job and lose over \$300 a month in benefits. What kind of a choice is that?"

Like a lot of others, she chose to keep working and take the tiny benefit "so maybe I can get ahead on the job and keep us above water," but she still says, bitterly, "Joe's Social Security money was wasted."

In fact the choice Marion Poteka faced was worse than she knew—and even more cruel. Had she "retired" to take the \$435 she would have lost valuable years on the job needed to qualify for Social Security retirement benefits.

By law, she will collect the family benefit (even the reduced amount) only as long as she has a child under 18 (22 if in college). That's less than 13 years for Mrs. Poteka. She would get nothing more until she turns 62—a 12-year gap.

Mrs. Poteka (and everyone else born after 1929) needs to work at least 10 years to qualify for any retirement benefits. Even a fraction less than the full amount means she gets nothing on retirement.

Thus, if she had chosen to stop working to collect her full death benefit she might have lost her chance at collecting any retirement money at all.

"You know," she adds, "it's like they have us coming and going."

At last count nearly 40 per cent of American widows drawing Social Security benefits get a reduced amount because they earn more than \$1,680 a year.

For those young workers entering the job market now, the deal is even worse. Rising Social Security taxes mean they will pay more than \$20,000 (and their employers a like amount) by the time they reach the age when Joe Poteka died.

Those they leave behind will then have the same choices as Marion Poteka. Remember, benefit increases are tied to the cost of living and by law will rise only the same as Social Security tax increases.

Since a widow can collect only death benefits while she has children under 22, the value of Social Security for a stable family shrinks every month.

This is because the money needed to pay for monthly death benefits grows less as the youngest child in a family approaches 22. Yet Social Security taxes for the family will grow every year.

Under this law a young couple today planning to pursue professional careers instead of having a family can look forward to a combined Social Security tax bill of \$300,000 with little, if any, hope of collecting a death benefit.

Without children, a widow must wait until age 62 before benefits are paid—no matter how long she remains a widow.

With or without children, the retirement income today's young workers can look forward to is less than half what they could buy on their own.

THE RETIREMENT HOAX

By the time today's younger worker is ready to retire, he will have lost a fortune to the Social Security system. So much money, in fact, that if used properly it would double his retirement pension or give him a \$100,000 bonus.

Before he reaches 65, the typical young American worker and his employer will have paid more than \$135,000 for a retirement plan which claimed to have given disability protection along the way. Instead he will get:

The cheapest kind of "term insurance" at three to five times its normal cost.

The cheapest, least useful, kind of disability protection at more than three times its normal cost.

Incredible discrimination against wage earners from a fund entirely supported by wage earners.

To understand how so much money could pay for so little protection it's necessary to know a little about how your money should work for you.

For instance, if a young worker wants to make sure that his wife and family will be protected, should he die, with an income until the kids are out of school, the cheapest insurance he can buy is called term insurance.

As an example, a 27-year-old man can guarantee an income for his family of \$500 per month for the next 20 years for an annual payment of \$192—that's \$16 per month.

George Menlow, a 27-year-old freight handler with a wife and two young children, is promised a maximum of \$450 a month benefit for his family for the next 20 years by Social Security. It's the same as term insurance because the money will stop once the kids are out of school.

The difference is that George Menlow, like millions of others like him, pays \$700 a year for Social Security's brand of term insurance. He and his boss pay \$60 a month each—more than 700 per cent above market cost.

Social Security Administration officials point out, however, that George gets more than just term insurance for his money; he also gets disability protection and a retirement plan. Take a look:

The Social Security brand of disability insurance comes with two running limitations: First, it requires that a total disability be "expected to last at least 12 months."

This requirement alone, according to the National Safety Council, would eliminate more than 90 per cent of all total disabilities from Social Security protection.

The 10 per cent who do qualify do little better. Social Security rules say these totally disabled workers must wait "until the beginning of the seventh month" out of work to be paid at all.

George Menlow can buy disability insurance to add to his death benefit insurance for about \$10 a month. There would be no 12-month total disability rule and only a one-month waiting period.

Thus Mr. Menlow could improve upon both Social Security's death benefit and disability plans for a total cost of less than \$30 a month. Yet he and his boss pay \$120 a month—still four times the real cost.

Does this mean that the other \$1,100 a year Social Security takes from George Menlow goes toward his retirement fund? Menlow had better not rely on that. The fact is that the retirement program is the saddest, least defensible, part of Social Security.

Consider the case of two men who will retire this year: Charles Teppit and John Singer will both turn 65 during the same month. Both live with their wives in homes they own. Although the two men have paid nearly the same Social Security tax, once they retire most similarities between them will end.

Charles Teppit will retire as vice-president of a large manufacturing company. His salary has been above the \$40,000 level for the last 20 years and with company bond options, an executive pension plan and his own annuities, Teppit is guaranteed a retirement income of more than \$1,300 a month.

John Singer is ending a 25-year career as a routing supervisor for a small trucking com-

pany. Last year his salary was \$14,900. For the last 10 years, says Singer, it has been almost impossible for him and his wife Ada to save much after paying the bills. Although they have a small savings account and some insurance, the Singers will be relying on Social Security.

Because maximum Social Security tax has always been pegged at middle-class earning levels, both Teppit and Singer have paid the maximum tax, even though Teppit has always earned at least twice what Singer has.

Now the two men will be "evaluated" by the Social Security Administration to determine the size of their retirement checks.

Since Teppit and Singer paid the same tax during their working lives and their wives do not work, both are eligible for a family benefit check of \$440 a month. But only Teppit will get the full amount.

The Social Security benefit "earnings test" decrees that for every dollar earned over \$2,880 during a year one dollar is deducted from the benefit check.

The Social Security considers "earnings" to be wages—nothing else. Thus, Teppit's bond interest, executive pension and private annuity don't count. He will have the full \$440 per month added to his other \$1,300 per month for a \$21,000-a-year retirement income.

"But Ada and I can't afford to live on \$440 a month," says John Singer. "It's less than half what I used to take home." So, like millions of others over 65, John Singer will keep working to make ends meet.

In Singer's case, it's a part-time routing job with a small trucking firm which pays \$100 a week for three days' work. The income means the Singers' Social Security check shrinks to \$246 a month.

"Is it fair," asks Singer, "that I should lose the Social Security I worked for because I can't afford to stop working?"

Mr. and Mrs. John Singer have become the ultimate victims of Social Security. If a system can be judged by its end product, the Singers' plight should be judged:

After 35 years in the work force, paying at the maximum Social Security tax rate, John Singer at 65 will begin giving more to the system than when he was working full time.

Since the Social Security Administration will begin deducting both from Singer's benefit check (\$158 a month) and his part-time earnings (another \$24 a month) one-fifth of all his income will be taken away.

The tragic irony of a system 100 per cent supported by payroll taxes punishing the wage earner and ignoring all other forms of income will be compounded in the future.

The present generation of young workers will pay three times what Singer paid for a government promise worth no more to them than Singer's.

The only way that the federal Treasury can guarantee even this promise is with the hope that the next generation (our children) will accept a still worse deal—that they, too, will become a generation of victims.

PAMPER THE CRIMINAL AND WHAT DO YOU GET?

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. HUNT. Mr. Speaker, some people never learn—or, so says the Saturday edition of the Philadelphia Bulletin:

TOUGH TO REMAIN A LIBERAL

Two weeks ago, Massachusetts state Rep. Richard E. Landry had his car stolen from

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the capitol parking lot in Boston. This week he was robbed of \$40 at gunpoint in the same place. "I voted for the prison furlough bill," he said. "But to tell you the truth, it's getting harder and harder for me to remain a liberal."

UNITED STATES SHOULD KEEP ITS WORD TO SAIGON

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. MATHIS of Georgia. Mr. Speaker, at a time when the mood of certain Members of Congress is to forget our commitment to South Vietnam, I feel that certain relevant information should be remembered.

It seems that only one side of the Vietnamese story is ever related, so I would like to share with my colleagues an editorial written by Mr. Nick Thimmesch of the Baltimore Sun which should cast a far different light on the subject than what we have experienced in the last few weeks:

[From the Baltimore Sun, June 6, 1974]

UNITED STATES SHOULD KEEP ITS WORD TO SAIGON

(By Nick Thimmesch)

WASHINGTON.—Of the lesser priorities in most Americans' thinking these days is what happens to South Vietnam. Most people want to forget that ordeal. But a struggle continues in Congress over whether the United States will keep its word and help the Saigon government remain strong.

James R. Schlesinger, the Secretary of Defense, was right when he said the U.S. is committed to send South Vietnam the tools of self-protection for one simple reason—because we said we would. The same point could be made about continued military assistance to Israel—we must do it, because we promised we would.

Yet, it has become popular among some aspiring politicians in this town, Senator Edward Kennedy (D., Mass.), for one, to join the pro-Hanoi lobbying group against South Vietnam. Their line is that President Nguyen Van Thieu's government is corrupt, the war and the killing go on, there is brutality toward political prisoners, and our support costs billions. Therefore, the U.S. should sharply cut, or eliminate, military and economic aid to Saigon.

The anti-Saigon lobbyists had fair success. The Nixon administration asked for \$1.6 billion in military aid to South Vietnam for 1975. The House finally okayed \$1.1 billion, and the Senate will soon vote on a \$900-million recommendation by its Armed Service Committee. An administration request for \$775 million economic aid in 1974 was trimmed to \$650 million. The administration asks for \$910 million in 1975.

The effort to cut funds for South Vietnam was carefully laid out last October by the "Indochina peace campaign," representing 15 organizations, and spurred by Tom Hayden, husband of Jane Fonda. Mr. Hayden had already met in Paris with officials of the Viet Cong's Provisional Revolutionary Government, thus suggesting a well coordinated plan.

The October meeting ended with a "united campaign to pressure Congress," and the view that "the antiwar movement now has the objective capacity to actually force an end to U.S. aid to the Thieu government" and to Cambodia.

EXTENSIONS OF REMARKS

A "spring offensive" was promised, and it came in March with an anti-South Vietnam meeting in a House office building conference room arranged for by Representative Ronald V. Dellums (D., Calif.).

Miss Fonda and Mr. Hayden toured the country, appearing on TV and radio talk shows, and giving newspaper interviews about the bad old United States to anyone gullible enough to listen. Their rule was they would not allow guests on the programs to challenge their views. Indeed, they even appeared on Martin Agronsky's Evening Edition, a public broadcast TV program from Washington, holding Mr. Agronsky to their no-challenge rule.

The reality of South Vietnam is that President Thieu, while not a democrat by American standards, is about as good as any ruler in Indochina, has held the country together, and has an army which has successfully repulsed the Viet Cong and North Vietnamese forces.

The North Vietnamese are as wanton and ruthless as ever, killing village leaders, burning homes of resettled refugees (Wonder why Senator Kennedy never speaks of that?), and violating the Paris agreements.

Henry A. Kissinger, the Secretary of State, responded to Senator Kennedy's challenges on Indochina with a short letter and a long statement, and was expected to do more this week before Congress. The gist of Dr. Kissinger's argument is that the U.S. will continue to provide "material assistance and political encouragement" to the Indochinese governments so that they can determine their own futures.

Dr. Kissinger noted that casualties in South Vietnam have been substantially reduced since the 1973 ceasefire, but that "the fundamental problem is that the North Vietnamese are still determined to seize political power in the South, using military means if necessary . . . [with] continued widespread terrorism against the population."

U.S. INVOLVEMENT IN CHILE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BROWN of California. Mr. Speaker, there is growing publicity and interest on the extent to which various U.S. organizations were involved in efforts to destroy Allende's ability to govern.

The Subcommittee on Inter-American Affairs in conjunction with the Subcommittee on International Organizations and Movements tried to obtain information on this subject from Harry W. Shlaudeman, Deputy Assistant Secretary for Inter-American Affairs in the Department of State, who willingly testified at the hearings on "Human Rights in Chile." When asked if the United States, through the use of any organization, exercised a policy of intervention by giving aid in any form to any opposition group working against the Allende government, Mr. Shlaudeman refused to answer. This refusal has sparked even greater interest in various Members in finding out just exactly how much aid the United States gave to Chile for the purpose of countering the developing popularity of the Allende government.

The following article, published in Labor Today by John Kailin, is an ex-

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ample of the attention that is being directed toward this issue:

How U.S. MONOPOLIES CONSPIRED TO BRING FASCISM TO CHILE

(By John Kailin)

All world labor federations have condemned the fascist military junta in Chile—the International Confederation of Free Trade Unions, the World Federation of Trade Unions, and the World Congress of Labor.

The International Metalworkers Federation, supported by Leonard Woodcock, UAW President, deplored the overthrow "of a constitutionally elected president and government, who had attempted to return the country's resources to the people, despite the bitter opposition of the giant multinational companies, and to bring about democratic social reforms that could have opened up new avenues of hope and change throughout Latin America."

Even I. W. Abel, USWA president said the suppression of Chilean unions and the coup itself, was "the result of the 'enemies list' concept . . . in which union members found they were on the list when they faced the firing squads."

Longshore and other unions in Scotland, France, the United States, Colombia, Belgium and Switzerland, are refusing to service, repair or unload ships or cargoes for the junta.

But at the 10th AFL-CIO Convention, the position pressed on the delegates by the International Affairs Department, was uniquely different. Entitled, "Restore Democracy in Chile," its first lines condemned the "excessive violence" of the junta. However, the next 57 lines indicted the Allende government itself, for causing its own "downfall."

MINORITY, UNPOPULAR

The statement said Allende's was a "minority government" and "increasingly unpopular." The Popular Unity government had received a 36% plurality in the 1970 election. The AFL-CIO made no reference to the Chilean general elections of 1973. After three years of trial, the Unidad Popular increased its vote from 36% to 44%. Right wing parties publicly predicted that later elections would show 80% of the people behind Allende.

In condemning Allende's plurality vote the AFL-CIO was using a double standard, for it did not condemn the parliamentary system used by governments which it supports, such as Israel, West Germany, Canada, Great Britain or Venezuela, where the governing parties frequently poll less than 50% of the votes but continue to head the government. For example, the December 4 Danish elections gave the leading Social Democratic Party a drop from 37% to 26% of the vote.

The AFL-CIO blamed Allende for a "350% rate of inflation," and "sharply deteriorating living conditions." As proof of its unpopularity, they said copper and transportation workers "became bitterly alienated and paralyzing strikes ensued." Totally ignoring the rise in living standards, the return of land to the peasants, the child care center programs, etc., which we reported in the first article of this series had taken place in three years of Unidad Popular, the AFL-CIO said "Allende's 'road to socialism' had all but destroyed Chile's economy and put Chile on the brink of a bloody civil war."

PUTTING ON BLINDERS

The AFL-CIO brass would not concede that the Popular Unity government had taken effective action that, despite all difficulties, was raising the living standard of the Chilean majority.

The AFL-CIO ignored the evidence exposed through Jack Anderson that the ITT, the State Department and the CIA decided *themselves* to cause inflation, unemployment and strikes in Chile.

When it was clear Allende would be named president, "Ambassador Edward Korry . . .

received . . . the green light to move in the name of President Nixon . . . to keep Allende from taking power," said an ITT agent who was working for the CIA.

The ITT-CIA agents reported the Chilean military wouldn't stage a coup "unless they are provided with a constitutional threat . . . That threat must be provided through provocation."

Said Chilean millionaire Matte, brother of ex-President Frei, "A constitutional solution . . . could result from massive internal disorders, strikes, urban and rural warfare. This would morally justify an armed forces intervention for an indefinite period."

THE CONSPIRACY

So it was decided: "Undercover efforts are being made to bring about the bankruptcy of one or two of the major savings and loan associations. This is expected to trigger a run on banks and the closure of some factories, resulting in more unemployment . . ."

And it was done: the country was flooded with phony currency to cause inflation. Bridges and plants were bombed daily. Shoes were hoarded, baby-nipples destroyed, other "shortages" created.

ITT Vice President Gerrity recommended that "companies should drag their feet in sending money, in making deliveries, in shipping spare parts, etc." And this was done too.

Truck owners called a paralyzing *lockout*. Afterwards they admitted they were being paid more for not working than they earned when they worked. It was common knowledge that they were financed by the CIA.

A broad, Kennecott Copper led a European effort to boycott Chilean copper, as revealed by Sen. Ted Kennedy, the "Committee of 40" U.S. big businesses in Chile held meetings to get the World Bank to cut off loans to Unidad Popular.

Through all this, the reactionary El Mercurio was allowed to function. Its owner Agustin Edwards, a vice president of Pepsi Cola, called for the Chilean armed forces to "create a new form of establishment."

The Anderson papers show ITT offered to throw \$1 million into the "destroy Chile" pot with the State Department. Neither ITT, the State Department nor the CIA will admit their role in the junta's bloody rise to power. But the pattern in Chile was the same as the pattern in other countries where the facts have been admitted before U.S. Senate committees.

WHEN WILL WE EVER LEARN

In Brazil, Guatemala, Bolivia, British Guyana—and unsuccessfully in Cuba—massive propaganda campaigns accompanied sabotage and murder, and progressive governments were eventually replaced by ruthless military regimes that survive on deception, torture and U.S. aid. Even "pots and pans" demonstrations of wealthy women (called "middle class" in our press) were part of the pattern in these countries.

In our last issue we indicated what Unidad Popular had done to reverse decades of looting Chile by the multinationals, how the lowest income groups improved their conditions most, land was returned to the peasants, and democracy brought to the factories. These facts were certainly known to the AFL-CIO leadership who drafted the Convention resolution.

Why then did the AFL-CIO distort the facts? Why did they echo the reactionary U.S. press in blaming Chile's "road to socialism" for the junta's success? Could it be an effort to cover its own shameful record in the Allende overthrow? To cover the facts about how it used the dues of AFL-CIO members to help put the junta and its guns in power.

Last year an estimated \$1 million was spent by the AFL-CIO's AIFLD—the American Institute for Free Labor Development—in Chile. Part of this money was used to train

EXTENSIONS OF REMARKS

200 Chileans in the U.S. We can only guess what subjects these potential "labor leaders" were trained for, but AIFLD Director William C. Donerty has given some clues.

He boasts that AIFLD agents helped plan and carry out the overthrow of the elected Goulart government in Brazil in 1964. There is no doubt that AIFLD works according to CIA plans. The Senate reports indicated that the CIA annually channels money to the AIFLD via the Agency for International Development.

WHICH SIDE ARE WE ON

That is sufficient to show that the AFL-CIO is working the wrong side of the street in Latin America. Further, the AIFLD itself includes representatives from 68 U.S. big businesses—including ITT, Kennecott, Anaconda, the Rockefeller interests, Sinclair Oil, Pan American, etc.

Attention focuses on ITT, Kennecott and Anaconda because their intervention in Chilean politics was the most brazen and the most exposed. But the U.S.-based multinational vultures are reassembling to pick the bones of the Chilean working people, among them: Corning Glass Works, Ford Motors, General Electric, Crown Cork and Seal, Dow Chemical, Phelps Dodge, Caterpillar Tractor, and General Tire and Rubber, to name a few.

Do AFL-CIO workers want their name and their dues money used to put down workers who are defending themselves against the same corporations in other countries?

We must work for the day when the AFL-CIO leadership will join with that of labor organizations in other lands to match and outrank the power of the multinationals.

I hope that the subcommittees' hearings will continue to pursue this course of inquiry until the Members are satisfied that all pertinent information bearing on this subject has been received. The people of this country should know where, and for what purpose, Government funds are being allocated.

MAKING ANY IMPEACHMENT DEBATE PUBLIC

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BRASCO. Mr. Speaker, as events wend their inexorable way toward what appear to be inevitable conclusions, it is obvious to even the most casual observer that the House will be called upon to debate the question of impeachment of the President. Certainly a number of quite legitimate questions have been raised regarding the propriety and legitimacy of such events being televised, and I believe we can and should respond to such questions forthrightly and with promptness.

There is no question of our ability to televise or broadcast the debate in a proper sense, without turning any such debate into a carnival prejudicial to the rights of the President and harmful to the institutions of the republic. With the Nation watching, the Members of the House will be even more mindful, rather than less so, of their responsibilities.

We have had television with us for a full generation. The American public has trained itself to separate fact from fic-

tion, and cannot be fooled by mere demagoguery. Should any member of the House act in a manner prejudicial to the proceedings, he will be hoist by his own petard before tens of millions of his or her fellow citizens.

Also, because we have faith in the Nation as a mature society, I see no reason whatsoever why any such debate, which is the essence of the people's business, should in any way be hidden from the people. We are their elected representatives conducting their affairs, and we have no right to exclude them from observing us deport ourselves in this manner.

In the same matter, I believe the caliber of the membership of this body is quite high, and that the Nation, able to observe how Members can learn and conduct such business, will raise its deplorably low estimate of this body accordingly. Only by the fullest disclosure can the faith of the people be even partially restored in this body.

We can also be certain that an audience will be guaranteed. The argument advanced by a few that there will be little audience concern is specious on its face. The importance of the broadcasts will be vast, not only by allowing the people to see the House at work on this critical issue, but because it will set a new and necessary precedent of opening up such debates to the public view. They would also be a living piece of recorded history, available to future generations of Americans.

Our distinguished colleague, SIDNEY YATES of Illinois, has offered a resolution to permit the televising of any future impeachment debate by the House. I fully concur in this proposal and take the greatest of pleasure in joining in sponsoring it at this time. Let it also be noted that this proposal has a significant measure of bipartisan support from all elements of the political spectrum. Members from all areas of the Nation and from all shades of opinion in both parties have joined in supporting the resolution.

