

tors, Inc.; to the Committee on the Judiciary.

By Mr. BOLAND:

H.R. 15572. A bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes.

By Mr. JARMAN:

H.J. Res. 1076. Joint resolution proposing an amendment to the Constitution of the United States relative to neighborhood schools; to the Committee on the Judiciary.

By Mr. JOHNSON of Pennsylvania:

H.J. Res. 1077. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed

its revenues, except in time of war or national emergency; and to provide for the systematic paying back of the national debt; to the Committee on the Judiciary.

By Mr. VIGORITO:

H.J. Res. 1078. Joint resolution granting the consent of Congress to an amendment to the compact between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; to the Committee on the Judiciary.

By Mr. HUBER (for himself and Mr. DERWINSKI):

H. Con. Res. 550. Concurrent resolution expressing the sense of the Congress with respect to a proposed request by the President of the United States that the Soviet Government release two imprisoned Ukrainian intellectuals; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

502. The SPEAKER presented a memorial of the Senate of the Commonwealth of Massachusetts, relative to the "Sail on Washington" of fishermen of the Atlantic Coast; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GOLDWATER introduced a bill (H.R. 15571) for the relief of Mrs. Veronica Ojeda de Calvo, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

INDEPENDENCE CELEBRATION

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. CAREY of New York. Mr. Speaker, recently Dr. Kevin Cahill, an observant and compassionate physician, paid a visit to the small, and I fear somewhat neglected island nation of Mauritius in the Indian Ocean, an area of growing strategic concern to the United States.

It is the intention of the Defense Department to establish a naval base in the Indian Ocean, a plan objected to by some nations in the region including Mauritius.

Since this nation's independence in 1958, U.S. aid to Mauritius has totaled \$9.7 million through the last fiscal year. Only \$35,000 is earmarked for Mauritius in the current fiscal year, exclusive of food assistance.

Because Mauritius has been without the presence of an American ambassador for nearly a year, I wish to share with my colleagues the observations of Dr. Cahill on the occasion of that nation's independence celebration. Here is the letter I received from the doctor:

DEAR CONGRESSMAN CAREY: Mauritius lies in the Indian Ocean, some 1200 miles off the east coast of Africa and, of significance today, just north of Diego Garcia, a small island where a major naval base is currently under construction by the United States.

It is somewhat unusual for a private citizen to be invited as a Guest of Honor at the National Independence Day of a nation, but the newly independent lands of Africa are not bound by the protocol of older governments. I have had the pleasure of knowing the Prime Minister of Mauritius, Sir Seewoosagar Ramgoolam, for a number of years. This remarkable man, a physician who directed the Mauritian Independence Movement in London in the 1940s and returned to lead his country to freedom in 1968, directs the nation's activities from a colorful tropical city, Port Louis.

President Nyere of Tanzania attended the National Independence Day ceremonies. England was represented by Baroness Jennie Lee, the widow of Aneurin Bevan, the Common Market by their Chief of Cabinet, and Russia by a large delegation including an admiral, a general, and there were two Russian naval vessels in the harbor. Regrettably—it seems to me—the United States' presence at the ceremony was so inconspicuous as to be barely noticeable.

The last United States Ambassador to Mauritius departed in June 1973, and a replacement was not made until March 19th of this year, and is not expected to arrive until June—a leadership absence of one year. It seems an unfortunate hiatus, particularly at this time, since there is currently great interest and obvious concern among the nations of the Indian Ocean regarding America's decision to build a large naval base in the area. There have been vociferous objections by India, from a number of the African nations bordering the Indian Ocean, and from Mauritius. As a physician it may not be my role—nor do I have the necessary "knowledge" now—to comment adequately on the wisdom of this decision. Certainly, however, it would have seemed judicious for the United States to at least have maintained a presence in the area. One lesson of Mr. Kissinger must surely be that nothing is gained by closing doors, and that all sides stand to profit from continuous exchange of ideas and information. Our absence from the Mauritian scene today should be corrected, and the reasons for this defect of almost a year should be investigated and remedied so that such a performance does not occur again.

In several lengthy conversations with the Prime Minister, and with various Ministers of his Government, the following major problems were noted over and over again:

(A) The necessity to diversify the economy from a single crop (sugar), and assistance to accomplish this is eagerly sought. For example, the Prime Minister specifically requested the possible expansion of "food for work" programs to assist in the establishment of small industries and buildings. The total population of Mauritius is about 800,000 and the island covers only some 750 square miles. The largest city, the Capital, has 130,000 population, and the major industry of Mauritius is sugar, accounting for at least 80 percent of foreign investment. Smaller industries include tea planting, light manufacturing plants.

(B) The inability of the present economic structure to provide employment of young intellectuals.

(C) There has been no medical research done in Mauritius in recent years. A Commonwealth Medical Conference in 1971 reviewed some of the basic health needs of Mauritius, but these conclusions were based on no solid data. There have been no health surveys. The major disease problems—as viewed by the local physicians—are parasitic anemia and malnutrition, but diabetes and asthma are also significant causes of death and disability. The need for a population control program was noted on a number of occasions by the Prime Minister. There are virtually no library facilities for the medical profession.

There are some 290 doctors in Mauritius of whom 90 have been trained in Ireland; the next largest number received their education in Russia, and others come from various Commonwealth countries, particularly India. The "brain drain" is a major problem at the professional level and there is hesitancy regarding encouragement of advanced training in nations such as the United States or England for, these students too frequently do not return home.

The Prime Minister also specifically asked for help in developing the local university. Specifically he noted the need for expansion of the agricultural and engineering faculties.

Even, to a new arrival, it is clear that the whole health care delivery scheme must eventually be re-structured, and the basis for this will have to be the determination of problems, the definition of available resources and the establishment of priorities. For example, there is a magnificent new national hospital, but dispensary care in the rural areas seems strikingly lacking. Prenatal and antenatal care is not a strong point. Adequate diagnostic and laboratory facilities, including radiology, are lacking.

The problem of malnutrition is very impressive in an island surrounded by some of the most fish-laden waters imaginable. Retraining of dietary habits rather than importation of high protein foods may be necessary. Even much of the available food, however, in the island appears destined only for the booming tourist facilities rather than to the open market. There seems to be general and wide-spread complaints regarding artificially high prices of fish and other staple, indigenous products. There might be a fruitful effort on the part of an Advisory Board to help the nation alter their crop cycle and thereby improve the nutritional status of the population.

In addition, I would suggest as feasible, initial steps towards assisting Mauritius develop a health program the authorization for the Tropical Medicine Section of the U. S. Public Health Service's Center for Disease Control, under Dr. Irving Kagan, to cooperate in a broad, but rapid, survey of the infectious diseases in Mauritius with a particular emphasis upon parasitic illnesses of man and animals. Such a program could be combined with a nutritional survey. That this might well provide a method for a better utilization of our American Embassy resources is suggested. Any moves, obviously, are predicated on the understanding that the very first thing is to have an Ambassador on the scene, and to make our great nation's presence at least known.

American charitable foundations with an interest in the developing world might well assist the budding university, particularly in the fields of medicine, agriculture, and engineering. Such help is required and requested. Finally, supporting the economic develop-

ment and growth of Mauritius, particularly in light manufacturing and with fisheries, might be encouraged through the vehicle of the Agency for International Development programs.

Sincerely,

KEVIN M. CAHILL, M.D.

EMERGENCY AID TO LIVESTOCK PRODUCERS AND FEEDERS

HON. WILEY MAYNE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MAYNE. Mr. Speaker, on May 30, 1974, I introduced H.R. 15137, a bill to provide emergency credit to hard-pressed family livestock producers and feeders caught in the present livestock price collapse. I am reintroducing this legislation again today with 24 of my colleagues joining as cosponsors. Hearings have been scheduled on this legislation by the Subcommittee on Livestock and Grains for June 25 and 26. I hope the House Agriculture Committee and the full House will act swiftly and responsibly to approve this urgently needed emergency loan legislation. Without it, I am convinced that many of our established farmer-feeders will be unable to obtain the credit necessary to continue their livestock operations and in some instances will be forced out of any type of agricultural activity whatsoever. Many family size producers have seen equity that has taken a lifetime to build up wiped out in recent months. Their local credit sources are no longer able to provide these livestock feeders with loans, as they too have reached the limit. Unless additional financing becomes available within the next 30 days, thousands of family feeders will be forced into liquidation. My bill authorizes operating loans for family feeders at 5½ percent to a maximum of \$250,000. It guarantees bank loans when available and also provides for insured loans from the Farmers Home Administration at a \$250,000 maximum. This emergency loan authority would run for 1 year with loan recipients having up to 5 years to repay their loans. I urge all Members to support either this bill or any other bill which will meet the desperate need for emergency credit which confronts family cattle feeders and pork producers today. I ask unanimous consent that a copy of H.R. 15137 be set forth at this point in today's RECORD.

H.R. 15137 follows:

H.R. 15137

A bill to amend the Consolidated Farm and Rural Development Act to establish a loan insurance program for livestock producers and feeders

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

"Substitute D—Loan Insurance for Livestock Producers and Feeders

"Sec. 331. (a) For a period of one year from the date of the enactment of the Livestock Producers and Feeders Act of 1974, the Secretary shall insure loans made by a lender other than the United States, or made by the Secretary and sold to such lender, to a borrower in the United States who—

"(1) is a citizen of the United States;

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

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

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

"(5) is not an operator of a commercial feedlot.