Finally, let it be stated that there is little reason for even debating this question. In the past, the House has been correctly criticized for not conducting significant portions of the people's business in the open. In the most recent past, growing and successful efforts have been made to open up closed meetings and proceedings to public view. I have always identified myself with such endeavors. The people have a right to know what business is being conducted in their name. This is not a negotiable question in my mind. In fact, Watergate and everything associated with it sprang from a secretive effort to undermine democratic procedures because a small group of people had so little belief in the people.

Our Nation's founders did not create an exclusionary document when they constructed and passed on to us the Constitution and Bill of Rights. At this time, it would ill behoove us to try to slam the door in the faces of the very citizenry who have been most offended by the alleged abuses of power involved in Watergate.

EDUCATION PLUS

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. CHARLES WILSON of Texas. Mr. Speaker, it is my great honor to be associated with the Stephen F. Austin State University in Nacogdoches, Tex., as the Representative of its fine faculty and most of its students. Graduation ceremonies for its 1974 class took place on May 15, and while most such events are more to be endured than enjoyed, a speech given by Dr. Charles W. Brown was a striking departure from routine. Dr. Brown, head of the Economics Department, spoke directly to the heart of the issue that is facing all Americans—the integrity of this country and its institutions. I am inserting his speech into the Record because I think that we can all benefit by careful study of what Dr. Brown concludes are the implications of this crisis period for the future of this Nation. The speech follows:

SPEECH BY DR. CHARLES W. BROWN

It is indeed an understatement to say that these are strange times we live in. In fact the past twelve months could be described as "the year that shook America." We have seen the President of the United States go on television to argue that he is not a crook. Even now the Judiciary Committee of the House of Representatives is weighing the possible impeachment of our Chief Executive. We have seen our Vice President resign in humiliation after facing a lengthy list of charges in Federal court. We have seen our gasoline supply sharply curtailed and we have suffered through an energy crisis while oil company profits have skyrocketed. We have had so many shocks, we don't know what to believe anymore.

But as I look out over this audience today, I believe in the future of America. Much has been written about this generation of college students—that they are more open; more honest; less hypocritical—and these are attributes that are sorely needed today. Graduates, your generation also represents one of the best educated in our history. Your knowledge, your enthusiasm, and your talents will soon be making an immense contribution to the future of our country.

There is a building on this campus with an inscription on it that has a powerful message. It says, "The cultivated mind is the guardian genius of democracy." How true this is today. The importance of education to our whole welfare is apparent to all of us.

President Johnson, who did more for education than any president in our history, used to say that education may not be the answer to all of our problems, but without education no solutions are possible.

As we confront the problems of today, our continuing education will equip us to analyze these problems and develop solutions. But if we are to be truly successful as a nation and as individuals, more than education is needed. The top henchmen in Adolph Hitler's Germany were very well educated. The 25 men who have been indicted or convicted in the so-called Watergate mess represent the best in education—degrees in law and other professional fields from the top universities in our land.

Certainly, Samuel Johnson expressed a great truth when he said, "Integrity without knowledge is weak and useless" but "knowledge without integrity is dangerous and dreadful."

Roscoe Drummond, writing in the Chris-

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tian Science Monitor, brought the situation into sharp focus with these words—and I quote:

"The number 1 problem in the U.S. is not the energy crisis nor health nor housing nor unemployment—urgent as these matters are.

It is something else.

It is sleazy ethics and pervasive dishonesty in just about everything—in government, in politics, in business, in labor, and to some extent in the media . . .

I submit that corrupt politics, shabby ethics, and widespread dishonesty are death dealing to human freedom and democratic government."

I suppose if there is any message to the rambling comments that I am making here today, it is this—if we are to achieve greatness as a nation or fulfillment as individuals, we must be imbued with a strong sense of honesty, decency, and fair play. Education is essential, but so are honesty and integrity.

I believe that this is one of the lessons of the Watergate affair. Watergate has been a tragedy, a comedy, and many other things, but perhaps most important of all it has been a learning experience—an experience devoid of honesty and integrity.

Senator Sam Ervin, certainly one of the top authorities on Watergate, has spoken throughout the land concerning what he considers to be the sad problems of the whole affair—an affair that has literally destroyed bright men from the best of homes; men who received the best in education and had the brightest of futures. As Senator Ervin sees it, there were three factors that led to their downfall as they became entangled in a complex web that we do not yet fully understand. The three factors are:

FIRST, A DESIRE TO CONFORM

To be a team player. How many of them went along in order to get along? How many looked the other way as though nothing wrong was happening? This was the tragedy of Nazi Germany—good people looked the other way and remained silent. Evil triumphed because good people did nothing.

SECOND, THE IDEA THAT THE END JUSTIFIED THE MEANS

If the goal is good then any method which attains it is good.

Let me relate several examples of this type of thinking. The first example involves testimony of former Attorney General John Mitchell, before the Senate Watergate Committee. Senator Talmadge asked the question: "Am I to understand from your response that you placed the expediency of the next election above your responsibility to advise the President of the peril that surrounded him?"

Mitchell replied—"Senator, I think you have put it exactly correct. In my mind, the reelection of Richard Nixon, compared with what was available on the other side, was so much more important that I put it in just that context."

Another sad example involves Senator Talmadge interrogating Bernard Barker, one of the original Watergate defendants—

Senator Talmadge asked the question—"Who did you think your backers were?"

Barker replied—"Sir, I was not there to think, I was there to follow orders, not to think."

Talmadge then asked—"Didn't you wonder who was giving you these orders?"

Barker answered—"No. I had absolute confidence in (as I do now) the people I was dealing with, sir."

Talmadge asked—"Who do you think you were working for?"

Barker replied—"I was working for Mr. Hunt, and those things, Mr. Hunt represents."

Talmadge's next question—"What does he represent?"

Barker's answer—"He represents the liberation of Cuba."

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Whereupon Senator Talmadge asked—"How did you think you could liberate Cuba by participating in a burglary in Washington, D.C.?"

This exchange also illustrates the danger of blind obedience.

A final example relates to a famous statement made by a candidate for President ten years ago. He said, and I quote, "Extremism in defense of liberty is no vice." So now we have had bugging of opposition party headquarters, breaking into psychiatrist's offices, and all sorts of "dirty tricks" in the name of something called "national security." This extremism would certainly seem to constitute a vice.

The third problem that Senator Ervin saw was the overwhelming desire for success—the desire to get results. Go along to get along and use any means to get results. Einstein has warned us that we should not strive to be men of success but rather men of value. These views—the desire to conform, the idea that the end justifies the means, and the desire for success at any cost—represent serious dangers to our society today. I trust that we can avoid these pitfalls.

William Lee Miller, writing about the Watergate hearings in the Yale Review, has called our attention to another aspect of the case—the circular effort to avoid responsibility. Every man was pointing to someone else. Each Watergate person said it was not I, I just did my part. Listen to this list of excuses given by different witnesses before the committee: I was just a messenger; I was just a conduit; I took the money but I don't know why; I raised the money but I don't know how it was spent; I made the call but I didn't know what it meant; I typed the memo but I didn't read it; I was just obeying orders as I had been taught to do in the Navy; I assumed that because the President's counsel endorsed it, it must be legal; I talked to my subordinates and they kept telling me everything was all right.

Where, we might ask, was the honesty and decency in this whole sordid mess?

Well, this is past history. What about the future? What can we do? We can resolve that we will not be dishonest—that we will not participate in dishonesty. We can vow that we will not look the other way when dishonesty is going on.

The American Heritage Dictionary defines honesty in this manner—not lying, cheating, stealing, or taking unfair advantage, honorable, truthful, trustworthy.

We need education—yes!! But in addition we need hundreds, and thousands and literally millions of honest and decent citizens. Your education plus your integrity represent a bright future for our Nation.

In conclusion, let me leave you with a quote from Shakespeare—"This above all: To thine own self be true, and it must follow as the night the day, thou canst not then be false to any man."

Thank you, and good luck.

RARICK REPORTS TO HIS PEOPLE:
AN INTERVIEW WITH HUGH A. HALL, ASSISTANT ADMINISTRATOR OF THE AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. RARICK. Mr. Speaker, the Bicentennial Celebration of the Nation's birth offers each of us a unique opportunity to take stock in what is right with America.

Every parish in the Sixth Congressional District of Louisiana will have been designated as "Bicentennial Parishes" within the next few days. It has been my privilege over the past few months to present Bicentennial flags to each of the local communities which have received their recognition.

A program so vital to the patriotic growth of American ideals as the Bicentennial certainly deserves the continued support and cooperation of the Congress. I am proud, not only to have voted for this worthwhile endeavor, but that my State of Louisiana and my district have become so actively involved in the Bicentennial with such a patriotic dedication.

Recently on my weekly televised report to my constituents, my guest was Mr. Hugh A. Hall, Assistant Administrator of the American Revolution Bicentennial Administration. In order that our colleagues may have benefit of Mr. Hall's comments on the recent developments of the Bicentennial Celebration, I include a transcript of that broadcast:

YOU HAVE A RIGHT TO KNOW—INTERVIEW
WITH MR. HUGH A. HALL

RARICK. The 200th anniversary of the founding of the United States is a short two years away. But already many of our citizens and communities are preparing for the celebration with a great deal of anticipation. Many of us look upon the celebration of the nation's birth as time to reaffirm basic American beliefs we may have taken for granted too long. It will afford Americans a good opportunity to look back upon the events that have shaped the country's feelings toward individual freedoms, and to resolve that these same traditions are as meaningful to Americans in 1976 as they were in 1776. Individual liberty never goes out of style.

With me today, to discuss some of the plans to help make the celebration more than just a big birthday party, is Assistant Administrator of the American Revolution Bicentennial Administration, Hugh A. Hall. Thank you for joining us, Mr. Hall.

One of the most noticeable things about the people in the Sixth District who have some knowledge of the Bicentennial celebration is a high degree of enthusiasm. And this feeling of involvement seems to be contagious. What are some of the things that the Administration is doing to get local communities and citizens involved in the Bicentennial? What are your goals and purposes?

Mr. HALL. Congressman Rarick, it's a pleasure to be with you and hopefully to answer some of these questions. The original concept to commemorate the 200th anniversary was put together by the former Bicentennial Commission, with a prime goal set that all of the citizens of all the states should be participants in commemorating our 200th anniversary, rather than staging a big show someplace and have everyone as spectators. The concept of the commemoration is that we would be looking at the past, learning from it, dealing with the present and stepping into the future. We developed three themes: Heritage '76, Festival U.S.A., and Horizons '76. Those three themes deal with the past, the present, and the future. We've asked each state, and they have all complied, and most of the major cities of the United States, to get citizens groups together and plan on actually participating at the local level in commemorating the 200th anniversary of the oldest democracy under a republic in the history of mankind. We're finding this great spirit in our country absolutely erupting on us.

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And of course, Louisiana and the Sixth District have more or less set the example, I believe, for the rest of the nation. As you're well aware, the state of Louisiana has over 138 parishes and cities and communities involved. The nation has a total now of officially recognized approximately 800. The spirit and the concept of the commemoration was to be participatory, that the people of our country would be involved directly working for our country, and that we would have a commemoration, in which millions of people at the local level were involved.

RARICK. The hopes on the national level are to encourage as broad as possible local participation by the states, local communities and cities?

Mr. HALL. Exactly that, yes sir.

RARICK. Congress has enacted legislation and has appropriated money. Can you give some idea of how this money is being divided; or how it's being used to encourage local and state participation?

Mr. HALL. Yes. We've had minimal funding. The original concept, which has been sanctioned by five Congresses and two Presidents, was not to get out and try to purchase a Bicentennial by infusing massive millions or billions of dollars in trying to solve all of the problems that exist in our country or the world today, but rather to get the spirit of the thing, *participation* in the Bicentennial. Since 1966, we've received a total of \$18 million in appropriated monies. From that, we've given approximately \$5 million directly back to the states for distribution to the communities, national organizations, and organizations in communities to be used for work on Bicentennial activities. The other \$13 million has been used over that 8-year period for putting together professional staff. Offices were opened in the ten Federal regions. They work closely with the states and the communities, helping them coordinate their programs. We are setting up a master calendar on a computerized basis, of the myriad, literally thousands of events that will be taking place during 1975 and 1976. Let's put it this way, we've spent less than one cent per person, per year. But it's the spirit of the thing that's coming through loud and clear, not how much we can spend but how much we can accomplish.

RARICK. There are also tokens and memoranda that are being made available to raise money?

Mr. HALL. Yes. We issued a national commemorative medal struck by the United States Mint. Also in combination with the first day cover, we've issued one each in 1972-1973-1974. We've raised approximately \$6 million from this effort, at no cost to the taxpayer. We've taken that money and in turn granted it back to each of the states for distribution to be matched by an equal amount for Bicentennial programs or projects that are being undertaken at the state and the local level. The projects range from historic preservation, the staging in schools of historical dramas, publications of books, films or many of the Horizon programs one of which your District is so eagerly involved in: the Johnny Horizons Program, Let's clean up America for the 200th birthday. The Johnny Horizon's program is being undertaken ambitiously in Baker. Baker is also involved in the restoration and saving of the century old oak trees, the planting program of magnolias, the state flower.

RARICK. Mr. Hall, you mentioned the Sixth District of Louisiana. I'm sure that you are aware that I have participated, I guess, in every one of our ceremonies in which we have raised the Bicentennial flag at the parish courthouse, at our state capital, and in the city of Baker. I'm sure that you must be aware that there seems to be a spontaneous enthusiasm among the people of the Sixth District of Louisiana. And the rest of our state is actively asserting that we

want our individual people to play a part in the Bicentennial observance. You have even sensed that feeling here in Washington.

Mr. HALL. That is correct. We have frequently used Louisiana as a state, and your District in particular, as an example to many of the states and communities as how to catch hold of the participatory nature of the Bicentennial. We've used your District and the state as an example of how citizens not only want to get involved, but how they can get involved constructively. And as you know, like in Baker, they've already got the marching band that won the state championship performing concerts this year, building up and drumming up the enthusiasm for the Bicentennial in 1976.

RARICK. Well, I know that the people in my District feel it's time to wave the flag, and they're going to pick up the idea of selling America and run with it. We have many patriotic people in the Florida Parishes, as we affectionately call them—the Sixth District of Louisiana. Are you, on the national level of the Bicentennial, satisfied that you are on schedule in looking ahead for the target year of 1976?

Mr. HALL. Oh, yes, by all means. We have been through lots of trials and tribulations. And any planning group that would try to plan for something as gigantic an undertaking as this whole 200th anniversary is bound to go through sorting the literally millions of ideas of what the commemoration should be like and then, finally come down to a concept that the nation buys, accepts, and is going to undertake. And we've done that. There were many people that thought we should have one or two big things: either a great big party at one single location, or some massive infusions of multi-billions of dollars of Federal monies to cure all kinds of programs that really aren't related to the spiritual concept of our 200th anniversary. I think that now the nation, most of the nation certainly is understanding that neither of those two concepts are appropriate nor will take place in our 200th anniversary. It's going to be a kind of spiritual reawakening of people working constructively for their country to make this a better place to live, realizing that we've done so much over 200 years and have so much to do as we step in our next 100 years. Yes, the understanding of the great opportunity we have at hand is finally soaking in across the country, and I think we're right on target. We're right where we should be in 1974.

RARICK. Of course, if we didn't have the support of the President and the Congress, we wouldn't be at the planning stage that we're in today. I'm sure we realize that there will be need for additional funds and support from the national level. How do you see it? Do you still have the continued support of the Congress and the President and the other parties of the Administration?

Mr. HALL. We certainly do. We have the support of all three branches of the government. As you know, the House has just passed the Supplemental Appropriation, which will allow grants to the individual states of \$200,000 each. The Supplemental Appropriations passed in the House and I understand the Senate will probably act on it next week. A new board will be named and the administrator, John Warner, the former Secretary of the Navy, will be administering matching grants to the states for Bicentennial programs and projects between now and 1976. Also, in that Supplemental budget, there is \$25,000 for each state and territory for 1974, 75, and 76. And there's \$12,500 in the first six months of 1977 to help offset the cost of operation of the states' staff offices.

RARICK. Mr. Hall, I'm sure that there are many good Americans who, as individuals want to participate in the Bicentennial celebration. What suggestions do you have as to what they should do, or how they can get

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involved to participate in our nation's birthday?

Mr. HALL. Take the example again of the Sixth District. Do like Baton Rouge or Baker or any one of your communities have done. They have talked to their citizens, and, say, if you belong to a club, or group, or organization, have that club, or group, or organization pick out something constructive that they want to do to make this a better country and get to work with that group. And if they don't belong to a group or club or organization, start to belong. Pick up the phone and call an organization that's involved in the 200th anniversary in their community and volunteer their services and join in the effort. This country's going to be just exactly like we make it.

RARICK. Of course, there's plenty of room for everyone to participate, isn't there?

Mr. HALL. There certainly is.

RARICK. Well, thank you very much. Our guest today has been Mr. Hugh Hall, who is the Assistant Administrator of the American Revolution Bicentennial Administration here in Washington, D.C. Our topic has been preparing to celebrate the country's 200th anniversary by reselling and rejuvenating America. It's been a pleasure to have you on the program, Mr. Hall.

Mr. HALL. I'm honored to be with you, sir.

AN APPEAL TO THE LAW OF THE SEA CONFERENCE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. FRASER. Mr. Speaker, one of the ways in which the United Nations Law of the Sea Conference can be of greatest benefit to the international community is to draft a treaty which provides that a substantial portion of the immense revenues from the mineral resources of the deep seabeds be earmarked for assistance to the developing countries.

As the Conference opens in Caracas this week after 3 years of preparation, a group of distinguished citizens of 10 nations have presented to U.N. Secretary-General Waldheim a manifesto which urges that the Conference stress the concept of the oceans as "the common heritage of mankind" and that "an imaginative, realistic approach to the complex and urgent ocean problem can reverse the present grave threat to the oceans' ecological system, provide an orderly and equitable means of managing ocean resources and furnish substantial revenues for international community purposes." The group urges that revenues for seabed mineral exploitation, which could amount to billions of dollars per year, be used not only to aid development but also to fund the fight against ocean pollution and to aid research for new sources of energy which are relatively free of pollution.

The ocean manifesto was signed by Maj. Gen. Indar Jit Rikhye, president of the International Peace Academy, and former commander of the U.N. Emergency Force in the Middle East; ocean explorer Thor Heyerdahl of Norway; Charles W. Yost, former U.S. Ambassador to the U.N.; anthropologist Margaret Mead; Nobel laureate Jan Tinbergen, a

Dutch economist; Per Haekkerup, former Foreign Minister of Denmark; Dr. Paul M. Fye, director of the Woods Hole Oceanographic Institution; Ambassador Arvid Pardo of Malta and Lord Ritchie-Calder, a British scientist and author; Dr. John J. Logue, director of Villanova University's World Order Research Institute who is serving as secretary of the group.

I include the text of the ocean manifesto in the RECORD at this point:

AN OCEAN MANIFESTO: AN APPEAL TO THE CARACAS CONFERENCE ON THE LAW OF THE SEA

The Third United Nations Conference on the Law of the Sea provides extraordinary opportunity to establish an effective system of order and justice in a large portion of the earth where rivalry among nations daily becomes more threatening and self-defeating. The delegates who come to Caracas in June of 1974 will decide whether the oceans of the world will be wisely managed and their immense resources, whether of minerals or living species, safeguarded and shared. For if chaos and shortsighted selfishness reign it will be to the detriment of our common human future.

We believe that an imaginative, realistic long-term approach to the complex and urgent ocean problem can reverse the present grave threat to the oceans' ecological system, provide an orderly and equitable means of managing ocean resources and furnish substantial revenues for international community purposes. That approach must reflect the proposition that the oceans of the world are an indivisible and fragile ecological whole which cannot be dealt with on a unilateral or piecemeal basis.

We believe that the Law of the Sea Conference should take as its inspiration the principle of "the common heritage of mankind" enshrined in the United Nations General Assembly's Declaration on the Seabed, unanimously adopted on December 17, 1970. In our view adherence to this principle would represent a major and significant development in international relations. We urge the Conference to demonstrate its faith in mankind by a full and realistic recognition and application of the common heritage principle. Adherence to it could reconcile national interests and broader interests which otherwise would be irreconcilable.

A realistic common heritage approach would require that a substantial portion of the revenues from seabed resources, both within and outside the continental margin, be dedicated to international community purposes. In our view those revenues should be used to help fund the struggle against ocean pollution, to make ocean technologies more widely available, and to contribute to the aid given by the United Nations to developing countries. It might also add revenues to the general budget of the United Nations. Seabed revenues might also be used to assist intensive international research, some of it through the United Nations University, on new sources of energy which are relatively free of pollution.

We believe that the common heritage principle can also furnish the inspiration for another essential part of the Conference's work, namely, securing international agreement as to the responsible uses of the ocean environment. That agreement should include provision for the monitoring of that environment and protecting it from overfishing and from the many forms of ocean pollution. It should also include a statement that states are obligated to prevent marine pollution from any source, and it should establish means and standards for the fulfillment of this obligation.

In our view the international seabed area

under the sole jurisdiction of the United Nations international regime should be as large as possible, extending in as close to the 200-meter depth line as possible with, however, some "distance provision" for those countries which, in effect, have no continental shelves. However, if the Conference should agree to a 200-mile "economic zone" or "patrimonial sea" between the national territorial sea and the proposed international area, we believe that it is essential that the coastal state share jurisdiction within this zone with the appropriate United Nations agencies in order to insure that world community interests are respected, particularly with respect to pollution, fishing, navigation and scientific research. It is important to stress that a 200-mile economic zone would include an overwhelming proportion of the seabed resources believed to be exploitable in the next decades.