"(b) Loans insured under this subtitle must be expended for the purpose of financing the normal operations of producing and feeding livestock by the borrower whose loan is being insured.

"Sec. 332. (a) Subject to the approval of the county committee, appointed under section 352, the amount of any loan insured under this subtitle shall be determined by the lender but in no case shall such amount exceed \$250,000.

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

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

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

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

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

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

"Sec. 336. The Secretary is authorized—

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

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

"Sec. 337. Any contract of insurance ex-

ecuted by the Secretary under this subtitle shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

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

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

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

"(b) The Secretary is authorized to transfer assets from the Agricultural Credit Insurance Fund, described in section 309, to the fund if he determines that such transfer is necessary to establish the insurance program created by this subtitle.

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

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

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

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

"(g) The Secretary shall utilize the fund—

"(1) to make loans which can be insured

under this subtitle whenever he has reasonable assurance that they can be sold without undue delay, and he may sell and insure such loans;

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

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

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

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

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

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

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

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

(b) Sections 331 through 344 of the Consolidated Farm and Rural Development Act, and all references thereto, are redesignated as sections 351 through 364, respectively.

Sec. 2. This Act may be cited as the "Livestock Producers and Feeders Act of 1974".

LEWIS FLYERS WIN NATIONAL BASEBALL CHAMPIONSHIP

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. O'BRIEN. Mr. Speaker, I am taking this opportunity to offer my congratulations to the Lewis University Flyers, a baseball team from my home district in Illinois, for winning the National Association of Intercollegiate Athletics 1974 championship.

The Flyers won the title last Friday by beating Sam Houston State in the final game of the 18th annual NAIA World Series in St. Joseph, Mo. Special congratulations are due to Coach Gordie Gillespie, a three-time NAIA Coach of the Year, who has led the Flyers to hundreds of wins.

Victory is especially sweet since the team narrowly missed the title in 1966.

I am sure that everyone familiar with the Flyers is as proud as I am of their winning performance and I wish the team many more championship seasons.

The following is an account of the title game that was published in the Joliet Herald-News:

LEWIS NATION'S BEST

(By Dave Parker)

St. JOSEPH, Mo.—Lewis University is the 1974 NAIA baseball champion.

The title came Friday evening at Phil Welch Stadium as the Flyers scored a run in the bottom of the ninth inning for a 3-2 come-from-behind win over Sam Houston State in the final game of the 18th Annual NAIA World Series.

Lewis ended the season 45-14 and was 4-1 in the double-elimination World Series.

The victory was sweet revenge for Coach Gordie Gillespie's Flyers since Sam Houston knocked off Lewis 6-1 earlier this week.

Wait Onysio started the winning rally when he reached base on an error. Onysio went to third when Steve Verban hit a double to center field.

Then winning pitcher Tom Brennan (12-1), who won three of Lewis' four games and was voted the tournament's most valuable player, hit a sacrifice fly to right field which drove home the winning run.

It was a big victory for Gillespie, who was recently inducted into the NAIA Hall of Fame. Lewis has won more than 500 games under the supervision of Gillespie, three-time NAIA Coach of the Year. Lewis finished second in the tournament in 1966.

"No question about it, this is my most satisfying win," said Gillespie. "We had to battle all the way, were up to the task and were ready."

"I thought Butch Markelz, who started for us tonight, turned in a fantastic performance. He was wild in the first inning, but he really got tough in the later innings. What can you say about Brennan? He has to be one of the best pitchers in America today."

Markelz, who walked three batters and allowed two hits in Sam Houston's two-run first inning, was almost unhittable the rest of the way.

Markelz was relieved by Brennan who struck out the first batter he faced, then intentionally walked a batter before forcing Steve Maas to ground into a force play to end the inning.

"My arm was not sore at all," said Markelz after the game. "I threw a couple of good pitches in the first inning, but the ump called them balls. I thought I threw a pretty good game and when I needed the strikeouts I got them."

"Our catchers, Rich Baranak and Mike Del Gallo, called a fine game. It's nice to have a guy in the bullpen like Tom (Brennan)."

Brennan, who opened Lewis' tournament with a 4-1 win over High Point of North Carolina, was the Flyers' winning pitcher in their 6-3 semi-final win over Point Park of Pittsburgh.

"What can you say about Brennan?" said Lewis' Assistant Coach Tony Delgado. "Not many people know this, but Tom is a fine-hitting pitcher. He produced the sacrifice fly for us right when we needed it."

"Markelz hurled a great game. It was for all the marbles and Markelz, like the rest of the team, was up to the task. It's Lewis' first national championship in anything and it feels great. This is my third time here and we took all the marbles."

Onysio got Lewis' first hit with one out in the fourth inning, a double. He scored in Steve Verban's single.

The Flyers' tied the game in the sixth and All-America first-baseman Ray Crowley slammed a 415-foot triple to center field and came home in Onysio's sacrifice fly to right.