We believe that in order to carry out its important purposes the United Nations ocean regime must have strong institutions based on equitable and democratic representation from all countries. If the regime is to be effective in implementing the common heritage principle, it must have substantial powers including power to license and regulate the exploration and exploitation of the international seabed area by states and private organizations. The regime must have its own power to explore and exploit that area. In our view this arrangement would promote stability of expectations and security of investments. Most importantly, the United Nations international regime must have unquestioned authority to settle disputes. In short, there must be a legal system which protects and fosters the many but competing uses of the oceans. Provision for environmental impact review should be part of that agreement.

Among the special problems to which the Law of the Sea Conference must urgently address itself, always keeping in mind the common heritage approach, are the following:

a. Preservation and improvement of fisheries, with particular attention to the economic interests of coastal countries, but with provision for the interests of distant-water fishermen as well.

b. Protection of the interests of those countries which fear that increased production of seabed minerals may lower the prices for their land-based minerals. This would include adherence to the United Nations General Assembly's Moratorium on the exploitation of deep seabed mineral resources until the Conference works out an agreed system for exploiting those resources.

Preservation of the historic freedom of navigation and transit through international straits. Limitations on those freedoms for control of pollution and traffic should be made by international agreement taking into account the legitimate interests of the world community as well as those of coastal states.

d. Support for freedom of scientific research, with due regard for the interest of coastal states. For the benefit of all, we urge that the United Nations ocean regime commission and fund ocean research, establish a clearing house for worldwide dissemination of information and assist in the transfer of ocean technology to developing nations.

e. Coordination of the ocean activities of existing international agencies and encouragement, where appropriate, of regional solutions to ocean problems.

The Law of the Sea Conference provides the opportunity for a major advance in global awareness, a strengthening of the sense of individual, national and international responsibility for and "stewardship" of planetary life and resources. For these reasons we encourage peoples of all countries to acquaint themselves with the preparations for the Conference and the problems and opportunities it represents. We urge them to do this in their private capacities and in the

governmental and nongovernmental organizations to which they may belong. And we urge them to communicate their views to all who will influence the Conference's decisions.

A successful Law of the Sea Conference based on the principle of the common heritage of mankind would establish the basis for responsible management of the global areas beyond the jurisdiction of nations. It would head off the possibility of a competitive and potentially dangerous struggle among states for the resources of the seas. And it would make a major and historic contribution to the realization of the high principles set forth in the preamble to the United Nations Charter. A Law of the Sea Conference which devised equitable, acceptable and workable responses to the present "ocean opportunities" would also promote international comity and serve as a guide and inspiration to solutions to other pressing international problems.

SPAGHETTI AND STEEL

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. GAYDOS. Mr. Speaker, the May issue of a newsletter published by Local 2227, USWA, in West Mifflin, Pa., carried an article dealing with the increased importation of spaghetti and macaroni into the United States.

It would be reasonable for someone to wonder what steel has to do with spaghetti. The answer is because they are in the same pot. Steelworkers know what unfair foreign competition can do to an industry and its employees. They have been in that sauce.

It also is interesting to note the steelworkers' news point out the imported spaghetti is not coming from Italy but from Mexico. Made there with American wheat, it is shipped across the border and sold here at a new price of 15 cents a pound. American manufacturers cannot compete with that price. The cost of raw materials is twice that amount.

Steelworkers know the pattern foreign imports follow. First, the foreign manufacturer, using low-cost labor, undersells his American competitor. As his market expands, the American manufacturer's dwindles, causing job layoffs and plant closings. Once the foreign manufacturer has knocked the starch out of domestic competition, he controls the market and the price of his product, is his for the setting.

So, while it is the production worker and his employer who first feel the pains of unfair foreign competition, it is the American consumer who is the victim at the end.

Mr. Speaker, I am inserting Local 2227's article into the RECORD for the attention of my colleagues:

SPAGHETTI FROM MEXICO

You read it right. Those fine old "Italian" products, spaghetti and macaroni, are being made in Mexico—with U.S. wheat—are being shipped into the U.S. And the process is causing serious concern among the American manufacturers.

The American companies have complained to Congress and the U.S. government that

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the imports are threatening their existence. So far, as one manufacturer has put it, they have gotten "responses of sympathy, but no definitive action."

The companies say that the Mexican products are made from the highest grade of wheat ingredient and are "being offered and sold at a net price of 15 cents per pound... We as an industry cannot compete with a 15 cents per pound product because our raw material costs are now twice that."

Robert S. William, president of Western Globe Products Inc., of Los Angeles, warns that the "destructive price from Mexico could and probably will expand into other areas of this country and if allowed to continue may cost the jobs of many people as well as the closure of some macaroni manufacturers."

U.S. Tariff Commission figures show a sharp increase in imports of spaghetti and macaroni products in 1972 and in the first seven months of 1973 with Mexico becoming a significant factor for the first time in 1973.

American manufacturers report the appearance of the Mexican-made products in Texas and California, principally. But they also noted that imports into Minnesota, Wisconsin, Illinois and Michigan are coming from Canadian sources, which also are causing concern.

LAW AND ORDER—PART I

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mrs. SCHROEDER. Mr. Speaker, I am today introducing a bill amending title 39 of the United States Code, to provide additional standards guaranteeing the proper use of the penalty mail privilege by Government departments. Mr. CHARLES H. WILSON of California, chairman of the Postal Facilities, Mail, and Labor Management Subcommittee of the House Committee on Post Office and Civil Service, joins me in proposing this important measure.

In April of last year a number of constituents called my attention to a mailing sent out by the Justice Department under penalty mail indicia—the executive analog to our congressional frank. Included was the full text of a Presidential speech on crime and a cover letter from the then Attorney General, Richard Kleindienst. Because the nature of this material is pertinent to the need for the legislation we propose, I intend to include full copies in tomorrow's CONGRESSIONAL RECORD. Perhaps, though, the following excerpt from the Kleindienst cover letter will suggest the general tenor of this mailing, while at the same time providing some high irony:

Mr. Nixon's remarks served to remind us very clearly that leadership in the war on crime comes right from the top of the United States Government. And it also indicated once again that law-abiding Americans have a man with the courage to represent their interests.

In answer to several inquiries, both direct and through the Post Office Committee, the Justice Department at first attempted to characterize the mailing as properly in discharge of the Attorney General's duty as chief law enforcement officer of the executive branch. The distribution, I was told in a July 19 letter,

served to inform those "particularly concerned or involved" in our Government's policy toward criminal prosecution and drug abuse—a policy I would have thought to have been well understood already by the American people. The response did not clarify, however, the particular concern or involvement of the "nationalities organizations newspapers and radio stations," the "ethnic mailing lists," the "Amvets," or, intriguingly, the "big city and small town opinion molders," who found themselves among the 64,000 recipients of this material.

My confusion was complete when a month later the Justice Department disclosed in an August 10 letter that while in discharge of Mr. Kleindienst's official duties, the entire mailing—except the postage—had been "paid for by the Republican National Committee." This was later confirmed by Acting Attorney General Bork, who felt constrained in a December 21 letter to volunteer further that the mailing was a "cooperative venture between the Department and the White House."

This was too much even for the Postal Service, and after some weeks of negotiation, the Justice Department finally agreed to pay a special postage billing of \$10,240 for the mailing.

Mr. Speaker, the mailing, as a joint venture among the White House, Justice Department, and Republican National Committee, was just one more example of a Government agency's official mission being subverted to partisan ends—something this administration has become famous for.

Last session Congress enacted sweeping controls against the political abuse of its franking privilege, including a special commission to review the nature of materials franked by Members. My experience with the Justice Department convinces me it is time to start thinking about similar controls for the Executive.

For the information of my colleagues, there follows the text of our bill and copies of the Justice Department correspondence discussed above:

H.R. 15447

A bill to amend title 39, United States Code, to provide additional standards to regulate the proper use of the penalty mail privilege on an official basis by Government departments, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3204 of title 39, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) (1) Notwithstanding any other provisions of this section, any mailing of matter as penalty mail, in excess of 5,000 identical pieces, may not be carried in the mails as penalty mail until the officer, executive department, or independent establishment of the Government which intends to transmit such matter has submitted to the Comptroller General of the United States a request for certification that the carriage of such matter in the mails as penalty mail is in compliance with this chapter and has received such certification from the Comptroller General. The Comptroller General shall respond expeditiously to all such requests for certification.

"(2) The fact of each transmission of matter in excess of 5,000 identical pieces in the mail as penalty mail or otherwise, and addi-

EXTENSIONS OF REMARKS

tional information concerning such mailing shall be published in the Federal Register, and copies of the matter mailed shall be available for public inspection at reasonable times in the office of the Government transmitting authority concerned. Such additional information to be so published in the Federal Register shall include the following:

"(A) a description of the nature and subject matter of the mailing;

"(B) a statement of the purpose of mailing such matter;

"(C) a statement that copies of such matter may be examined in the office of the Government transmitting authority concerned;

"(D) a statement of the numerical number of identical pieces mailed;

"(E) a statement of the general category or categories of persons or organizations to whom or which the matter was mailed;

"(F) the source from which the mailing list of such persons or organizations was received;

"(G) the amount or equivalent amount of postage due for mailing such matter; and

"(H) the source from which such amount was or is to be paid."

DEPARTMENT OF JUSTICE,
Washington, D.C., August 10, 1973.

Hon. PATRICIA SCHROEDER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN SCHROEDER: This is in response to your recent inquiry concerning an April 6th, 1973, mailing of the President's March 10th crime message by the Department of Justice.

This mailing, which included a cover letter from Attorney General Richard Kleindienst and a radio speech on law enforcement delivered by the President, was sent to persons with a general interest in law enforcement. Acting as the Federal Government's chief law enforcement officer, the Attorney General mailed the President's crime message for the purpose of seeking state and local law enforcement cooperation in the implementation of the President's crime policies.

The mailing, which was consistent with 39 U.S.C. § 3204(b)(A), was paid for by the Republican National Committee.

Cordially,

PATRICK M. MCSWEENEY,
Deputy Assistant Attorney General.

DEPARTMENT OF JUSTICE,
Washington, D.C., July 19, 1973.

MARVIN H. MORSE, ESQ.
Assistant General Counsel, Postal Rates and
Mail Classification Office, U.S. Postal
Service, Washington, D.C.

DEAR MR. MORSE: In response to your letter of July 6, 1973, I am forwarding a list of addressee-categories to whom the letter of former Attorney General Kleindienst, dated April 6, 1973, enclosing a copy of President Nixon's March 10th address was sent.

The purpose of the letter was to inform the addressee of the Executive's policy regarding crime and drug abuse as articulated by the President in his radio address of March 10th. The mailing of this information was in discharge of the Attorney General's duty as chief law enforcement officer of the Executive branch. The distribution of the letter and the text of the broadcast served a two-fold function: (1) to inform the addressees who are particularly concerned or involved with this problem what the policy of this Department is regarding the prosecution of criminal offenders and the curbing of drug abuse, and (2) to implement this policy by stating the Federal Government's determination to seek greater assistance for State and local law enforcement agencies so that through the cooperative effort of local, State, and Federal agencies substantial progress can be made against crime and drug abuse.

Within this context, we are of the opinion that the mailing was authorized by 39 U.S.C. § 3204(b)(1) as "enclosures reasonably related to the subject matter of official correspondence. . . .", as well as by 39 U.S.C. § 3204(b)(4) as "... interpretations necessary in the administration of the department or establishment and by 39 U.S.C. § 3204(b)(8) as "articles or documents to educational institutions or public libraries, or to Federal, State or other public authorities"

The general authority of departments of the Executive branch to use the mails for the transmission of official matter is contained in 39 U.S.C. § 3202 (formerly 39 U.S.C. § 321 and § 4152). This section dates back to 1939 when Congress, becoming disturbed by the rising cost of transmitting Government matter through the mails, enacted as part of an appropriation act restrictive provisions. (Sec. 6 of the Act of May 6, 1939, 53 Stat. 654, 683, as amended by § 2 of the Act of June 30, 1939, 53 Stat. 980, 989.) These provisions were carried forward into the Penalty Mail Act of 1948 (Act of June 25, 1948, c. 658, Title III, § 306, 62 Stat. 1049, 39 U.S.C. 1952 ed. § 321n).

By 1953 it was apparently believed that the statute had not fully achieved its purpose of reducing the volume of free Government mail. Therefore, Congress provided by the first section of the Act of August 15, 1953, (67 Stat. 614, 39 U.S.C. (Supp. V) § 321n), for the reimbursement of the Post Office, on the basis of accountings regarding the transmission of matter in the mails under the penalty privilege (except mailings by the Post Office Department), of the equivalent amount of postage due the Post Office Department by reason of the transmission of such mail. This reimbursement was to be made out of any appropriations or funds available to the agencies concerned.

In 1956, 39 U.S.C. § 321n was amended (Act of July 14, 1956, § 2, 70 Stat. 536) by striking out the words "free of postage" and inserting the words "as penalty mail" to "reflect existing law to the effect that mailings by Government agencies under the penalty privilege are no longer 'free of postage' and that the equivalent amount of postage is required to be paid by such agencies to the Post Office Department." H.R. Rept. No. 2421, 84th Cong., 2d Sess., p. 17.

The provisions regarding penalty mail were again revised by the Act of September 2, 1960, 74 Stat. 660, becoming 39 U.S.C. § 4152. The Postal Reorganization Act of 1970, P.L. 91-375, § 652, continued the provisions of § 4152, becoming 39 U.S.C. § 3202.

The legislative history of the present section, authorizing the use of the penalty mail privilege, and the restrictions of such use imposed by 39 U.S.C. § 3204 indicate that official letter correspondence, including such enclosures as are reasonably related to the subject matter of the correspondence, as well as the sub-categories of official correspondence involving informational releases of administrative orders and interpretations necessary in the administration of executive departments and agencies as well as information distributed to Federal, State or other public authorities, has always been deemed to be a permissible and proper use of the penalty privilege.

It should be noted regarding any impermissible use of the penalty privilege that criminal sanctions are provided for the use of official envelopes to avoid the payment of postage fees on private letters. Such conduct is punishable by fine of not more than \$300 (18 U.S.C. § 1719). Similarly, although I am aware of no statute expressly precluding an agency from transmitting mail postage paid, it is reasonable to conclude that the purchase of postage for the transmission of mail on any large scale would be challenged as the use of appropriated funds for an

illegal object. (See R.S. § 3678, (31 U.S.C. § 628 and 39 U.S.C. § 3206(a)).

The pertinent test of legality is whether the correspondence has a bearing on the Attorney General's functions and duties so as to qualify as official mail entitled to the penalty mail privilege. We are of the opinion that it does so qualify, being sent pursuant to the Attorney General's law enforcement responsibilities.

Sincerely,

LEON ULMAN,
Acting Assistant Attorney General.

ATTACHMENT

The following list of 28 categories classifies the 64,000 recipients of the April 6, 1973 letter enclosing President Nixon's speech. This list was prepared prior to the selection of the individual addressees. It would be possible to obtain a computer print-out of the 64,000 addressees but the expense would be considerable. However, if you are interested in receiving the whole or a portion of the list, you may refer your request to this Office.

DISTRIBUTION ON RN SPEECH ON LAW ENFORCEMENT AND DRUG ABUSE

United States Senators.

United States Congressmen.

Governors.

State Senators and Representatives.

Mayors.

County Officials.

State Attorneys and Assistant State Attorneys.

District Attorneys and Assistant District Attorneys.

Prosecuting Attorneys and Assistant Prosecuting Attorneys.

County Attorneys and City Attorneys.

Assistant County and City Attorneys.

United States District Attorneys.

Attorneys General of the United States.

Municipal Police Chiefs.

Law Schools.

Editors of Dailies.

Radio and TV Commentators.

Radio and TV News Directors.

Nationalities organizations.

Nationalities Newspapers.

Nationalities radio stations.

Ethnic Mailing List.

Labor Leaders.

VFW State Leaders.

AmVets.

Disabled American Veterans National Officers.

American Legion National Officers and Post Commanders.

Big City and Small Town Opinion Molders.

Total mailing: 64,000.

OFFICE OF THE ATTORNEY GENERAL,

Washington, D.C., December 21, 1973.

Hon. PATRICIA SCHROEDER,

Denver Federal Building,

Denver, Colo.

DEAR MRS. SCHROEDER: I am responding to your letter of August 20, 1973 to Elliott Richardson, relating to a mailing on April 6, 1973 to members of the public of copies of the President's speech on crime and drug abuse with a covering letter by then Attorney General Richard G. Kleindienst. The mailing was a cooperative venture between the Department and the White House. As you know, it is not uncommon for major speeches of the President or of agency heads to be mailed to members of the public for their information, usually at the expense of the agency most directly concerned with the subject matter of the speech.

Except for the Departmental envelopes used, the costs of the mailing were defrayed in this instance by the Republican National Committee.

It is clear that the mailing was not in violation of the penalty provision of 18 U.S.C. 1719 which prescribes a fine of \$300 for the use by any person of any official envelope "to

avoid the payment of postage or registry fee on his private letter." The April 6 mailing, which related only to the law enforcement and drug control programs of the President and the Department, was not a private mailing. I am aware of no other statute relating to the matter which provides for a penalty enforceable by the Department of Justice. There is, therefore, no reason to refer the matter to the Special Prosecutor.

The following information is given in response to your particular questions:

1. The mailing numbered 64,000 with two pieces enclosed in each envelope.
2. The mailing was sent to the categories in the attached list.
3. The mailing list was provided by the Republican National Committee.
4. The Department of Justice incurred no expense for the mailing other than the cost of the 64,000 penalty mail envelopes.
5. The policy or motivation for the cooperative mailing seems to have been the desire to bring to the attention of members of the public important aspects of the Department's current law enforcement program.
6. Most agencies, as you know, are provided portions of their appropriations to maintain public information offices and it is inherent in the creation of such offices that they will provide information to the public. This is recognized in the postal statutes discussed in the attached letter from Leon Ulman to Marvin H. Morse, dated July 19, 1973.

Sincerely,

ROBERT H. BORK,
Acting Attorney General.

THE FEDERAL CONTRACT
INDEMNITY ACT OF 1974

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, I am introducing legislation today, cited as the Federal Contract Indemnity Act of 1974, to authorize and direct the Comptroller General to make payments to certain subcontractors whenever payment bonds are not required of, or furnished by, persons awarded contracts with the Federal Government.

Specifically, this act will require that whenever any Federal contract is awarded to any person and such person is not required to or does not furnish a payment bond to the United States, each person who furnishes labor or material with respect to the execution of such contract may file a claim with the Comptroller General of the United States for the unpaid sum which such person is due for any such labor or material under any agreement with the person to whom the contract is awarded. Each such claim shall set forth such information as the Comptroller General may prescribe by regulation, including an accurate statement of the amount claimed and the name of the person to whom the material was furnished or supplied, or for whom the labor was done or performed. A claim of any person for payment under the provisions of this act shall be filed with the Comptroller General no later than 90 days after the date on which such person was to have received payment—pursuant to an agreement with the person

EXTENSIONS OF REMARKS

to whom the contract was awarded—for the labor or material for which such claim is made or in the absence of such an agreement with respect to a payment date, the date on which such person performed or furnished the last of the labor or furnished the last of the material for which such claim is made.

The Comptroller General shall receive and process claims for payment filed pursuant to section 3 of this act, hold such hearings, sit and act at such times and places, administer oaths, and take such testimony as he may determine necessary to carry out the provisions of this act, and no later than 90 days after the receipt of a claim filed by any person pursuant to section 3 of this act, either order the payment of and pay to such person such sum as he determines to be necessary and proper in accordance with the provisions of this act, or notify such person by certified mail of the denial of such claim and the reason for such denial. Should the Comptroller General fail to act with respect to the claim of any person, he shall pay to such person the sum requested in such claim.

In carrying out the provisions of this act, the Comptroller General shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to a claim filed under this act. Such attendance of witnesses and the production of any such evidence may be required from any place within the United States at any designated place of hearing within the United States. If a person issued a subpoena refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may—upon application by the Comptroller General—order such person to appear before the Comptroller General to produce evidence or to give testimony relating to the claim being considered. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

Further provisions of this act provide that if the claim of any person is denied by the Comptroller General, such person may file a request with the Comptroller General for the review of the denial of such claim, so long as such request is filed no later than 30 days after the receipt by such person of the notification of denial and such person sets forth in such request evidence which supports such claim and which was unavailable both at the time such claim was filed and during the period of time between the date of such filing and the date of the transmission of denial by the Comptroller General.

The act will also provide that whenever a claim or a request for the review of a denial of a claim is filed by any person under the provisions of this act, such person may appear and be heard in any hearing which is held by the Comptroller General with respect to such claim or request; and any other person may appear and be heard in such hearing if the Comptroller General determines that such person has a substantial

interest in the result of such hearing. Any person who appears in any hearing pursuant to the provisions of this section may produce evidence and cross-examine witnesses.

The acceptance by any claimant of any payment pursuant to this act shall be final and conclusive on the claimant and shall constitute a complete release of any claim against the United States for the labor or material furnished with respect to the execution of the contract, and an assignment to the United States of all rights of action with respect to his claim against the person with whom he had an agreement, the violation of which resulted in such claim.

Mr. Speaker, this legislation is designed to provide financial protection to the many persons who have subcontracted under agreement with the prime contractor to furnish labor or material in the execution of a Federal contract when the prime contractor is not required to establish a payment bond. I am particularly concerned that in some instances, Federal contracts have been awarded to persons with no standing in the business community, no credit rating, experience, validity, or competence and yet no business bond is required. This has led to payment defaults on many Federal contracts, and unfortunately the subcontractor who was actually furnishing the labor or material under Government purchase orders with the commonplace assumption that the integrity of the Federal Government was implied or was in fact a part of the transaction is never reimbursed for his services. Unless the subcontractor is able to absorb the loss, it spells financial disaster, ultimately closing his doors and going out of business.

Mr. Speaker, this is badly needed legislation and I strongly urge early and favorable consideration by the Congress of this bill which I have proposed today.

THE SOVIET TAKEOVER OF
LITHUANIA

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. WYDLER. Mr. Speaker, 24 years ago the people of Lithuania underwent one of the darkest moments in their history. Their shortlived period of independence was abruptly terminated by the invasion of Soviet troops. This was a dark moment indeed for the entire free world.

On June 15, 1940, the Soviet Union moved troops into Lithuania and created a government that would follow its dictates. By means of devious tactics and interference with the domestic politics of a once sovereign state, the Soviet Union grievously violated Lithuania's national integrity. In July 1940, a rigged election produced a congress that requested the incorporation of Lithuania into the Soviet Union. Shortly thereafter, Moscow made the formal announcement. Its strategy of aggression had thereby met with success at the expense of Lithuania's sovereignty.

EXTENSIONS OF REMARKS

The Lithuanian people were immediately subjected to extreme forms of oppression. In order to consolidate Soviet control and reduce anti-Soviet agitation, some 30,000 members of the Lithuanian intelligentsia were deported to Siberia. In hasty retreat before advancing Germans, the Soviet troops executed 5,000 political prisoners. When the tide of the war turned against Germany, Lithuania returned not to independence, but to Soviet domination.

The postwar years have witnessed a tightening of Soviet control over Lithuanian society. Lithuanian culture is no longer allowed to flourish. Religious persecution has been especially fierce in this predominantly Roman Catholic state. In March 1972, more than 17,000 Lithuanian Catholics signed a protest memorandum addressed to Secretary General Waldheim, of the United Nations, that called on him to intervene with the Soviet Government in their behalf against such persecution.

As part of this Soviet hostility toward religion, many churches have been closed or left unrepairs or converted into warehouses, clubhouses, or museums. As a result, only about half of the former number of 1,200 churches remain. Seminary enrollment has been severely restricted, and some priests have been reported as having been tried and imprisoned on charges of "bourgeois nationalism."

The Soviet Union has intensified its efforts to impose cultural homogeneity throughout the country at the expense of the various non-Russian nationalities. Lithuania, with its fierce sense of pride and tradition, has been a special target of this all-pervasive policy of sovietization.

On this occasion, we pause to pay homage to the valiant Lithuanian people who continue to struggle for freedom against the mighty forces of tyrannical oppression. Their heroic acts of courage do not go unnoticed. If the spirit of détente is to have meaning, we strongly urge the Soviet Union to reverse its policy of discrimination and pay heed to the constant stirrings of Lithuanian nationalism. In its negotiations with the Soviet Union, the United States should emphasize its concern over the plight of the people of Lithuania and should continue its policy of nonrecognition of this forcible annexation. This continual religious and political persecution must come to an end. We Americans cannot stand by as passive spectators to such a tragedy. Let us hope that our protests echoed throughout the world will move the Soviet authorities to correct this intolerable situation in Lithuania.

HUD'S RESEARCH PRIORITIES, POLICIES, AND PROGRAMS

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. GIAIMO. Mr. Speaker, the Assistant Secretary for Policy Development

and Research at the Department of Housing and Urban Development, Mr. Michael H. Moskow, in a recent speech to the American Institute of Architects outlined in some detail HUD's research priorities, policies, and programs.

As a member of the Appropriations subcommittee which passes on HUD's appropriations—which is chaired by the distinguished gentleman from Massachusetts (Mr. BOLAND)—I have watched the budget for housing and urban research grow to its present level of \$65 million from less than \$400,000 in fiscal year 1965, the year I joined the subcommittee. That, of course, was a year prior to the organization of HUD. This growth in housing and urban research is a development I fully support, because of the great importance I attach to the need for redeploying our highly skilled scientific and technical manpower to meet the challenges of our many domestic problems. Chief among them on almost everyone's list is housing and urban development.

As important as the increased dollar volume in HUD research is, however, it would matter very little if the money were not well spent. For that reason, I was glad to read in Mr. Moskow's remarks about the tighter coordination between policy and research that he and his HUD colleagues are attempting to bring about and of the "sharper focus" in research programs at HUD that has occurred since Mr. Moskow's Office of Policy Development and Research was formed over a year ago. The uncoordinated approach to research priorities by Federal policymakers has long disturbed me and I have consistently criticized this flaw in Federal management. I am pleased, therefore, by the efforts being made to correct this problem within HUD, as described by Mr. Moskow in his AIA speech as well as more recently in his testimony before the HUD appropriations subcommittee.

I commend Mr. Moskow's AIA speech to the attention of my colleagues and include it in the RECORD at this point:

RESEARCH PRIORITIES, POLICIES, AND PROGRAMS—A NEW DIRECTION

(By Michael H. Moskow)

I am intrigued by the theme of this 106th annual AIA convention—"A Humane Architecture"—because it seems to say so much, and yet its meaning remains quite elusive. It is a subject that is particularly timely now, and yet it is timeless. It is an ideal theme for generating a debate.

The Washington Post had it about right, I think, in an editorial the other day welcoming you to the city, which said: "We welcome both the nation's architects and their convention theme, which seems to us of great importance, though we are not quite sure what it means."

Undeterred by that uncertainty about its meaning, the editorial writer proceeded with a brief treatise on what it ought to mean.

"Far too many buildings architects have recently given us, notably high rise housing projects, show little compassion for the people who live in and around them," the editorial asserted and it concluded that, "The time appears to be ripe for a searching re-evaluation of architectural practice and production."

Obviously, your theme will be interpreted by many as the architectural profession's "mea culpa" for projects such as Pruitt-Igoe

which, although an architectural triumph by the profession's standards in the 1950's, proved a social tragedy as a public housing project. Its impact on the people who live there was—in a word—inhumane.

The theme will be read as an apology, as well, for the energy-squandering glass boxes which came to dominate our urban landscape during the Sixties and are now proving wasteful to the point of inhumanity because of their impact on our store of resources. It has been estimated that buildings consume one third of all energy consumed in the United States and that of that about 40 percent is wasted.

I am reminded of a Frank Lloyd Wright witticism: "The physician," he said, "can bury his mistakes, but the architect can only advise his client to plant vines." But is there a vine big enough to hide the shame of Pruitt-Igoe, or to insulate the glass-curtained walls of Park Avenue?

The mistakes and the guilt, however, are obviously not yours alone to bear. Your clients—and chief among them the Federal Government—must join in the mea culpas for the Pruitt-Igoes and the glass canyons, just as they must join in the search for solutions. Clearly, your profession is only one among many with a burdensome cross to bear. If the public's mistrust of our major institutions, particularly of the Federal Government—as measured by public opinion polls—is a fair guide, most of us need to conduct searching re-evaluations.

But to return to your theme, I prefer to interpret it as a vow—a vow to get back to first principles, to put man back at the center of your good works, to build an environment, as AIA president Archibald Rogers has proposed, in equilibrium with its natural surroundings and resources and in sympathy with its users.

In a sense, it was that kind of vow that prompted our own re-evaluation at HUD last year of Federal housing policies which had as much, or more, to do with the failure of the Pruitt-Igoes as the shortcomings of the design profession. It was that kind of vow, too, which prompted the marriage within HUD of the R&D and policy development functions the better to meet the tasks we foresaw.

If our efforts can be said to hew to one thematic scheme, I would label it "Humane Housing and Urban Development Policies."

As our six month National Housing Policy Review last summer made clear, Federal housing policies by the end of 1972—without anyone intending it—had become misanthropic, or inhumane, in their effect. Like so many Don Quixotes, we set out after the Housing Act of 1968 with new and ambitious housing programs and a new determination to fulfill that long-established national goal of a decent home and a suitable living environment for all American families. And we ended by impaling the poor on the lance of our good intentions.

You are all familiar with the litany of failures. Pruitt-Igoe is only one. There are the FHA field office scandals and the growing inventory of abandoned FHA-insured houses in Detroit, Philadelphia and elsewhere, as well.

"They were trying to better poor people," said one Pruitt-Igoe tenant quoted by Lee Rainwater in his book, *Behind Ghetto Walls*, "but they tore down one slum and built another; put all kinds of people together; made a filthy place."

When the Administration suspended the subsidized housing programs in January 1973, it was suspending a Federal housing policy that had clearly failed. The Housing Act of 1968, by establishing a production timetable for delivering on the promise of a decent home for all, skewed Federal housing programs toward an emphasis on new production—the most expensive and least efficient possible method of fulfilling that prom-

ise. As a result some \$65 billion to \$85 billion has been spent or committed to provide housing subsidy assistance to fewer than one family out of 15 that technically are eligible for such help.

Direct cash assistance has been identified by the Administration as the most promising alternative to the suspended housing programs and my office has the responsibility for testing the viability of that approach.

We are seeking, in other words, to build a *policy* environment that is in equilibrium with its surroundings and in sympathy with its intended beneficiaries—if you will permit me to stretch a point and to borrow from Mr. Rogers' eloquent phrase. We have had, instead, a policy environment that does violence to its surroundings and its beneficiaries.

Let me now address—within that context—the subject of this talk, namely HUD's research policies, priorities and programs.

First, let me describe, briefly, the Office of Policy Development and Research, or PD&R, which I head. It was established by Secretary Lynn early last year and it brings together for the first time within HUD the functions of research, policy development, program analysis and evaluation, and economic affairs.

PD&R's budget for the fiscal year ending June 30 is \$65 million; its proposed budget for fiscal year 1975 is \$70 million.

PD&R has principal responsibility for staff assistance to the Secretary and Under Secretary in developing and analyzing Departmental policies designed to carry out HUD's basic mission of providing decent housing and a suitable living environment for every American family and of strengthening the capability of State and local governments to meet public needs. The marriage of the policy development and research functions was intended to further our priority objective of making HUD-sponsored R&D increasingly policy relevant.

As a result, since PD&R was organized, HUD's research activities—a significant portion of which are devoted to program analysis and demonstration projects in direct support of HUD's program Assistant Secretaries—have acquired a sharper focus and have begun to zero in on what we view as HUD's principal policy challenges:

How to assist disadvantaged families in obtaining decent housing;

How to obtain the fullest possible use of our existing housing stock;

How to moderate further increases in the costs of new housing without compromising safety or durability;

How to assure that growth and development do not reduce the quality of our environment or waste energy or other resources; and

How to better assist States and local governments to increase their capacity and effectiveness in dealing with the problems they confront.

We intend to sharpen the focus of our research efforts even further in the budget year ahead by:

Further tightening our insistence on policy relevant R&D directed to priority needs as identified by Federal policymakers, by HUD operating elements and by the expected users of research products;

Increased support to HUD program officers; Increased emphasis on objective evaluation during the performance of R&D programs to be certain they are meeting their objectives within estimated costs;

Improved in-house capability to perform analysis that will provide tighter guidance to R&D programs;

Increased inter-agency coordination; and finally;

Increased emphasis on dissemination and transfer of R&D products through a requirement that each of the individual elements of the research program incorporate a dissemination and transfer strategy.

EXTENSIONS OF REMARKS

Let me turn now to PD&R's specific programs:

Our Direct Cash Assistance Program, which I alluded to earlier, is our priority effort focusing on the problem of assisting disadvantaged families to obtain decent housing.

The program, which was initiated in 1972, is designed to test the general proposition that direct assistance to families in making rental or homeownership payments would be more cost effective than the suspended subsidy programs and would overcome or minimize the serious shortcomings of those programs.

The DCA experiments are now well established. As of May 3rd, we had over 9,000 families in ten states enrolled in and receiving or about to receive assistance payments.

The key elements of the program are:

The consumer experiments to determine the response of households receiving different kinds of housing allowances.

The market experiments which seek to determine the behavior of suppliers of housing and housing services in a market where demand is increased by the introduction of allowances.

The management tests to determine how agencies at the Federal, State, metropolitan or local government levels might administer most successfully a housing allowance program.

Integrated analysis to insure comparability of data collected in all three experiments and to estimate the probable effects of a program of direct cash assistance on a national level.

Another major research effort which addresses itself to the housing problems of the disadvantaged is the Public Housing Management Improvement Program (PHMIP), which is being administered jointly by PD&R and H. R. Crawford, the Assistant Secretary for Housing Management. Its objective is to improve the management and maintenance of the more than one million public housing units under the management of local housing authorities (LHA's), which house some 3.5 million people. The 13 LHA's participating in the program are developing and demonstrating innovative management systems and methods that have potential for widespread applicability to the more than 2,500 LHA's across the country.

An innovative property disposition program was initiated by PD&R in 1974 in an effort to prevent housing from standing vacant because of mortgage default and acquisition by HUD. The program involves the testing and demonstration of a new technique for selling unoccupied properties in single-family subdivisions. Houses will be transferred to a project sponsor-developer, who will rehabilitate them and place them on the rental market for a period of time thereby removing them from the sales market until the market stabilizes. The key objective is to make HUD's property disposition methods contribute to the preservation of neighborhoods rather than to neighborhood decline and accelerated housing abandonment.

The preservation or rehabilitation of our existing housing stock is a policy problem of the very highest priority to HUD. We have just begun a neighborhood preservation effort—which we think has promise—that emphasizes the ability of local people to understand the problems and the characteristics of neighborhood change and to commit local resources to solving them. In cooperation with the Federal Home Loan Bank Board, we will provide funding for demonstration efforts by partnerships of local government, local financial institutions and neighborhood residents in about twenty cities.

It is clear that one of the major flaws in the Federal housing efforts of the past decade was that new construction was pursued

to the point of choking off preservation or rehabilitation initiatives.

As the New York Times editorialized earlier this year:

"When nothing was in short supply except sensitivity, it was easier to bulldoze than to rehabilitate. The fault has been in the common conceit that the architect or builder should start from scratch. This proposition has produced a surprising secondary landscape. Conversion as a viable alternative to new construction may be the best idea since cities."

Several of our new building technology efforts focus on cost savings through the conservation of material and energy. For example, a joint project with the Forest Service and the American Plywood Association is developing a new two-by-four and a new "plywood" which utilize mill wastes and thereby have the potential for doubling the supply of useable wood products. We are also conducting research on all-weather construction methods and are testing innovative plumbing techniques.

Much more, of course, needs to be done both by government and by the architectural profession to control building costs. Clearly, this is another area where mea culpas are called for—both from your profession and from government. The architectural critic, Wolf Von Eckhardt, in a book he wrote in the late Sixties, "A Place to Live," declared that the twentieth century architectural revolution had floundered on three enormous failures. The first, he said, was its failure to fully harness modern technology. Said Eckhardt:

"As architect Raymond Reed has observed, medicine has increased our longevity, and agriculture has dramatically increased productivity and value, while architecture has reduced productivity and increased prices. Our great-grandfathers paid for the family home in three years, and though we live in an age of technological production, we are lucky to qualify for a 30-year loan . . ."

PD&R also has extensive efforts under way aimed at promoting home safety through research on home fire safety, resistance to natural disasters and lead-based paint poisoning prevention.

Some 12,000 Americans die annually in fires and yet, until very recently, the problem has met a wall of indifference, not only among the general public but among those who should be most concerned about it. The National Commission on Fire Prevention and Control in its report to the President last year said: "There are fire department administrators who pay lip service to fire prevention and then do little to promote it. Designers of buildings generally give minimal attention to fire safety in the buildings they design. They are content, as are their clients, to meet the minimal safety standards of the local building code . . . The Federal Government also has been largely indifferent to the fire problem."

HUD research—in a major priority effort to reduce the adverse effects of community development on environmental quality and energy consumption—has focused on residential energy consumption in a program which has been underway for several years. One of the most important of these efforts is the development of a Modular Integrated Utility System (MIUS), which conserves fuel through recovery of energy that normally is wasted when essential utility services are supplied from separate sources. What MIUS does is to "recycle" energy by "packaging" into one processing plan all of the five utility services necessary for community development: electricity, space heating and air conditioning, solid waste processing, liquid waste processing, and residential water purification. This program has progressed to the point where test hardware for a total energy system is now in place and operating at a residential complex in Jersey City. A small-scale laboratory version of MIUS is being tested at the Johnson Space Center in Houston under a HUD agreement with NASA.

And a demonstration program that incorporates MIUS into a residential/commercial complex scheduled for occupancy in 1976 soon will begin.

We have also begun our planning for demonstrations of the wide-scale applicability of solar energy to housing.

We have initiated in PD&R research and demonstration activities that will test and disseminate proven methods to help local officials increase their overall management capability.

Urban growth has placed unprecedented demands on local government for improving and expanding services and facilities, taxing the administrative and managerial capabilities of government officials. Among the factors hampering an effective response to new demands are restrictive local charters, outdated operational procedures, shortages of trained manpower, and overlapping jurisdictions among agencies and levels of government. At the same time, the Federal Government, through revenue sharing, is undergoing basic readjustments in intergovernmental relationships.

Within this context, PD&R's program provides for: urban observatories to bring local university capabilities to bear on urban problems and to improve the ability of the academic community to contribute to city needs; specific assistance on computerization and integration of local government operations through a research effort initiated in 1970 under the sponsorship of the Urban Information Systems Interagency Committee (USAC), which is demonstrating in five cities a broad range of specific management applications of computer technology; demonstration of proven methods of increasing local officials' capacity to deal with major local issues; and testing of new forms of local government and investigation of new patterns of community economics and tax reform.

Another major function of PD&R is the collection of current and accurate economic and financial data relating to housing and urban development. Examples of on-going work in this area include collection and analysis of data on the absorption of new rental units, new home sales and loan activity. The largest single project in this area is the Annual Housing Survey, undertaken to measure changes in housing inventory and to compile data on the physical condition of housing units and the characteristics of the occupants in both urban and rural areas.

As you can see, PD&R is an umbrella for a wide range of research activities.

If there is one organizing theme for PD&R's efforts however, as I suggested earlier, it is a more direct focus than in the past on the basic needs of people and a movement away from a bloodless—even misanthropic—emphasis on structures and on gadgetry to the exclusion of all else.

I take inspiration, again, from Frank Lloyd Wright who many years ago concluded a lecture to an audience of architectural students, saying: "Respect the masterpiece—it is true reverence to Man. There is no quality so great, none so much needed now." Those words strike rather directly at your theme this week.

MILTON FRIEDMAN TELLS WHY WE MUST NOT ACCEPT INFLATION AS INEVITABLE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. KEMP. Mr. Speaker, there is no reason why we must accept inflation as an inevitability. Inflation is not an in-

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evitable economic phenomenon. It is produced—it is created and fostered—by government policy and actions.

In his column this week in *Newsweek*, Prof. Milton Friedman documents the relationship between money supply and prices.

Put in its simplest terms he shows there is a direct corresponding relationship between money supply and prices. As money supply goes up, so do prices. In economists' terms, as the quantity of money per unit of output increases, so does the consumer price index.

We can control inflation by controlling spending and controlling the increase in the expansion of the money supply.

There is no reason why we have to live with double-digit inflation or even a 6-percent rate. To reconcile ourselves to inflation is to reconcile ourselves to ever-spiraling prices and downward purchasing power of dollars. I am unwilling to do that. And, I would suggest that it would behoove this Congress to join with those of us who are committed—by actions, not just words—to really getting a handle on inflation by exercising fiscal responsibility and monetary restraint.

There is a mechanism to do this, and I am proud to be its cosponsor in the House.

I refer to the proposed Economic Stability Act of 1974, introduced as S. 3101 in the Senate and as H.R. 14322 in the House.

In summary, this proposed act would limit the supply of new money issued pursuant to order of the Federal Reserve Board to no more than an additional 1 1/4 percent per quarter during ordinary times and no more than 1 1/2 percent per quarter during extraordinary times.

This contrasts greatly with the estimated 8-, 9-, even 10-percent increase in the money supply which has occurred all too often in the past. In short, I propose that we mandate to the Federal Reserve a gradual rate of increase in the supply of money roughly equal to the increase in productivity.

The Constitution, article I, section 8, gives to the Congress the authority—the responsibility—to regulate our money supply.

I suggest it is time that we exercise that responsibility and not to continue, by default, to let another instrumentality do it—especially when it is having the detrimental effects on the economy that it is now having.

It is time to gain control over the ever increasing quantity of money in movement in the economy. This measure coupled with legislation to mandate a balanced budget would stop inflation.

The article by Professor Friedman most certainly buttresses this need and I commend him for his leadership in the fight against the debasement of our currency.

The article follows:

PERSPECTIVE ON INFLATION

(By Milton Friedman)

(NOTE: The chart is not reproduced in the RECORD.)

"We must not accept inflation as an inevitability."

Double-digit inflation is the new scare word. We are warned that it is here to stay. Predictions that inflation will be "only" 6 or

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7 per cent by the end of the year are greeted as wildly optimistic.

As one who believes that inflation is a serious danger to our society, I deplore this widespread lack of perspective. I fear that exaggerating and misrepresenting the current situation will weaken our will to meet the real problem.

MISLEADING INDEX NUMBERS

True, computed price-index numbers record double-digit inflation in early 1974. But these computed price-index numbers overstate the "real" inflation. To see why they do, it is necessary to consider the whole period since Aug. 15, 1971, when President Nixon froze prices and wages. Shortly thereafter, I wrote in this space: "Officially computed index numbers . . . will . . . show a dramatic improvement . . . and depart increasingly from reality . . . How will it end? Sooner or later . . . as all previous attempts to freeze prices and wages have ended . . . in utter failure and the emergence into the open of suppressed inflation" (*NEWSWEEK*, Aug. 30, 1971).

Precisely that has occurred. The recent explosion in the index reflects largely the unveiling of previously suppressed price increases. The recorded rate of inflation was below the true rate in late 1971 and 1972. It has been above the true rate since mid-1973. This is primarily a catch-up.

The catch-up will no doubt carry too far, but we should shortly be back to the basic underlying inflation of about 6 per cent per year. That should be an occasion for concern, not for congratulation. Inflation was running at only 4 1/2 per cent in 1971 when political pressures "forced" President Nixon to freeze prices and wages.

But you will reproach me: what of oil and food to which every government official has pointed? Are they not the obvious immediate cause of the price explosion? Not at all. It is essential to distinguish changes in *relative* prices from changes in *absolute* prices. The special conditions that drove up the prices of oil and food required purchasers to spend more on them, leaving less to spend on other items. Did that not force other prices to go down or to rise less rapidly than otherwise? Why should the *average* level of all prices be affected significantly by changes in the prices of some things relative to others? Thanks to delays in adjustments, the rapidly rises in oil and food prices may have temporarily raised the rate of inflation somewhat. In the main, however, they have been convenient excuses for besieged government officials and harried journalists rather than reasons for the price explosion.

The basic source of inflation is the faster growth in the quantity of money than in output. From the fourth quarter of 1970 (the final quarter of the 1970 recession) to the fourth quarter of 1973 (the final quarter of the subsequent expansion) the quantity of money (M_2 —currency plus all commercial bank deposits other than large CD's) grew at the average rate of 10.4 per cent per year; output (GNP at constant prices) at 5.5 per cent. The growth rate of money exceeded that of output by 4.9 percentage points which, by no coincidence, is almost precisely equal to the rate of inflation in consumer prices (5.1 per cent). However, the 5.1 per cent is an average of 3.4 per cent for the first two years, when inflation was being suppressed by controls, and 8.4 per cent for the final year.

CHERCHEZ LA MONNAIE

The same story is told by the chart that plots for the past twelve years consumer prices and the ratio of the quantity of money to output, both expressed as index numbers with 1970=100. Prices have clearly danced to the tune of money. But in 1972, the price index fell below the monetary ratio; in 1973, it overshot the monetary ratio.

For the long pull, averaging booms with

recessions, we cannot expect output to grow by more than about 4 per cent per year. If the relation that has prevailed between money and prices for the past dozen years continues,* and if the Federal Reserve continues to permit the quantity of money to grow by 10 per cent a year, inflation will proceed at a rate of about 6 per cent. Judged not by pronouncements, not by intentions, but by performance, that is the rate that monetary policy for the past four years has been directed at producing.

Like you, and like the Fed, I regard 6 per cent inflation as much too high. I therefore welcome the Federal Reserve's announced intention to reduce the rate of monetary growth. Unfortunately, there is as yet little sign of any change in performance. The widespread impression that the Fed has tightened is based on the mistake of judging monetary policy by interest rates, which the Fed cannot control, rather than by the quantity of money, which it can. The quantity of money is still growing as rapidly as it has for the past four years.

The future well-being of this country depends critically on whether, this time, intentions are translated promptly into performance.

PENDING VETERANS LEGISLATION PROMISES TO ASSIST SPANISH-SPEAKING VETERANS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. RANGEL. Mr. Speaker, the veteran of the Vietnam war has been exposed to numerous complex problems that the veterans of previous wars did not encounter. The unpopularity of our intervention in that civil war, the veterans' exposure to drugs while in the service, unemployment, inflation, lack of just benefits, and the increasing bureaucracy of the Veterans' Administration have all contributed to the difficulties of our latest veterans.

The Vietnam war resulted in the induction of a great many of our Spanish-speaking citizens into the service. Upon leaving the Armed Forces, these veterans had, in addition to all of the burdens borne by veterans, the additional burden of not speaking fluent English.

Fortunately, some action is being taken to remedy the tragic situation of our Vietnam war veterans in general, and more specifically, the problems of our Spanish-speaking veterans. In the next few days, the Senate will be considering S. 2784, the "Vietnam Era Veterans' Readjustment Assistance Act of 1974." This act will provide badly needed benefits for all our Vietnam veterans, and contains several provisions which will aid Spanish-speaking veterans. Section 217 of this bill allows for the hiring of bilingual counselors in those areas of the country that have significant numbers of Spanish-speaking veterans. Further, the act contains a provision which will allow for the dissemination of information in

* It has prevailed for as far back as the data go, which is more than 100 years for the U.S. and Japan, 90 years for Britain, and shorter periods for other countries. However, the relation in the U.S. for the past dozen years is closer than the average relation.

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Spanish about all the benefits that the veteran is due. Finally, this legislation will allow local organizations, that meet certain qualifications, to provide services to all our veterans with the help of Federal aid.

It is my sincere hope that the Senate will act favorably on this vital legislation.

GEN. LEWIS B. HERSHHEY

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. ROUSH. Mr. Speaker, on June 8, the National Guard Armory in Angola, Ind., was dedicated in honor of Gen. Lewis B. Hershey, a native of that city who has had a long and distinguished career of service to his country.

Richard L. Roudebush, another Indiana native, Deputy Administrator of the Veterans' Administration, was on hand for the dedication ceremonies, and I feel his remarks in honor of General Hershey should be called to the attention of my colleagues.

Following is the text of Mr. Roudebush's remarks:

REMARKS AT DEDICATION CEREMONIES AT ANGOLA, IND., JUNE 8, 1974

(By Richard L. Roudebush, Deputy Administrator, Veterans' Administration)

It is always a pleasure to re-visit Angola. Today I feel that it is a special honor to be with you, because this event is so significant in the life of this community and because we have the opportunity to pay special tribute to such a distinguished gentleman and an old friend.

This is a great day not only for the community but for the State of Indiana and for the contribution we make to our national defense. I am glad to have a part in it.

This is a building of which the people of Angola can be proud. It is a structure that will enable citizens here to carry on activities that benefit the area and to perform functions that are vital to the success of our society. It will help those who use it to serve their country better.

Long before our colonies became a nation it was the practice wherever people settled—to organize a body of men for protection—a group which every able-bodied person was obligated to serve when called on.

The tradition of local militia has been strong ever since and the concept that all citizens who are able should share in our defense has never been seriously challenged.

Citizen-soldiers have served whenever we faced danger. They have distinguished themselves in all our wars. They have made it possible for us to be strong and successful as a nation.

They have come from communities such as this and many of them had their first taste of military activity in a facility such as this building we dedicate.

The National Guard was the starting point of a distinguished military career which we take note of today, a career that benefited the American people beyond calculation, a career that is practically beyond parallel in terms of length and accomplishment.

General Lewis B. Hershey did not report to a facility such as this when as a teenager he became a National Guard recruit. The surroundings were different, the equipment was different, the weapons were different, military methodology was different.

But I am sure he possessed the same eagerness and interest, the same determination to do a good job, the same youthful spirit and curiosity that young men possess today.

And I am sure that—at some point—he suffered the same discouragement and boredom, the same weariness and frustration with service. For, like most of the men in the Guard today, he had no ambition or no plans for a military career at that time. We are all thankful that he later changed his plans and that he developed such an ambition.

For some years the Nation has been safer and stronger as a result of his decision to be a full-time soldier.

You are proud of General Hershey because he is one of you and because what he has achieved has brought honor to you and to Angola. You are proud that others—over a long period of time—have recognized his ability and his greatness, that Presidents and common citizens alike counted on him, relied on him, and were rewarded for their faith.

Of course, every great man has "home folks"—ready and eager to claim him and to applaud him.

But today we honor a native son of Indiana, who is completely unique in American history, in terms of the size of the job he did for his country and the longevity of that job.

Several months ago I had the pleasant duty of helping to dedicate a plaque honoring another great American of our time, the late Speaker Sam Rayburn, for whom the Veterans' Administration Center in Bonham, Texas, is named.

At that time I said that the center's name was a fitting hometown tribute to a man who had contributed so much for so long—but that the honoree would be remembered for his deeds without benefit of a plaque or building.

Certainly, the same comment applies here today. The building we dedicate bears the name of Lewis B. Hershey, logically and deservedly. But it is only a building and the record of service compiled by General Hershey will long outlast it.

An interesting incidental note is that the careers of Speaker Rayburn—and General Hershey—touched at one historic point in 1941, when the question of extending the Selective Service Act came before Congress. The act was extended by one vote, due to the effort of Mr. Rayburn, and the result was that our army was not critically crippled only months before Pearl Harbor.

General Hershey was allowed to keep in motion the manpower program that eventually saved the allied cause.

In making speeches on Veterans' Administration subjects—I often cite the fact that America has 29 million living veterans. This is a vast number of citizens—and most people are impressed by a number so large.

But this is a very modest number when you consider the number of Americans who came under programs administered by General Hershey in three wars. Of course, not all these men were drafted, service was "selective". And while it was the duty of some citizens to wear the uniform, others could not, and many were called on to serve in other ways.

But still more than 80 percent of all Americans who were ever on wartime military duty served while General Hershey was in charge of Selective Service.

How do you administer a program so big and so important and how do you do it so successfully that the Nation keeps demanding the benefit of your skill?

This is a difficult question to answer and I am not sure that even General Hershey has a ready and easy answer.

His success was, of course, compounded of many ingredients: intelligence, industry, imagination, dedication, and an honesty of

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conduct and purpose that encouraged supporters and disarmed critics.

But I think the circumstances of General Hershey's early life and career—had a great deal to do with helping him succeed. And not the least important of those circumstances was his small town background.

I feel qualified to make this observation because I am myself a product of a small town in Indiana and I know the influence that such a community can have on your outlook and actions, no matter where your career may lead you.

In General Hershey's case he had the good sense to realize that such communities are the backbone of America and that if America were to be mobilized effectively it must be through community action.

Selective Service in World War II and later was essentially an effort of local citizens, not Washington bureaucrats, although it was staffed nationally by General Hershey and his colleagues.

Lewis Hershey had a great deal to do with the decision that selection should be made by local boards, that they should have autonomy, and that ordinary people should have the task of calling out their fellow citizens to supply the manpower we needed.

Now, at the time it may have been little comfort to know that it was your "friends and neighbors" who chose you to go into service. And many young men and many parents may have questioned both the friendliness and neighborliness of such a choice.

But it was the fairest, most effective way of achieving a national goal. And most historians agree that much of the strength of selective service was due to the decision to make it a local operation and that its success was due to the hard work of local boards.

This fact does honor to the people of America. For it was from his early experience here that General Hershey learned that in America the most important tasks of a public nature can be fully entrusted to ordinary citizens.

It has been some time now since the draft has been in effect but the need for a strong America—with the men and weapons necessary to provide defense—is always with us.

We are a nation weary of war but I am sure that we are a nation that continues to recognize its obligations and that will not let our basically peaceful and humanitarian inclinations blind us to the fact that we must stay prepared.

And I am sure that we will never isolate ourselves from other countries that share our concepts of freedom and self-determination.

The facility we dedicate today is a link in the defense of those concepts. The men who train here—are the lineal descendants of men who have trained and learned so as to protect our people and our principles in all eras of our history . . . from the early day militia to the National Guardsmen and the draftees who have been called to combat, four times in this century.

We hope and pray that there will be no more combat. It is our fervent desire that the Vietnam veteran will be our last war veteran.

But it is comforting to know that our military establishment is strong, and we intend to keep it that way despite changing circumstances, changing needs, and changing technology.

And it is good to know that the citizens who serve and provide that defense whether volunteers, career people, reserves, or members of the guards are alert, skilled and dedicated.

It may even be that some young man—now on duty—will approach the greatness of the eminent American who honors this building with his name. It may be that the

name Lewis B. Hershey will be joined in another generation by that of another native of Angola when people consider famous patriots of the 20th century.

The odds would be against this community—producing a second such celebrated soldier and public servant but this is a land of opportunity and this is a land of talent. And the same love of country and respect for its principles that motivated General Hershey exist today here in Angola.

So let us dedicate this building to our Nation's defense and safety and to the success of those who use it—today and in the future.

They will be inspired by the example of a famous man, inspired by his industry, his humanity, his dedication, and the beneficial impact he has had on our history.

If they serve well they will bring him new honor.

COUNTER-TERRORISM HANDBOOK

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. ASHBROOK. Mr. Speaker, "The threat is less visible today—but far more deadly" concerning terrorism, according to an official of the FBI as quoted in the June 3 issue of U.S. News & World Report in an article entitled "Where Far-Out Radicals Go Next." Today the terrorist trend is toward small groups of skilled urban guerrillas rather than on broadly based movements.

The terrorism score card reflects this trend domestically and internationally:

DOMESTIC TERRORISM

On June 5, 1974, Mr. W. Raymond Wannall, Assistant Director of the FBI's Intelligence Division, testified before the House Internal Security Committee that during the period 1971-73, there were a total of 573 incidents of violence across the Nation attributed to terrorists. Broken down, this figure included: 114 firebombings, 21 arsons, 45 snippings, 114 shootings, 23 ambushes, 27 other physical attacks, 59 incidents of weapon stockpiling, 43 criminal acts in support of terrorist endeavors, and 127 bombings.

During the same period, Wannall stated, terrorists were responsible for 152 police woundings and 43 deaths, and 53 civilian woundings and 22 deaths.

INTERNATIONAL TERRORIST KIDNAPINGS

On August 1, 1973, the House Internal Security Committee released a staff study entitled "Political Kidnapping, 1968-73." During the period covered by the report there had been 42 attempted or successful major political kidnappings, 21 of which had involved American citizens; 13 of the victims had been killed and 5 others had been injured. Among those killed, 6 were Americans. Ransom demands were made in 26 instances of which 14, at least partially, were met.

Mr. Speaker, with the above highlights offered by way of introduction, I am pleased to place in the RECORD, the contents of a short booklet on preventive security published in 1974 by the Burns International Investigation Bureau, entitled "Executive Protection Handbook." Initially prepared as an all-encompassing

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guide for businessmen and their families on overseas assignment, where the problem of corporate kidnapping first surfaced, Burns apparently feels that it is booklet or portions thereof also has a useful function to fulfill domestically, particularly for the business executive, in minimizing his chances of becoming a victim of terrorism.

Excerpts of the handbook, which was brought to the committee's attention by Mr. Fred Rayne, director of Burns Investigation Bureau, during his recent testimony at a HISC hearing on terrorism, follows:

PREVENTIVE SECURITY

Protection against terrorism is not a course taught at business schools.

Perhaps it ought to be. As distasteful as the subject may be, terrorism is today a matter of concern to virtually every businessman. It has spread from the political arena to the field of commerce, and few areas of the world are free from this form of conflict.

Foreigners and foreign businesses are a particular object of terrorists.

They are handy ideological targets for radical militants.

They are vulnerable to various forms of attack.

They are willing to pay large sums of money for the release of kidnapped officials.

Even so, the situation for businessmen is far from hopeless, even in those countries where activism is intense. There is a great deal businessmen can do to protect themselves. Offices, plants and top executives can be guarded. Electronic alarm systems can be installed in homes and offices.

Reliance on guards and electronic systems, however, is only a partial answer.

Many companies try to provide round-the-clock guards for all their officials and key employees. Alarm systems are also provided but function only at the sites where they have been installed; they provide no protection for the individual moving about.

The businessman need not be frightened. Fear accomplishes little. If the businessman is aware of what he must and must not do in the best interests of his security, and acts accordingly, he can feel confident and lead a relatively normal life.

This handbook was written for the purpose of helping the businessman to protect himself. It provides detailed advice based on the concept that preventive security is the best answer to terrorism. He is, after all, far more adept at planning than using a weapon.

THE FAMILY

Every member of the family, even children, must be security conscious. The aim is not to frighten, but rather to make them aware that they can help prevent anything from happening. The following precautions are suggested:

Do not open the door to anyone unless that person is clearly identified. Front doors should have peepholes installed.

Be vigilant at all times to strangers who may be "hanging around" the neighborhood. Usually a potential victim is watched several days before an act is perpetrated.

Be particularly watchful of cars that seem to be cruising about, going by the house at intervals. Also bicycles, which are slower, and allow more time for observation.

Be on watch for cars parked in the neighborhood with one or more persons in them, persons who do not seem to be doing anything in particular. Suspicious persons should be reported with a full description of the individuals and/or vehicle.

Do not tell strangers about a family's comings and goings. Do not remark to the barber, "Say, we're going up into the mountains next week."

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Install curtains in rear window of each company vehicle, but have side view mirrors clear to observe the traffic areas of the vehicle.

For high-ranking executives, an armed guard (arms not in sight) riding in the front seat next to the driver is of great advantage.

If a vehicle is being accompanied by an escort, such escort should be in the rear, not preceding.

If this involves a high-ranking VIP and indigenous police escort is the case, then the vehicle should be preceded, preventing its stopping at lights, etc. If the VIP vehicle is also followed by a second police car, its main assignment is to watch the rear.

Cars can also be equipped with loud sirens which can be activated in the event of an attack.

The gas tank should never be allowed to contain less than half a tank of gas so as to avoid running out while en route somewhere. Gasoline should be purchased at different stations or through a company motor pool. All cars should have a locking gas cap.

The trip

The single most important factor of security is that the businessman not follow a routine, either by the clock or by route. This means he must never follow the same route twice in succession and never leave or arrive at a place at the same time twice in succession. Terrorists planning a kidnapping can carry it out only if they can seize him at a point convenient and safe for them. So far as it is feasible, the businessman must:

* * * * * Use different doors in entering or leaving his company's offices.

Park in different areas near the company, unless the company has a garage.

Never leave his car on the street overnight.

Utilize different routes in traveling, between places visited fairly regularly (home, office, club, restaurant, and so on).

If he uses the services of a chauffeur, have the chauffeur's background carefully checked by the police or a private security company. If possible, use drivers that have been with the company for a long period. Even then, however, never tell the driver in advance where he will be going.

Not go through uninhabited areas, where terrorists can set up ambushes free of the fear of observation. However, built-up areas are more dangerous for grenade and fire bomb threats.

Avoid traveling during late darkness hours. If necessary, arrange to travel in pairs. Remote areas of the cities and the countryside should be avoided during darkness.

Know the route being taken so as to avoid possible obstructions, such as road repairing, that would force the vehicle to slow or stop.

Keep all doors locked and windows closed. Not stop for hitchhikers or to see any commotions that may be taking place on the street.

Keep all lines of vision through windows clear.

* * * * * A businessman should know the locations of all police stations in the areas in which he works, lives and travels.

Avoid driving alone, particularly in times of tension. With two in the car, the driver can watch left and front, the passenger, right and rear.

Be careful of motorcycles that seem to be following. A motorcyclist may be the advance man for a carload of activists. In the Far East, following motorcycles are more dangerous than cars.

Vehicles are particularly vulnerable to assassination attempts.

A favorite practice is for the motorcycle to follow at a short distance and when the target vehicle stops at the light, pull up just to the left and rear.

As the vehicle starts up, the cyclist speeds by shooting at close range or dropping a grenade in the window (even a window open only 4-5 inches). The assassin then spurts ahead turning a corner and is gone.

Rotate cars amongst executives so that a specific license plate and vehicle does not always indicate a specific person.

Be alert to cars or trucks parked along the road. If they appear to contain several men, skirt them widely and rapidly.

Be alert to following bicycles in slow traffic. If possible, take lessons in evasive driving. Chauffeurs should, also.

Do not use any one taxi stand on a regular basis.

If you make frequent use of taxis, and are in the habit of flagging them down, do not always stop the first cab that comes by.

* * * * * When driving, maintain a good distance between your own vehicle and any vehicle in front, particularly a truck. Should the vehicle in front stop suddenly, you will have time to skirt it and not be boxed in.

* * * * * Keep vehicle maintenance up-to-date.

If a kidnaping is attempted

Try to evade the kidnappers' vehicle by veering left and right so that it cannot come broadside or cut you off.

Try to lose the abduction vehicle in traffic. Abductors prefer to do their work at points where several streets intersect, so they will have a choice of escape routes. The would-be victim can also try to escape down one of these streets.

Only if absolutely necessary is it suggested that the would-be victim drive up on a sidewalk since this may immobilize his car. If it must be done, maintain a reasonable speed and have the wheels of the car at not more than 40 degrees to the sidewalk. At this angle crippling damage to the car and its wheels is less likely. Grip the steering wheel firmly in order to maintain control. Hopefully, seat belts will have been fastened to secure the driver and anyone else in the car.

Outracing an abductors' car is not an end in itself. Speed is only a means to achieve temporary evasion; time enough, for instance, to reach a police station or a military post. Speed entails great risks because of the possibility it will result in a serious accident. Speed should only be used to get to a specific point quickly.

If evasion is not possible—if the terrorists, for example, get close enough to fire at the driver—surrender quickly. Don't try anything heroic. Don't shoot first. Do not try to run away. No less at a personage than an ambassador was killed when he attempted to flee on foot. As a rule of thumb, evasion may be attempted as long as one has a moving vehicle and is not in immediate danger of being shot.

Suggested behavior in case of kidnaping

While it is recognized that hard and fast rules cannot be applied in kidnappings, embassies, consulates and others with experience in such situations emphasized the following points:

Under all circumstances, attempt to stay calm and be alert to situations that you can exploit to your advantage. Remember that the primary objective of your family and law enforcement officials will be to secure your safe return as quickly as possible.

Do not attempt to fight back or to struggle physically. No matter how "reasonable" your captors may appear on the surface, they cannot be trusted to behave normally and their actions may be unpredictable.

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Comply with the instructions of your abductors as well as you can.

Do not discuss what action may be taken by your family, friends or company.

Make a mental note of all movements, including times in transit, direction, distances, speeds, landmarks along the way, special odors and sounds like transportation, bells, construction, etc.

Whenever possible, take note of the characteristics of your abductors, their habits, surroundings, speech mannerisms, and what contacts they make. Such information can be of great value in their ultimate apprehension.

Generally, you cannot expect to have a good opportunity to escape; any attempt to escape, however, should not be made unless it has been carefully calculated to ensure the best possible odds for success.

Avoid making provocative remarks to your abductors. As noted, they may be unstable individuals who react explosively and are likely to be violent and abusive.

GENERAL RECOMMENDATIONS

1. If the executive does not know the language of the country to which he is assigned, it is vital he learn specific phrases, i.e., "I need a doctor." "I need a policeman." "Where is the nearest police station." "Where is the nearest hospital," etc.

2. Personnel should know how to use the public pay telephones as well as normal phones. Pay telephones in many countries differ. In some countries, money is deposited after the connection is made. Personnel should always carry the exact amount of change necessary for a telephone call at a pay station. Because of the construction of some telephone booths, the executive on foot may find them a temporary refuge while making a call for assistance.

3. The executive should establish a set of signals to be used in an emergency. These could, of course, vary depending upon the potential problems. Signals could be used between the executive and his secretary when he is communicating with her from outside the facility, between the executive and his family, and between the residence of the executive and nearby reliable residents. Signals could be oral and visual. For example, a particular light turning on in the residence during the night might indicate to nearby residents that the police should be called. The executive speaking to his secretary and calling her by another code name might be a signal that he is in trouble.

4. An up-to-date security survey should be conducted of your office or factory as well as your residence.

5. Security checks should be conducted on all employees who have not, in the last two years, been thoroughly checked.

6. Special training should be given to the security personnel now assigned to your plant, whether they be contract guards or your own.

7. All chauffeurs assigned to executives and staff should be thoroughly trained against attacks, kidnappings, etc.

8. All personnel assigned to pick up mail from the local post office should be particularly checked out to assure that mail is not censored by undesirable groups or individuals.

9. On a irregular monthly basis security checks should be conducted to assure that maximum security is implemented, and to keep all personnel security conscious.

10. Written security guidelines should be distributed to all employees, outlining procedures in case a bomb threat is received at the switchboard.

11. Switchboard operators and executive secretaries should be trained pertaining to such bomb threats.

12. Telephone operators, executive secre-

ties, wives and relatives of executives should be given written guidelines as to what action is to be taken in case of kidnapping attempts or actual kidnappings.

13. Corporate employees going abroad should be thoroughly briefed and given security guidelines.

14. Executives who are in any way connected with overseas operations should be thoroughly briefed about the country, its political and social climate. Such personnel must also be briefed as to what kinds of attacks have occurred previously, who has carried out such attacks, and methods employed.

15. An emergency evacuation plan should be prepared in coordination with the Embassy or Consulate.

* * * * *

16. Avoid any disputes with local citizens. If a troublesome incident is initiated by others, leave the scene quietly and report the matter to the proper authority.

17. In cases of extreme emergency in troubled countries, always be prepared for immediate evacuation. Always have a traveling bag of necessary clothing and toilet articles ready to go. Keep negotiable currency on hand at both the home and office. Make sure passports, visas and vaccination certificates are current and valid, in case you must leave the country in a hurry.

18. The senior company official in a country should cultivate trusted police, armed forces officers and/or highly placed foreign government officials to whom he can turn for assistance if necessary.

* * * * *

19. Several prints of a recent photograph of all key executives and their descriptions (including special features) should be kept on file. These can be disseminated to police, newspapers and other agencies to assist in identifying a kidnap victim.

CONGRESSIONAL PRAYER

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. GUBSER. Mr. Speaker, one of my friends and supporters, Miss Lorraine Flora, is visiting Washington this summer. She has long had an active interest in politics and the legislative process, but also has a very deep dedication to religion and spiritual life.

Miss Flora believes that religion and politics are inseparable and that God is always in our midst. In her letter she wrote:

The Congressional Prayer expresses part of my concern for the Congress and my hopes that God will always have a place in his heart for the American Congress.

I commend to the attention of my colleagues the following Congressional Prayer composed by Miss Flora:

CONGRESSIONAL PRAYER

O Lord, grant to Members of Congress, Your servants, the guidance and graces to follow Your will. In their mission, that of being Representatives in Congress, always be with them in all their duties—in the office, in Committee, on the Floor, with constituents and friends, and in leisure after long hours of conscientious and sincere work. Keep them humble, patient, and simple in all endeavors. Remind them that they are simply instruments of Your Peace. When things are hectic and frantic, remind them that simpleness

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and patience is needed and that "the sun also rises." When things are happy and success is achieved, let them thank You. No matter what may occur during the day, be with them, Lord. It is in Your Name that they serve. Let them always have faith, hope, and a will to be charitable, patient and friendly in all their actions. As they debate or vote upon bills before Congress, remind them to think of others, since others were also Your creation and children. Let them protect Your creations, and keep our Nation free and protected. As we reach toward the Heavens, let them think of the future and all Earth's peoples. In whatever their duties and activities, keep them close to You, Lord. Give them an interior Peace which the world doesn't even recognize. Let Your Peace be their guide, strength, and joy. Let them do Your will, Lord. It is in Your Name that they exist and serve as Members of Congress.

LORRAINE FLORA, 1974.

"Lord, give success to the work of our hands." : Ps. 89.

CONGRESSMAN MOORHEAD SPEAKS ON THE HOUSING AND URBAN DEVELOPMENT ACT OF 1974—H.R. 15361

HON. WILLIAM A. BARRETT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BARRETT. Mr. Speaker, my good friend and fellow Pennsylvanian representing the State's 14th Congressional District, yesterday, June 17, spoke before the Tennessee Municipal League. Congressman BILL MOORHEAD, a highly valued member of the Subcommittee on Housing spoke on a subject for which he is eminently qualified—the Housing and Urban Development Act of 1974. This proposal, H.R. 15361, is scheduled to be before the House for consideration on Thursday. His remarks merit the attention of all Members of the House and I include them at this point in the RECORD:

REMARKS OF CONGRESSMAN WILLIAM S. MOORHEAD

Mr. Bingham, ladies and gentlemen. It is a great honor for me to come to the Volunteer State to speak to you on the subject of community development and housing legislation currently pending before the Congress.

While it might seem a bit strange for a Pittsburgher to come to Tennessee for that reason, I feel its the least I can do for the state which sent Johnny Majors to the University of Pittsburgh and made it a football winner for the first time in 10 years.

Your invitation to me is doubly satisfying because it was tendered after some of your members heard me speak on the same subject to the League of Cities Conference of Mayors meeting in Washington a dozen weeks ago.

Late last year, I had an opportunity to make another major housing address, this one to the National Association of Housing and Redevelopment Officials.

Secretary of Housing and Urban Development Jim Lynn also was a speaker.

Lynn spent about 20 minutes huckstering the Administration's new housing and community development proposals and speaking glowingly of the President's desire to provide shelter for those in need and return community development decision making to local officials.

I like Jim Lynn and I knew he had a job

to perform, but I kept asking myself as he paid homage to the President, is he speaking about the same guy that forced all housing programs to a halt, the man whose bully-boy tactics put him in constant conflict with the Congress and in hot water with the Courts?

As I took my turn at the dais, I spoke of the Magna Carta of Housing legislation, the 1968 Act and its grand directives to build 20 million units of subsidized housing and I said to my audience, "I know President Nixon is a strict constructionist when it comes to the law, but to take the broad mandate of the 1968 Housing Act and apply it to one house in San Clemente and another in Key Biscayne is a little too narrow for me".

The minute the audience began to roar at my barb and Jim Lynn's face grew redder, I thought to myself, "Oh Lord give us today the wisdom to speak tender and gracious words for tomorrow we may have to eat them".

I know you haven't brought me all the way to the foothills of the Smokies to hear political anecdotes. You want to know what the Federal government is going to do about giving you the community development tools and resources to revitalize and recaste your communities? You want to know if the federal government again will provide funds to house those too poor to shelter themselves?

The answers to both these questions are embodied in H.R. 15361, the amended version of H.R. 14490, the Housing and Community Development Act of 1974, which was reported by the Banking and Currency Committee last Thursday and is scheduled for the House Floor later this week.

Before giving you the specifics of H.R. 15361, let me offer a brief bit of history.

In 1972, the Senate passed an omnibus housing and community development bill by an 80-1 vote, only to see housing legislation fail to reach the floor of the House. In that year, our Housing Subcommittee wrote its own omnibus legislation, which was reconsidered and rewritten by the full Banking and Currency Committee. The Rules Committee then failed to act, and the bill died in the waning days of the 92nd Congress.

In retrospect, this was most unfortunate. The differences between the House and Senate Omnibus Housing bills could easily have been reconciled and a bill passed and sent to the White House. It is unlikely that Mr. Nixon with his re-election only weeks away would have vetoed the bill.

The 1972 election landslide changed all that and in January 1973 the Nixon administration, carried away by that electoral mandate, abruptly suspended all subsidized housing programs, a moratorium which, with few exceptions, is still in effect. This set the stage for this year's housing bill.

Shortly after the moratorium was announced, members of the Housing Subcommittee, and the Administration, offered their respective versions of a community development special revenue sharing or block grant program.

Ours was part of H.R. 10036, the so-called Barrett-Ashley bill. The Nixon administration countered with the Better Communities Act, or BCA.

H.R. 10036 had three major parts: (1) a program of block grants for community development and housing, (2) a major new program providing for the modernization of our existing public housing stock, (3) a revised program of FHA mortgage insurance with special provisions for assisting middle income families.

Last September the President sent a unique housing message to Congress. It was a unique housing message because it proposed no housing program at all, except for the Housing Allowance program which could not be put into effect before 1976.

A confrontation seemed inevitable. Con-

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gress would not pass a community development bill without a meaningful housing component. The White House and OMB, still almost all powerful, were violently insisting upon their legislation and no other, and would not let HUD Secretary Lynn negotiate with the Congress.

But as the web of Watergate snared more and more senior officials, the power of the White House declined and that of the Department heads increased to the point where Secretary Lynn could propose greater use of the Section 23 Leased Housing program, as the primary subsidy vehicle, while at the same time embracing the committee's desire for community development block grants rather than special revenue sharing.

H.R. 10036, the administration's Better Communities Act, and the suggested expansion of the Section 23 programs were the main ingredients in what evolved as H.R. 14490 and is now H.R. 15361.

Three months ago, the Senate passed an omnibus housing and community development bill by a vote of 76-11.

In April, after two months of our own deliberations, the members of the Housing Subcommittee concluded that it was unlikely that Congress could act successfully on omnibus legislation in this session. We reached this conclusion for several reasons. The subcommittee knew that President Nixon would veto any omnibus bill along the lines of the Senate bill, even if we could get it past both the full Banking and Currency and Rules Committees. We also knew his veto would be sustained. Finally, it was felt that the time available for any major legislation was limited, because of the probability that consideration of impeachment would tie up the House in June or July and that thereafter the House or Senate would be preoccupied with impeachment and trial for the remainder of the session.

The Housing Subcommittee therefore changed its approach, and decided to work on a "bobtail bill" instead of an omnibus one.

Several considerations were paramount as the Subcommittee undertook to draft this bill. First, it had to be sufficiently free of controversial provisions so that it could clear the Rules Committee and pass the House. Second, it had to be sufficiently satisfactory to the Administration so that it would be signed into law and then administered by HUD. And third, the Subcommittee felt strongly the bill had to inextricably tie housing and community development assistance together.

If there is one thing the Subcommittee has learned it is that we cannot have sound community development without a close tie-in of housing assistance. And we cannot have effective housing programs without local government providing adequate facilities and services and a healthy community environment for housing.

With these objectives firmly in mind, the Housing Subcommittee worked very closely with the Administration and produced H.R. 15361, which authorizes a new multi-billion dollar program of community development block grants and establishes an expanded Section 23 Leased Housing program as the primary source of Federally subsidized housing funds.

Specifically, the legislation authorizes the expenditure of \$8.35 billion in community development block grants, over a period of three years, to units of local government to carry out the basic community development activities.

The bill allocates 80% of appropriate funds to 268 Standard Metropolitan Statistical Areas and 20% to non-metropolitan areas.

It provides a direct entitlement to the 490 metropolitan cities, with a population of 50,000 or more, and an undetermined number of urban counties under a three-part for-

mula based on population, poverty counted twice, and housing overcrowding.

An "urban county" is defined as one having 200,000 or more population not counting metropolitan cities, and which is authorized to carry out development and assistance activities, either in its unincorporated areas through state law or incorporated areas through cooperative agreements with local government units.

If an eligible community, within a county, elected to carry on its own activities, its population would not be counted as part of county's.

All communities would be eligible for three years for a "hold harmless" amount based on the average amounts they received under the consolidated programs for the five fiscal years 1968 through 1972.

If their formula share were larger than their hold harmless share, recipient governments would be phased in to the formula share over three years. After the first three years, hold harmless would be phased out gradually.

In other words, by year six, every unit of government would have been weaned from phase-in or hold harmless to pure formula.

For example, the city of Memphis, under the formula, has a greater formula share than hold harmless. Its formula share would be \$14,413,000.

It would reach this figure in the third year of the program, having received \$5.5 million in the first year and \$8.6 million the second.

Balances remaining in the SMSA allocation would be reallocated by the same three-part formula to the SMSAs and distributed by HUD on a discretionary basis within those areas to small communities and state agencies.

In the rural, non-SMSA areas, HUD first would meet the hold harmless needs of communities and then allocate the balance by formula among the states for discretionary distribution by the department within the states.

While Members of Congress, the Administration, and groups like yourself enthusiastically support community development block grants, that same support, in some quarters, wanes when the subject turns to federally subsidized housing.

After all, water and sewer programs, open spaces, historical preservation, urban beautification, and some elements of urban renewal appeal to a broad social and economic range of people.

But subsidized housing addresses the needs of only one group—the poor and near poor.

Yet before we rush to give money to cities and counties and other units of Government to confront their community development needs, we must ask ourselves some questions.

For whom are we developing our communities?

What replaces units torn down by urban renewal programs?

What replaces shelter which is labeled worthless by code enforcement programs?

Who lives in model neighborhoods? The answers are people and housing.

Thus, in all our deliberations in the Subcommittee, with HUD and in the full Committee we've made it patently clear that we must have a strong subsidized housing program to go along with community development.

In establishing a housing component for the new community development block grant program, the Committee decided to greatly expand the Section 23 Leased Housing program, which as you know is a provision of the public housing law, and rely upon it to serve those families who need housing. Specifically the Committee authorized \$1.23 billion in fiscal 1975 to build and renovate 300,000 units of leased housing and for operating subsidies for conventional public housing.

This massive rent supplement program is designed to serve the very poor as well as those with moderate incomes.

Our bill calls for the Federal Government to make up the difference between the fair market rental a developer could charge and between 20 and 25 percent of the tenant's income. Existing private housing could be leased for low and moderate income families with a similar federal subsidy.

While eligible units of government are entitled to automatic community development grants, you still must annually make application to HUD for the funds.

Applicants for block grants are required to (1) identify community development and housing needs, including the submission of a housing assistance plan (2) describe planned activities to meet those needs, and (3) provide assurances of compliance with civil rights laws and citizen participation requirements.

HUD plans to allocate Section 23 commitments on the basis of housing needs reflected in your application and their own estimation of need.

If your application says you need 500 units for the elderly and HUD agrees, your request will be filled based on a comparison of needs of similar communities.

The Committee has agreed not to make you go through detailed application requirements before receiving your first entitlement. However, we have emphasized quite strongly that the Secretary must conduct a vigorous post performance audit to guarantee proper use of Federal funds.

In other words, in the first year to facilitate start-up, the Secretary should not seriously challenge your community development priorities—unless they are patently absurd or unreasonable—but we do expect him to hold back second and third year funds if, in his judgment, you fail to make serious advances toward your own program objectives.

I know that represented here today are a large number of small communities with relatively high levels of past program activity under the categorical programs. I want to take this opportunity to stress the great lengths to which we have gone in the House bill to insure that sufficient funds will be available to meet the growing community development needs of smaller cities and communities, I am now convinced that we have reached the balancing point where one can honestly call this block grant legislation a "small city" bill.

There will be more funds—several times more—for community development activities in smaller communities than have been available up to now under the programs to be consolidated.

Since I am proud of the numbers, let me offer them to you.

There will be two basic sources of funding for small cities and other non-metropolitan communities within SMSA's, the hold harmless section and the remaining SMSA balances which will be distributed on a discretionary basis.

In fiscal year 1975, hold harmless for small cities and other governments will be approximately \$220 million, with an additional \$125 million in the discretionary pot for a total of \$345 million. In fiscal year 1976, this grows to \$540 million, \$185 million in hold harmless and \$355 million in discretionary funds. And in fiscal year 1977 the total funding available for non-metropolitan cities in SMSA's is \$600 million, with \$180 million in hold harmless and a whopping \$420 million in discretionary funds.

These figures are even higher for those rural communities outside of the SMSA's.

It should become clear to all of you that the new formula, block grant concept—which is the heart of H.R. 15361—takes money from the urban areas, which have been on the receiving end of this cash for years, and spreads

available funding to areas of the country which have been very inactive or have taken second place to their big city brothers.

Don't think the Committee adopted this position easily. As a matter of fact the districts of every senior member of the Housing Subcommittee came out with less money under the formula concept than it would have received had we perpetuated the categorical programs.

But the new special revenue sharing concept reflects two very real facts of life.

First, urban areas hold no exclusivity on the problems of blight, overcrowding and poor community facilities. Secondly, the Congress increasingly has more and more members reflecting non-urban, non-rural, but suburban jurisdictions.

Quite frankly, if the new legislation did not take into consideration these two elements the Housing Act of 1974 would have absolutely no chance of passage.

As it is, while accommodating the growing needs of suburban America, the Committee succeeded in alienating some civil rights, public rights and labor groups that traditionally have provided the backbone of support for major housing and community development bills.

They have accused us of backing away from the needs of the urban poor, of caving into the demands of the Nixon Administration, and legislating in a "safe" rather than progressive manner.

The unfortunate fact is that there is a grain of truth in the charges.

The Administration did not, and does not, have the horses to write and pass the kind of bill it wants. But the President can veto a bill and we cannot override that veto.

Therefore, pragmatism was the rule throughout the six months that the Housing Subcommittee and the full Banking and Currency Committee worked on this bill.

This is not to say that H.R. 15361 is a weak bill. It is not. The community development section is innovative and challenging, but the housing provisions are at best adequate.

However, it is a vehicle of compromise, and as such, it is a bill which can become a law.

While it is natural to compare our bill with that which passed the Senate, it is like comparing apples to oranges. They are both fruit, but the similarity stops there. Nixon would veto the Senate's bill. I don't think he will kill ours.

I have been in Washington too long and have heard the complaints of the people I represent for too many years for me to rely on "moral victories". Therefore I did not, and do not, believe we should go through the wasted exercise of writing a bill Nixon won't sign. Fortunately the Committee agreed with me.

While the Banking Committee has approved H.R. 15361, we must still navigate the House Rules Committee, the floor of the House, and the House-Senate Conference which must work out the differences between the 94 page bill we reported and their 300 page behemoth. We go to Rules tomorrow, the floor on Thursday, and hopefully a conference thereafter.

I have one great fear about tomorrow's Rules Committee meeting.

Last Thursday, at the regular House Whip meeting, I heard some very pointed criticism of the bill from senior House leaders representing urban congressional districts.

All through subcommittee and full committee consideration urban lobbyists tried to win reinstatement of the much maligned subsidized housing programs.

We resisted it in Subcommittee and in the full committee knowing that approval of those programs would cause a collapse of the fragile "house of cards" coalition that had brought the bill so far.

As I said earlier, it is not that we opposed

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these programs but we knew if they were added to the legislation we were begging for a Nixon veto, a veto we cannot override.

While I hope my fears about tomorrow's rules' hearing are not justified, I think it would be ironic if this year's housing bill fell victim to an alliance of the right wing, which always opposes housing, and a group of liberal, urban Congressmen frustrated by what they consider too little housing assistance.

I feel that this would be most shortsighted, since refusal to allow the block grant-housing bill to get to the floor means no legislation at all this year.

In the past we could always fall back onto a simple extension of existing programs, but with the moratorium there are no programs to extend.

A majority of the House must come to realize that it is either the bill the Banking Committee reported—or nothing. There is no in between legislation this year.

Therefore, if you believe as I do that H.R. 15361 can make a real contribution in attacking the legitimate development and housing needs of our nation, I urge you to communicate not only with your elected representatives in the Congress to support this bill, but with other associations similar to your own and ask them to contact their congressmen.

I consider the road this legislation must travel in the coming days like a minefield, one misstep—boom—we've lost everything.

I think with your help and those of like-minded people we can defuse those mines and begin spending that new community development and housing money sometime early next year for the people we serve. Thank you.

D. & H. RAILROAD RECEIVES HARRIMAN GOLD MEDAL FOR SAFETY

HON. ROBERT C. McEWEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. McEWEN. Mr. Speaker, the Delaware & Hudson Railway Co. received the coveted E. H. Harriman Memorial Gold Medal for the second consecutive year for having the best safety record of any railroad in its category during 1973.

Carl B. Sterzing, Jr., president and chief executive officer of the D. & H., accepted the award from Mr. John H. Reed, chairman of the National Transportation Safety Board at a luncheon at the Madison Hotel in Washington, May 30.

The Harriman medals were established in 1913 by the late Mrs. Mary W. Harriman in memory of her husband, Edward H. Harriman, a pioneer railroad builder and financier. The medals are presented annually in four categories by the E. H. Harriman Memorial Awards Institute.

With a casualty ratio of only 3.08 per 1 million man-hours in 1973, the 720-mile D. & H. not only led all railroads in its size—3 million man-hours or less—but also set the outstanding safety record among all railroads in the United States, regardless of size.

The Delaware & Hudson Railway employs approximately 2,000 citizens in the States of New York, Pennsylvania, and Vermont, and maintains its headquarters in Albany, N.Y.

URBAN HOMESTEADING AMENDMENT TO H.R. 15361, THE HOUSING AND URBAN DEVELOPMENT ACT OF 1974

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BADILLO. Mr. Speaker, owners by the thousands are walking away from housing units in Washington, Philadelphia, Detroit, Cleveland, Baltimore, Boston, and Birmingham. New York City's annual loss of housing units attributable to abandonment was estimated to be between 15,000 and 20,000 a couple of years ago. Nationally, statistics developed by the Housing and Urban Development Department reveal that the figures reach 200,000 to 300,000 a year. Yet a large number of these abandoned buildings are not dilapidated and uninhabitable. In New York City an estimated 80 percent of the unrecorded losses in 1968 were in buildings classified only 3 years earlier as either sound or deteriorating, but not dilapidated. Consequently, abandonment in those cases represented a decision "to get out and leave" on the part of the owners.

Experts are unable to pinpoint the exact causes of abandonment. However, the national survey of housing abandonment conducted by the National Urban League's Center for Community Change has been able to establish a relationship between certain characteristics and criteria in areas experiencing abandonment. Among these criteria are:

Absentee ownership;

Lack of investment capital for purchase, transfer or extensive rehabilitation by owners;

Dislocation of entire neighborhoods by development;

Speculative practices;

Self-defeating use of city tax code enforcement policies; and

Disinvestment on the part of owners and consequent deterioration of entire neighborhoods.

The areas in which these criteria surface most often are transitional neighborhoods. The chain reaction that ultimately ends in abandonment can start with blockbusting, buying out and the departure of whites and middleclass, immigration of blacks and other poor minority group members. Most often the new residents cannot afford to pay the rents required to maintain the housing. The absentee owner then allows or assists in overoccupancy of units. Such practices overload facilities and lead to deterioration. Faced with this situation, cognizant of the fact that money for rehabilitation is difficult or impossible to obtain, and aware also that the rents he can collect will not cover ongoing expenses and the cost of necessary rehabilitation, the owner most often decides to disinvest.

Deteriorated, abandoned buildings become a danger for the neighborhood. They become havens for addicts who can terrorize the residents. This in turn leads to increased disinvestment and accelerated outmigration of all who can afford it. Whole areas then move toward the

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status of the "crisis ghetto" characterized by decreasing median income, increasing unemployment rates, declining total population, increasing public assistance dependency, increasing rates of crime and vandalism.

Continued owner-occupancy, on the other hand, acts as a stabilizer for the neighborhood. When people occupying a building have a proprietary interest they can and do take an active part in the affairs of the community. In New York City tenants residing in buildings abandoned by the landlords have banded together to maintain, as best as they can, a roof over their heads. They arrange for most immediately needed repairs, they keep the building habitable and often set up common funds for common expenses. Their interest and presence help to reduce rates of vandalism, crime, and other social ills which often result in the eventual death of a neighborhood.

When H.R. 15361, the Housing and Urban Development Act of 1974, reaches the floor of the House, I intend to offer an amendment designed to promote low- and moderate-income homeownership, or cooperative apartment ownership, through the development of urban homesteading programs. My proposal is for a pilot program that would permit cities and localities that establish an urban homesteading program—under which they turn over city-owned buildings to qualified tenant groups, and, in conjunction with such transfer of title, grant them a 10-year tax abatement—to use the value of taxes thus forfeited to establish credit with the Federal Government. This credit can in turn be applied toward meeting the requirements of local matching funds for existing Federal programs.

The amendment then outlines the type of urban homesteading program that can qualify under my legislation:

First. The city or locality must establish an overall urban homesteading and neighborhood revitalization plan which must be submitted to the Secretary for approval;

Second. It must take steps to assure that the properties designated for participation in the program are located in model cities, urban renewal, or other areas in need of revitalization and upgrading;

Third. It must establish an urban homestead board or a similar body which consists of appointed and elected members. The board will have the duty to:

a. compile and catalog properties suitable for inclusion in the program;
b. institute in rem and/or foreclosure proceedings against appropriate ones with the cooperation of all relevant agencies;

c. investigate the properties and secure an accurate assessment of needed repairs and cost of such repairs;

d. negotiate low-interest loans in the amount necessary to carry out the repairs needed to make the structures safe, sanitary, and habitable;

e. furnish technical assistance to tenant groups performing repair work;

f. establish an office of tenant assistance.

The selection criteria for homesteaders shall include, but shall not be limited to:

First, residence in the building designated for participation;

Second, residence in the area affected or model cities or urban renewal;

Third, need of housing because of governmental action.

Income limits shall be required in the proposed plan. They should be about 133 percent of public housing, or low-cost assisted housing level. They must not exceed the section 236 limits.

Homesteading candidates must agree to assist in rehabilitation; they must agree to occupy the buildings for a stated period of time, and they may not rent their unit commercially during the period they receive tax abatement.

I believe that this legislation represents a helpful and desirable approach to our housing problems. I hope that Members will see fit to support this effort.

INCREASING SUPPLY OF GOODS AND SERVICES KEY TO INFLATION ILLS

HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. COLLIER. Mr. Speaker, to the average American, inflation is the most serious problem facing the country today. While they feel it in their pocketbooks, many do not understand its causes and the basic economics involved.

One of my constituents, Karl Klomann, has prepared the following paper setting forth his views on the subject. Mr. Klomann, a Phi Beta Kappa who graduated from Denison University with special honors in economics, has set forth his views in a forthright manner and in language that every layman can understand.

I am submitting his paper for the Record because it is such a logical presentation of basic economics, from which we have strayed over the years. The article follows:

INCREASING SUPPLY OF GOODS AND SERVICES KEY TO INFLATION ILLS

The number one problem facing this nation is inflation. I have let the cure for inflation rest in the hands of the professional economist. He has left the sheltered halls of ivy, taken a leave from his college teaching job and undertaken to cure inflation. His only weapon in this fight is to decrease demand by limiting the money supply. This is what I shall call "tight money." In the last 5 years—as a result of this policy, my investments in stocks have gone down 60%, bonds 48%—while at the same time prices have increased at an all time record rate. Now you would think that any remedy that severe and disruptive would be the center of a storm of controversy . . . but, believe it or not millions of fellow Americans have suffered having their life savings, investments, and purchasing power cut in half without even a single protest.

Try to think of any position that would go unchallenged—say, motherhood, apple pie, the flag . . . if you suggested a simple resolution: "Hooray for Motherhood" you would

soon be swamped by protests from "zero population growth" and various women's lib organizations. "Hooray for Apple Pie" would bring protests from the weight watchers and the cholesterol lobby. In short the protesting American public carefully examines everything suggested, with one exception, the very factor that determines our prosperity . . . or, lack of it. Not a single voice of protest has been raised against the Tight Money Economic Policy used to fight inflation. Why does this go unchallenged? Because this is an age of experts. Anyone claiming expertise in a seemingly difficult and complicated matter can cow and bewilder the ordinary citizen into silence. Economics today is so filled with jargon Mr. Average Citizen says, "They must know what they are doing . . . after all 'they' are experts and I don't even understand their vocabulary."

Well, I understand their vocabulary, I understand the problem, I understand the remedy they are applying and I am suffering from its consequences and today I am speaking out. Let me first answer "How expert are the experts", and show how our government has no answer to our problem and no economic policy and no direction. Then, I shall show why present "Tight Money" policies work in the opposite way in which they are intended. I'll point out where the economists went wrong. Lastly, I will show the proper way for us to fight inflation and win.

Milton Friedman of the University of Chicago is the best known spokesman for the Chicago School of Economics. He has served as Barry Goldwater's Economics Advisor and has many followers of his theory, including George Schultz—until recently the Number 1 economics expert of the Federal Government.

The theory of the Chicago School of Economics is that you can control the rate of inflation by controlling the supply of money. If you decrease the supply of money you will decrease demand. The law of supply and demand still works so when demand is decreased prices will go down. If prices do not go down, as they should according to this theory, it means only that you didn't tighten money enough so you tighten it still further until you actually have a "money crunch" such as we suffered in 1970 and 1971. This money crunch caused several million people to lose jobs, caused the stock and bond markets to fall out of bed, caused Federal Revenues to decline, caused welfare rolls to expand and caused several large businesses to fail and thousands of small businesses to undergo severe changes in plans and prospects. Was all this havoc worth the price? The tragedy is—it didn't even work! They had what they called "stagflation"—which meant stagnant economy and inflation at the same time. Well, it wasn't supposed to work that way.

There was speculation among the economists that maybe the old economic laws no longer worked in the modern semi-controlled economy. They abandoned "Tight Money" long enough to get prosperity going and Nixon reelected. Now they have returned to that non-effective policy with a vengeance. Instead of a peak prime rate of 10%, which we had at the peak of this period, we now have 11 1/4% prime rate with 12% prime rate forecast.

When C. Jackson Grayson, Jr. was appointed Chairman of the Price Commission and given virtual limitless power over prices, he found, when he arrived in Washington, the Federal Government really had no policy: he had no organization provided and he wasn't even able to get any advice. As he tells it, Paul McCracken and Herbert Stein, then Chairman and member respectively of the Council of Economic Advisers, told him in essence—"Not much in classical economics seems to be working to curb inflation, why

don't you come up with something on your own rather than be prejudiced by our views?" Finally, Milton Friedman himself recently advocated that we learn to live with inflation since apparently nobody knows how to cure it. In short, the experts are not at all expert. They have no cure for inflation and the economic policy of the nation is almost nonexistent and as far as it does exist it only makes things worse rather than better. It has been said war is too serious a matter to be left to the Generals—Economics, likewise, is far too serious to be left to the economists.

Now why does the policy of "Tight Money" have an effect of raising prices rather than lowering them? All recent doubts notwithstanding the law of supply and demand still works. When supply remains the same and demand increases prices will rise. When supply is diminished and demand remains the same, prices go up.

The cure for inflation must lie in either increasing the supply of goods and services or in diminishing the demand for them. Nobody likes to diminish demand—a happier fight against inflation would be to increase supply. Federal policy—tight money—does the opposite. It works to decrease supply and tends to leave demand the same and in some cases even bolsters demand. The error made by economists is to use a shotgun rather than a rifle. All demand is lumped together and suppressed, whereas, demand has many faces, and different demands have different effects. The farmer that buys \$100 worth of fertilizer to increase his crops cannot have that demand equated with the consumer who drinks \$100 worth of imported Champagne. In short, there are demand factors that, on balance, add to our supply and demand factors that consume our supply.

I shall call the first productive demand and the latter consumptive demand. The failure to sort these out has been the downfall of the modern economy.

PART II

There is one economic law that has never been repealed, still works, and contains what must be the only cure for inflation. It is not a sophisticated law, encased in jargon—or a law beyond the understanding of the average citizen. It is—if you increase supply—prices tend to go down. If you diminish supply, prices go up. If you increase demand, prices rise—if you decrease demand, prices tend to decline. Tight Money was invented by people so skilled in economics that they forgot the fundamental law of supply and demand. See how Tight Money clashes with the law of Supply and Demand.

Let us paint for a moment with broad brush strokes to see the over-all picture. Let us make a list of economic factors and assign them to either "Supply" or "Demand" on the basis of their total effect (somethings could affect both supply and demand, but it will, in the end, weigh most heavily on either the supply or demand side).

Increases supply: employment, manufacturing, farming, construction, capital spending.

Increases demand: unemployment benefits, social security benefits, consumer credit, government low cost subsidized mortgage, lower taxes.

Let us look at these factors and see how Tight Money raises prices and causes inflation.

SUPPLY

1. Employment.—Workers receive wages which increase demand, but basically every worker creates more than he consumes, so on balance this factor increases supply. Tight Money, it is conceded, causes unemployment—this, then, diminishes supply a great deal—(picture having 100% unemployment, nothing would be produced and supply would be zero). Demand also falls, but only a little (the auto workers recently unemployed, drew

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wages and unemployment benefits equal to their wages). Tight money, here we see, is trying to swim up stream against the law of supply and demand.

2. Manufacturing.—Factories consume products, machines, and materials so they affect demand, but on the whole they create more than they consume, so they are placed in the "supply" category. Tight Money squeezes manufacturing, raising the cost of doing business and preventing business expansion, which expansion would have increased supply. Added to higher prices caused by Tight Money and its effect on supply, you have a further raising of prices caused by a "cost push" inflation due to higher cost of the money with which business is conducted. There are 3 factors which determine the cost of a product. The cost of labor, materials, and capital. If you double any of these factors the cost of a product will rise. We can no more achieve lower prices by doubling the cost of capital than we could by doubling the cost of labor.

3. Construction.—If we have any tighter money we will end construction altogether. This will lower the demand for building materials but will reduce supply much more, so that on balance, reduced construction will mean higher prices for buildings. Score 100% wrong again for Tight Money.

4. Farming.—Supposedly the government is asking farmers to produce as much as they can—but, on the other hand Tight Money has raised the cost of farming, for the farmer requires large amounts of money in order to farm. The farmer borrows money for seed, fertilizer, farm machinery and labor. If we double the cost of this money we exert a cost push that makes it necessary for the farmer to raise his prices. It is sure hard to see how Tight Money could make him lower his prices.

5. Bank Credit.—We are speaking here of money loaned to business. Business loans are usually used to increase production thereby increasing supply. They also add to demand but on the whole, Loans to Business represent a net increase to the supply side of the equation. Here we see again, Tight Money chokes bank credit thereby diminishing supply and raises prices. It certainly is a peculiar remedy for obtaining lower prices.

6. Capital Spending.—The above comments on bank credit apply to capital spending as well. Capital spending might appear to fit on the demand side of the equation—but it doesn't—in the long run, the spent capital will increase supply. Tight Money once again diminishes supply—raising prices.

These supply factors all have a demand factor as well, but this is productive demand; that is, demand that ultimately results in a greater supply of goods and services. The factors that follow are also demand factors—but, these are consumptive demand, the result is less goods and services rather than more.

Demand

1. Unemployment Benefits.—This is a device to sustain demand by giving people money while they are unemployed, as a result of a Tight Money policy. Their unemployment reduces supply, but the government does not let demand diminish so the net effect is decreased supply and sustained demand. This means higher prices.

2. Consumer Credit.—Tight Money never has affected consumer credit. At no time during the credit crunch has it been difficult to obtain small loans from banks or finance companies, credit card credit, or store credit. All these devices keep up or increase consumptive demand, thereby raising prices.

3. Social Security.—Here is a most laudable end—however, when social security benefits are raised, total consumptive demand is increased and pressure is exerted for higher prices.

4. Lowering Taxes.—Another Federal government ploy to increase consumptive demand adding pressure for higher prices.

5. Government Low Cost Subsidized Mortgages.—We have already seen how Tight Money diminishes the supply of housing. What housing is built costs the builder more so the price goes up because the supply is diminished. There is also an upward "cost push" because it costs more to build . . . and now the government increases demand with 10 billion dollars worth of subsidized, "low cost" mortgages . . . is this a way to get the prices down?

These factors show that the Federal Reserve Banks and Federal Governments' policy of fighting inflation, with Tight Money, has unpleasant side effects: low stock market prices, increased unemployment, holding back business expansion and modernization (which would have enabled us to better compete with other nations). Suffering these side effects is in vain for the cure itself merely intensifies the disease and the result is higher prices . . . not the lower prices which should be our goal.

This also tends to disrupt business. Large businesses have ample credit sources and merely pass on the added costs of tight money to the price charged the consumer. However, small businesses are severely hurt for their sources of funds are limited and may actually disappear. The net effect is big business thrives at the expense of small businesses.

Banks also are enjoying unparalleled prosperity. The money deposited by us at 5% is loaned out at 12%. That is a pretty good spread in an industry that traditionally had a 1% spread between cost of money and the cost of a loan. Tight money for a bank is like having a license to steal.

The cost of borrowing by the Federal Government also goes up drastically. The government borrows billions of dollars. A year ago treasury bills were as low as 3.5%—today they are near 9%. You, the taxpayer, pay the difference.

Let us cast a nostalgic eye to the early 60's. Then we had a rate of inflation of under 2% per year (today over 10%) and 91 day Treasury bill rate of less than 3% (today close to 9%). Once the policy of tight money and high interest began to be used, the rate of inflation soared . . . and nobody, until today, has even raised the question—Is Tight Money really the way to fight inflation?

REMEMBER LITHUANIA

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. LANDGREBE. Mr. Speaker, June 15, 1974, is the 34th anniversary of the Communist takeover of Lithuania. The forcible annexation of the Baltic nations was one of the several events leading up to World War II, and one of the many examples of Communist brutality and tyranny—a tyranny that has not mellowed. It cannot mellow and continue to exist. When Lithuania was occupied, the Soviet Communists began mass deportations of Lithuanian citizens to concentration camps in Siberia. Today, we know that those camps still exist and that they are still filled with prisoners—some of whom perhaps are hardly Lithuanians who have survived 34 years of torture. Indeed, Alexander Solzhenitsyn's Gulag Archipelago is a graphic history of the oppression and brutality under which Lithuanians and other nationals suffered at the hands of the Communists.

I fear that we have not completely grasped the nature of our relationship with the Communists in our eagerness to achieve "détente." Presently and for some years past, our foreign policy has been exemplified by the case of Simas Kudirka, the Lithuanian seaman impressed into the Red Navy. In 1971, he jumped from his ship to an American Coast Guard vessel. After consulting with a superior officer, the captain of the American vessel allowed Communist sailors to board the American ship and drag Kudirka back to the Communist ship. All the while Kudirka begged pitifully for help, but received none from the Americans who seemed to feel compelled to follow a policy of "nonintervention" in the "internal" policies of the Communists.

This policy of appeasing the Communists, as in the Kudirka affair, is a consistent principle found throughout our foreign policy. The fine distinction many analysts of our foreign policy have drawn between internal and external policies of Communist governments should not be made. We fail to understand the true depths and nature of our influence over the Communist nations economically and technologically. Thus, most foreign aid and trade is made totally without strings attached. Yet we have the power to demand some sort of mutually satisfying exchange—a quid pro quo. Wheat sales to Russia could include demands for a less harsh policy toward its citizens in certain areas, for example. Economic dealings with Lithuania could be bent to the same purpose.

It is the responsibility of the Congress to help move us in this direction. Through the power to approve treaties and make appropriations, Congress has control essential to orienting our foreign policy toward demanding more of an "exchange" for our assistance. Too long we have given it away blindly.

The Communist treatment of Lithuania cannot be rationalized morally by labeling it "internal" and thus beyond our concern. And if we term this treatment "external," then we are announcing the hollowness of the alleged goals of the détente. This reasoning applies to all nationalities that make up the Union of Soviet Socialist Republics. We should not embrace this distinction between internal and external policy as a means of escaping our moral responsibility. June 15, as national remembrance day for Lithuanians in this country, provides the perspective that, essentially, some searching evaluation now be undertaken redefining goals of the détente.

WATERGATE REVIEWED

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. MICHEL. Mr. Speaker, the Peoria Journal-Star recently carried an editorial that I think should be brought to

the attention of my colleagues here in Congress, as well as anyone who has even been remotely interested in the issues of Watergate.

The conclusions of the editorialist are, I am afraid, all too valid. The article speaks for itself, and I would urge that it be given serious and thoughtful attention by all those who have any concern for our constitutional system:

WATERGATE REVIEWED

(By C. L. Dancey)

It is hard to tell whether our town had been inundated with visitors from press and TV because of its classic sociological reputation as the most nearly representative of American cities, or because the editor here is out of step with the rest of the media.

In any case their persistent attention has obliged me to review our position on the Watergate matter down through all these months. It is something we do from time to time anyway, as regular readers will know, but now seems to be the time.

It is not that being out of step shakes us up. We have been out of step before—and proud of it in the light of subsequent events. It always seems to happen when there is one of these great surges in which we all seem to get carried away with things. We try not to do that, and the past results have given us confidence in that calmer pace.

As we review the Watergate history, we find that we were out of step early. We were the first newspaper or other media to review the Andrew Johnson impeachment trial and to seriously discuss impeachment in the Watergate case.

More than a year ago we studied the Constitution on this matter and the previous trial, and we then came to the conclusion, publicly, that the only proper way to inquire into a serious question of presidential misconduct was by the impeachment process.

In such matters, we took the position that due process must be carefully observed, that the inquiry should be exclusively conducted by the House judiciary committee, and that it should be carried out in a scrupulously fair and proper manner to whatever conclusion the evidence required.

Since then, unhappily, we have seen very little of that level of responsible conduct, in fact.

The Watergate happened two years ago, but the Watergate approach seems to have infected a great many people since then and they have been "Watergating" themselves through this whole mess, it seems.

In the ensuing rumpus, which finally got around to impeachment, as we warned in the first place it must, the air is blue with careless kicking of the Constitution on all sides.

Our outrage at these continuing abuses has been read by many as "supporting the President," and since he has been the victim of many of them, such is, indeed, the result.

However, the record will show that we were not concerned whether proper process served to damn him or to acquit him, in fact. That is a matter of evidence, if anybody ever gets around to presenting it in a proper way and subjects it to the proper tests of trial.

What we have been concerned with from the start is due process, and preserving the Constitution in the conduct of a matter as serious as a presidential impeachment.

And it is not our choice that in pursuing this, it has so often been Nixon's accusers who have charged ahead with such disregard for the rules of the game and the common standards of justice and decency which we are either going to preserve for all Americans—or throw overboard in this affair.

Let us look at the substantive basics of this matter to date. The Senate majority leader, virtually every responsible senator,

and the Democratic caucus all NOW agree that senator's Constitutional duty is that of jurors.

Likewise, they now agree that as jurors they should avoid any pre-trial activities or statements that would be improper in a juror in any criminal case.

This is precisely what we counseled over a year ago, in May, 1973, and most strongly in June of last year!

Ten months later—and ten months too late for many, the senators have awakened to this reality—with the exception, perhaps of Lowell Weicker, and more recently there has been some doubt about Charles Percy.

On the charges flung around so carelessly we have been cautious, and let us all stop for a moment to look at the record just once.

The special prosecutor has officially advised the courts that President Nixon is not involved in the Ellsberg cases because he had no prior knowledge of that burglary, in fact.

The special prosecutor has also advised the courts that Nixon is in the clear in the ITT cases his office has investigated so thoroughly.

The special prosecutor has gone to court in the Vesco case and all witnesses, both prosecution and defense, made it clear when they got actually into court and under oath that the President was not involved—and the jury found his campaign manager and treasurer also to be innocent in fact.

That was clearly the BEST CASE on campaign fund charges the prosecutors could bring, and the first that they took into court!

On Watergate, itself, none other than Sam Ervin, himself, has said that after months of investigation, and two million dollars spent on it, no evidence of an impeachable offense was produced.

There are matters which filled our eyes, ears, and minds in the most prejudicial charges, claims, and reports for over a year—and then failed of the test in a sober application of due process.

This is not the way to handle a matter so vital to the balance of our Constitutional system.

If Richard Nixon is, in fact, guilty of some wrongdoing that is impeachable, these gross departures from due process have messed up the case terribly.

If he is not guilty, they have perpetrated a staggering injustice and deception of the American people.

When this is over, one way or the other, the world will take notice of how it has been mishandled from the start.

And we do not apologize in the least for keeping an eye on the matter of the greatest importance to the future of the Republic from the beginning.

THE IMPORTANCE OF LINE OF BUSINESS REPORTS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. VANIK. Mr. Speaker, later this week, the House of Representatives will have an opportunity to support the Federal Trade Commission's efforts to obtain line of business data. This will be an opportunity for the Congress and the Nation to obtain basic information about our economy. It will be an opportunity to determine the merits and demerits of "conglomerate" manufacture. If we believe in having necessary information, if we still believe in competition and the

struggle against monopoly, then the line of business program is essential.

Mr. Speaker, while many giant businesses are opposed to this proposal, it is interesting to note that many small businesses favor the program. I believe that the line of business data is essential if we are to obtain the information and make the public affairs judgments necessary to preserve our free enterprise system. I would also predict, Mr. Speaker, that if this Congress does not fund the line of business report program—the next Congress will take even stronger steps. The next Congress may require the publication of the actual tax returns of corporations. I would hope, therefore, that big business would see the wisdom of proceeding now with the line of business report program.

I would like to include at this point in the Record a Statement of Purpose, prepared by the FTC last August concerning the reasons for the annual line of business report program. Since this statement was prepared, the FTC has decided to limit the survey to the top 500 corporations.

The statement follows:

STATEMENT OF PURPOSE

I. INTRODUCTION

The Annual Line of Business Report Program of the Federal Trade Commission (the LB Program) is an adjunct of the Commission's Quarterly Financial Statistical Program. Its purpose is to collect certain items of financial information on a line of business basis, and to publish selected aggregate performance measures for industry categories.

The items of financial information for which data are requested are those which are most important for the satisfactory execution of the responsibilities which Congress has given to the FTC. The items include sales, assets, profits, and some specific costs.

A line of business is defined as a combination of organizational units which make closely substitutable products. The organizational units which are combined into lines of business are specified according to two criteria: (1) the activity of the unit should closely correspond to one of the industry categories which are specified in the Addendum to the report form, and (2) the unit is one for which the company collects financial information for its own internal management purposes.

The industry categories are defined in terms of economic meaningfulness, competitive significance, and compatibility with other sources of data. They are described in the Addendum to the report form.

The LB report form is to be sent to about 500 large companies in all sectors except those which are regulated by some other agency. All but a few of these companies will be reporting to the Commission on a regular basis under the QFR Program. After the forms have been returned, they will be verified. All of the lines of business which are associated with a given industry category will be combined, and aggregate data for that category will be published. Names and data for individual firms will not be made public. Tabulations of data will be released using the Internal Revenue Service Statistics of Income format for avoiding disclosure of confidential financial data from corporate tax returns.

Section II of this statement covers the benefits of the LB Program. In Section III, certain technical problems related to line of business reporting are addressed. Section IV is devoted to an examination of the possibility of using alternative sources of data which are already publicly available. The

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costs of the program are detailed in Section V. And, finally, in Section VI, the statement is concluded.

II. BENEFITS OF THE PROGRAM

A. The role of information in the economy.—Information plays a critical role in the efficient working of a free enterprise economy. Generally speaking, the greater the amount of information which is possessed by all the groups which are interested in a given market, the more efficiently the market will work. Other things being equal, then, society stands to reap benefits from the dissemination of information.

The benefits of the dissemination of information must be weighed against its cost, of course. One potentially serious cost of the uncontrolled disclosure of information is associated with the dampening of incentives by private parties to discover new basic knowledge or to innovate. This hazard is substantially mitigated by the protection afforded by the patent, copyright, and trademark laws.

Assuming that the ability to recoup the private costs of the discovery and development of new products and technologies is reasonably well protected by these laws, attention can be turned to some specific ways in which various groups in society may benefit from the data collection and publication activities of the LB Program.

B. Potential beneficiaries of line of business data.—The first group of users of meaningful data on separate categories of goods and services are the buyers of those goods and services. With data on sales, costs, profits, and assets, buyers are able to form judgments concerning the appropriateness of price/cost margins and profit rates.

These data will also be of great value to small business firms. The size of the expenditure needed to acquire useful financial information means that large enterprises can better afford to engage in information search. To the extent that the search and reliability analysis of available public and private sources is productive of useful information, smaller firms, to whom this type of information service is essentially unavailable, are disadvantaged. If reliable data were available from a public source, on the other hand, small firms would be able to make use of them at minimal cost.

Established firms are significant users of published data on profitability and other aspects of performance for industry categories. Most of the 4,500 private individual subscribers of the QFR quarterly publication are corporations. The LB data will be extremely useful to these firms. It will be possible for a firm to compare the performance of each of its lines of business with the performance of lines of business of other firms which produce similar products.

Potential competitors, both large and small, would benefit greatly from the LB data. Firms which have resources which they wish to invest in some activity, whether they are newly organized or already established, will seek those activities which offer the greatest return for the investment. Where data on the actual returns which established producers are earning in various industries are not available, or where the available data are of poor quality because of the intermingling of primary and secondary product data, incorrect choices of investment alternatives will be made. And that will result in an inefficient allocation of the total resources which are at the disposal of society.

The labor movement also has an interest in data on sales, costs, and profits for individual industry categories. The evaluation of the share of total sales or receipts which goes to labor can be performed efficiently only if such data are available. These data will also facilitate comparisons of labor's share among different industries. And finally, for those companies where laborers are organized on a product, or craft, basis, data on sales, costs,

and profits on a line of business basis are essential to the efficient working of the bargaining process. Organized farm groups have the same need for information in dealing with suppliers and processors.

C. The role of the Federal Trade Commission.—The FTC can serve the needs of the groups mentioned above in two ways. First, it can provide certain kinds of information which are necessary for the efficient working of markets. And second, it can intervene more directly in those markets which do not work efficiently enough even in the presence of adequate information.

To the extent that markets work inefficiently because of lack of information on sales, costs, and profits, the distribution of relevant data by the Commission may be expected to have a beneficial effect. Congress has mandated to the Commission the responsibility of collecting and disseminating information in the major portion of American business. The Annual Line of Business Report Program is a continuation of a long line of efforts by the Commission to fulfill this mandate.

The Commission is an independent agency with particular expertise in the analysis of market performance. Its independent status removes it from possible conflicts of interest inherent in agencies that reflect the interests of special economic groups. It has been equipped by Congress with the strongest mandatory data collection powers of government. The Federal Trade Commission is not only in the position to produce statistics but can provide the analysis of what those statistics are all about.

From its earliest days, the Commission has been involved in the reporting of business information. The legislative history of the FTC Act shows that Congress intended that the continuous collection of basic economic and financial statistics from corporations be one of the most important functions of the new agency. This activity was inherited from the Commission's predecessor, the Bureau of Corporations.

Commission activity in this area has been extensive throughout its existence. A long list of rate of return and industry reports have been published. In the field of the reporting of current data on industry profitability, the Commission did pioneering work. In 1933, the Bureau of the Budget designated the FTC as the primary agency of Government to collect complete profit and loss and balance sheet data, and an extensive program was begun in 1939. During World War II the data were published as *Wartime Costs and Profits for Manufacturing Corporations*. After the war, the present name of the publication, *Quarterly Financial Report for Manufacturing Companies*, was adopted.

The Commission began the publication of a second study in this area in the late 1940's. It is entitled *Rates of Return for Identical Companies in Selected Manufacturing Industries*, and is published annually. This publication contains annual profit data for the individual leading companies in certain manufacturing industries—a dimension not available in the QFR.

With respect to its function of investigation of and intervention in those markets which evidence persistent deviation from competitive performance, the FTC has a clear need for the industry aggregate data which the LB Program will publish. Since the resources available to the Commission for the execution of its Congressional mandate in this area are limited, it must pick and choose from among a variety of activities designed to enhance competition. The goal in this selection process is to provide society with the greatest return for the resources which the FTC uses.

The question of which activities to undertake depends, of course, on the relative benefits which the activities would provide. And the benefits depend critically, in turn, on

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profitability, sales promotion intensity, and research and development intensity. The business community benefits when the FTC allocates its resources efficiently. The availability of good market performance data would prevent the Commission from making false starts in investigating competitively performing industries. Federal Trade Commission false starts cause disruptions, unfavorable publicity to companies and high legal costs to business.

The need for data on profitability is hardly debatable. The ratio of profits to sales provides insight into the relative extent to which price exceeds cost. The ratio of profits to capital shows the relative rate of return and serves to guide the shifting of resources from industries where the public values them less to industries where the public values them more.

Concern with sales promotion activities follows from the effects that they may have on other characteristics of industries, especially barriers to entry and profitability. The form requests separate data on advertising and on other sales promotional activities. The major reason for requesting separate data on advertising is that some data on advertising expenditures are available in the public domain. Advertising messages can be directly observed by interested parties, who can then estimate some of the costs which were incurred in the distribution of them. This practice has led to the generation of a substantial amount of data on advertising. These data can provide partial verification of the advertising data reported on the LB form. Other sales promotional activities are not as readily observed by third parties. These activities include calls by salesmen, free samples, etc. Since they are not so readily observed, no public data on them are available. These non-advertising promotional activities may be very important, relative to advertising, in some selected industries.

The need for usable R&D data on an industry by industry basis is based partly on the need to explore the interrelations among R&D activity, technological change, and other industry characteristics. Understanding of the causes and effects of technological change is not settled from a conceptual point of view. There are several theories in this area which have direct policy planning implications, and they need to be tested using meaningful data. Of particular concern is whether there are trade-offs between technological change and deviations from competitive structure, in the sense that along with the social costs of the absence of a competitive structure, there are offsetting benefits to society as a result of technological progress which the absence of competition makes possible.

Within the broad area of policy planning, there are also needs for better data to improve statistical studies of the relations among structure, conduct, and performance. The results of these studies are critical to the Commission, since they are addressed to questions of cause and effect. As a general rule, the Commission does not control performance directly; rather, it seeks to influence structure and conduct directly, with the intent of causing an indirect effect on performance. A sound empirically based understanding of the relationships among these characteristics of markets are of special importance.

On the question of the causes of differences in profitability among industries, numerous empirical studies have been conducted by economists in the field of industrial organization. The results of investigations like these are directly relevant to public policy decisions which the FTC must make. Both the determination of what factors explain high profits and the discovery of how important those factors are relative to each other are key inputs in decisions

about which industries to investigate and what to do when sub-standard performance is discovered.

There have also been a number of studies by economists of the causes of differences in advertising intensity and of the effects which advertising intensity have on other industry characteristics.

The number of studies of the causes and effects of variations in R and D activities among industries is substantially smaller than for profitability or advertising intensity. One very important reason for this gap in the empirical analysis of such an important aspect of industry performance is the lack of data. The LB Program should provide some remedies for that deficiency.

One final point needs to be made with respect to both sales promotion and R and D data. The practice of expensing these costs introduces biases in the measurement of profitability. Sales promotion activities typically generate effects which last more than one period. They should be accounted for in the same way as other investments. Expensing usually results in a measurement of the rate of return on capital which is higher than if such costs were capitalized.

The extent of this bias depends on the relative magnitude of sales promotional activities. The amount by which the rate of return on capital is overstated will be greater in an industry with more sales promotional activities than in one with less. Techniques for correcting for the bias have been developed; they require data not only for the current year, but for a significant number of previous years as well. As the LB Program adds data for successive years, it will be able to undertake the corrections for this bias.

R&D data are also needed to correct for the same kind of bias in profitability. As with sales promotion costs, the expensing of R&D costs usually leads to an overstatement of profitability, with the overstatement increasing with the intensity of R&D effort. Data are needed for a significant number of years in order to correct for this bias. As additional data are collected by the LB Program, correction procedures can be introduced.

D. Macroeconomic uses of the line of business data.—Line of business data will improve the quality of data used in the Government's efforts to control inflation and unemployment and to deal with other national economic problems. The QFR data are currently used by the Bureau of Economic Analysis of the Department of Commerce, the Federal Reserve Board, the Council of Economic Advisors, the Treasury Department, and many agencies with special interests in specific segments of the economy, such as the Department of Agriculture. Each of these agencies is concerned with the current estimation and prediction of some aspect of the economy as a whole. The major contribution of the LB data to these agencies will be to provide the means for the adjustment of the QFR data which they use as inputs in their estimation and prediction procedures.

Profit data for reasonably well defined industry categories are particularly important in applied macroeconomic analysis. As a case in point, consider the prediction of GNP, which is the responsibility of BEA. In order to project GNP, the separate contributions of individual industries to GNP are first determined. These components of the economy are projected individually, and the projected data are then aggregated to get the projections for the economy as a whole.

If the industry categories for which profit data are available are too aggregative or are too much affected by the problem of diversification of companies, then the projections of GNP suffer. This is particularly crucial in view of the fact that the profit component of GNP is among the most volatile components. The data which are to be published by

the LB Program will be extremely useful in the GNP estimation process, and they have been actively solicited by BEA.

June 18, 1974

THE DIMINISHING AMERICAN FOOD SUPPLY

HON. WILLIAM A. BARRETT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. BARRETT. Mr. Speaker, the United States has often been referred to as the world's breadbasket. For many years we were the major source of basic foods for the world's needy nations. Of late, as we all know, world demand has greatly increased, straining the world food supply and driving prices up. Last summer we saw the effects upon our domestic economy as a result of large-scale sales of wheat to Russia. There was a domestic shortage resulting in skyrocketing prices of wheat, flour, and their products.

The administration spokesmen gave all sorts of reasons to justify the uncontrolled sale and export of wheat. Unfortunately, no real concern was evidenced for the American consumer. Early this spring these spokesmen spoke optimistically of the coming wheat harvests and predicted a more than ample supply for our domestic needs. However, a series of climatic conditions and events raise serious doubts about those forecasts. There are predictions of less than an adequate supply for domestic consumption. Last week, in fact, the Department of Agriculture released figures indicating that our wheat reserves can be expected to remain on the verge of scarcity for at least another year. This condition is predicted while world demand continues to increase. This situation does not obtain for wheat alone.

The lead paragraph in a Wall Street Journal article today states:

That 6.7 billion-bushel corn crop you've heard Agriculture Secretary Earl L. Butz talking about has been cancelled because of rain * * *.

As we know, corn is the most important feed ingredient in producing meat, poultry, eggs, and milk. A lower total crop this year would deal a severe blow to hopes for increased production of these foods and thus to prospects for lower or at least only moderately rising food prices next year. The shortage in this year's harvest cannot be made up by corn from last year's crop which is expected to be the lowest in 26 years.

Mr. Speaker, I point these facts out for the purpose of calling the attention of the administration to the need to squarely face what is developing insofar as our food supply is concerned. The administration must take the appropriate steps to protect the American consumer by restricting the uncontrolled export of food and farm products.

This past winter the United States and the industrialized nations of the world experienced an oil and gas shortage. We know the reason for this. It was

the use of a natural resource by the oil-producing nations as a tool of foreign policy. Food and farm products are a resource of America. They must be allocated to meet our domestic needs and serve our best interests abroad.

This concept was cogently set forth in an article by Mr. Herbert Wilf, which appeared in the Philadelphia Inquirer on April 22, 1974. The article merits the reading by all and I include it at this point in the RECORD:

USE OF AGRICULTURE AS A TOOL, NOT A GIFT
(By Herbert Wilf)

The response to Arab economic imperialism, encouraged by the Soviet Union, should be simple, direct, effective. We have the means and ability. The following steps can be taken immediately:

Establish a Farm Product Export Board. Have the export customer submit his request for intended purchases.

Have the board establish each customer's allotment, based on our total amount for export.

According to economist Elliot Janeway, who coined the term "agri-power," America is the world's granary, and our ability to produce forces foreign governments to come to us.

The Arab bloc nations will buy over \$600-million worth of food from the United States this year. We could have affected the Arab oil boycott by using our agri-power against their petro-power.

The U.S. Department of Agriculture figures for the last half of 1973 show a 300 percent increase in food exports to the Arab countries over the same period in 1972.

Egypt, Syria, Jordan, Saudi Arabia, and Iraq are the countries that participated in the war against Israel. It is interesting to note that they took double their normal monthly supply in September, just prior to their surprise attack on Yom Kippur.

Control of food in time of shortage is a political club. Russia, which was faced with a famine in 1972, purchased our wheat at a ridiculous price, partially paid for by the American taxpayer through government subsidies.

The USSR will have wheat for underdeveloped nations while we run short. Is this possible? You bet it is.

Russia has sold grain to Italy, and more recently to India, to avert famine. In October, the United States cancelled a \$3 billion debt which India owed us. Russia then sold two million tons of grain to India for cash.

We can and must control the available reserves of wheat in this country. We can control and must allocate food consistent with our needs and self-interests abroad.

Our complete lack of export controls and insatiable world demand has created a dangerous situation.

At this stage we can wait for the crisis due this summer, and then react to the emergency with a shoot-from-the-hip program. Or, we can act now while we have time to think.

The administration has taken the position that all exports are helping our balance of payments. This is not true, because there are no controls and we are paying higher prices at home.

A good program for the balance of payments would include the following:

All grain exports would have a 20 percent excise tax. This will be a double-tiered system which will not affect our domestic economy.

Special arrangements must be made for those countries that require relief assistance.

It is the job of the U.N., not America, to provide relief. We should sell our food to the U.N.; they will distribute it to the needy countries. Members of the U.N. can then return to America the dollars that otherwise would be used against us in international money markets.

The present administration does not want a Farm Product Export Board, because it would place all information out in the open. They feel that the grain companies operated best in competitive secrecy. Too many of our problems today are a direct result of that government secrecy.

Our current policy relating to exports is codified by the Export Administration Act of 1969. As interpreted by this administration, all three of the following criteria must be met before any export control system can be imposed: scarcity of supply, abnormal foreign demand, and domestic inflationary demand.

In view of the fact that all three of these criteria presently exist, there is no reason why the President should not establish the Farm Product Export Board now.

BLACK JUDGES IMPROVE QUALITY OF JUSTICE

HON. CHARLES B. RANGEL
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 18, 1974

Mr. RANGEL. Mr. Speaker, recently WWRL, a New York City radio station aired an editorial on the increase in the number of black judges and of their impact on the quality of justice.

I would like to share that editorial with my colleagues, for it makes the important point that every area of our national life can be strengthened if we permit full participation by all of our people and allow the best of our Nation to serve us regardless of race, sex, or economic station.

The article follows:

BLACKS ON THE BENCH

There are now some 325 black judges sitting in various courts across the nation. Just 10 years ago there were about 70. Many critics have viewed with alarm this minority intrusion into what used to be the majority's world.

But WWRL believes that the results indicate that any changes have been all to the good. It's true that most black jurists come from humble origins. Because of this, they understand the problems of both the black and the poor. Many are inclined to be lenient with a first offender. And no longer is the testimony of a policeman regarded as something not to be challenged. This approach has rubbed off on many white colleagues. As result, the judicial atmosphere is not the same as it used to be. Today's disadvantaged defendant has a better chance at justice.

Black judges, on the other hand, hold no brief with violence. They often are tougher in such cases than their white counterparts.

This indicates to us, as we've said in the past, that the broader the talent pool the better the end result in any given field. That's why we keep reminding young blacks that the future does indeed belong to those who prepare for it.

HOUSE OF REPRESENTATIVES—Wednesday, June 19, 1974

The House met at 11 o'clock a.m. The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

May your strength last as long as you live.—Deuteronomy 33: 25.

Almighty God, our Father, whose love never falters, whose light never fails, and whose life never fades, we bow our heads in this moment of meditation to open our hearts to Thy grace, our minds to Thy truth, and our spirits to Thy wisdom.

To our human strength add Thou Thy divine power; to our human love, Thy divine grace; and to our human wisdom, Thy divine truth that all that is right and good may come to new life in us and in our country.

As we pray do Thou forgive what we have been, help us to amend our ways, and by Thy spirit direct what we shall be; that Thou mayest come into the full glory of Thy creation in us and in all men. Through Jesus Christ our Lord. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 14354) entitled "An act to amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes."

The message also announced that the

Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1585. An act to prevent the unauthorized manufacture and use of the character "Woody Owl," and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3458) entitled "An act to amend the Agriculture and Consumer Protection Act of 1973, the Food Stamp Act of 1964, and for other purposes," agrees to a conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TALMADGE, Mr. McGOVERN, Mr. ALLEN, Mr. HUMPHREY, Mr. YOUNG, Mr. DOLE, and Mr. BELLMON to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3007) entitled "An act to authorize appropriations for the Indian Claims Commission for fiscal