Lewis won the championship under adversity as regular shortstop Jim Alessio missed the World Series due to a hand injury sustained on a fishing trip.

Making the all-tournament team along with Brennan were Crowley and Baranak.

Lewis' title was believed to be one of the only national team crowns ever won by a Joliet-area representative.

BULGING CHEESE STOCKS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, America's dairymen are right now in the middle of a perilous period. They are facing rapidly increasing feed and production costs, lower prices for their products, and a lack of sympathy from consumers who pay retail prices not reflective of the lower amount paid the farmer at the beginning of the chain.

Perhaps the most severe crisis for dairy farmers has been the cheese situation. Sadly, they have been victimized in large part by administration policies. The Government, instead of increasing cheese imports last summer when the cheese industry recommended it, did not get around to acting on the recommendation until U.S. cheese production was at its seasonal peak. These imports, which I have consistently opposed, have not driven retail cheese prices down as the administration has predicted. Rather, they have succeeded only in creating an incredibly large cheese surplus—one so great that some processors are being forced out of business and others are telling farmers they will not accept their milk.

An editorial in the June 13, 1974, Sheboygan, Wis., Press provided an excellent analysis of the reasons for the cheese crisis. As it pointed out, "everything went wrong at once." The editorial, which follows, detailed the factors involved, as well as a recent step by the Agriculture Department to reduce the glut of cheese we have today:

BULGING CHEESE STOCKS

In an effort to explain the recent 20 per cent drop in wholesale cheese prices from the recent peak to below the support level, a cheese industry official has said that everything went wrong at once.

That is why cheese stocks on May 1, the latest date for which figures are available, totaled 401 million pounds, an increase of 62 per cent from stocks at the same time last year. This amount of cheese was almost a fourth of last year's total U.S. cheese production of 1.67 billion pounds.

No wonder the cheese warehouses have been bulging.

Norman Fischer, a staff reporter for the Wall Street Journal, has given as good an explanation of the situation as we have seen anywhere. He writes that more and more dairymen channeled their milk into cheese production last year under the lure of unusually high prices for manufacturing milk which followed less consumer resistance to cheese prices than to bottled milk prices. Cheese used more than 20 per cent of the total milk supply in 1973, passing for the first time butter's share of the supply, now

17 per cent. In the 1960s, just 12 per cent of the milk supply went into cheese.

Fischer explains that the momentum generated in 1973 carried over into this year. For example, American cheese production totalled 665 million pounds through April, an increase of 24 per cent from the like period in 1973. April production of 178 million pounds was a record for that month and up 17 per cent from last year.

Furthermore, in response to an increase in import quotas ordered by President Nixon, nearly 100 million pounds of cheddar cheese were coming into this country during the first quarter of the year. Mr. Fischer reports that the cheese industry recommended the increase in imports last summer. But the government's action was too late, with the result that imports began arriving just about the time U.S. cheese production was in a seasonal peak.

There was another factor. Consumer demand for cheese declined as meat prices became lower. There was less use of cheese as a meat substitute. However, some industry officials believe consumer demand will perk up when lower retail prices of cheese become widespread.

The per capita consumption of cheese last year was a record high—13.5 pounds. There have been predictions that per capita consumption will reach 15 pounds in 1975.

Some help in reducing the glut of cheese has been assured by Secretary Earl Butz of the Department of Agriculture. The department will buy processed cheese under the dairy price support program. As much processed cheese as possible will be purchased and used for the school lunch program. The decision is welcomed, because much of the oversupply of cheese—an estimated 500 million pounds in Wisconsin—is in barrels, and it is from these stocks that processed cheese is made.

PEOPLE ARE GETTING THE MESSAGE "DEMOCRATS OPPOSE REFORM"

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, some of those who are so confidently hoping to capitalize on the Watergate affair this fall should first of all put their own house in order.

The House of Representatives badly needs reorganization, especially in the outdated jurisdictional divisions among its committees. The bipartisan Bolling-Martin Committee, after studying the question for 14 months, came out with a comprehensive and carefully framed plan (H. Res. 988) for achieving the needed modernization.

As we all know by now, by some complicated legerdemain, that report is now being worked over behind closed doors by a Democratic Caucus subcommittee—presumably to make sure that, if reorganization occurs at all, it will not change the House in the least little way.

Mr. Speaker, the American people, with their usual good sense, tend to evaluate the stewardship of their elected officials without regard to what party they represent. They expect the House to work more effectively than it has in the past, and they will know who to hold responsible if we do not bring the

Bolling-Martin plan to the floor and act upon it.

In a recent commentary, the Des Moines, Iowa, Register put the issue with admirable candor:

If the Democrats hope to show the public something better than secret government by pressure groups, they had better revive the Bolling plan and push it. The voters are not going to turn automatically to Democrats just because of the Watergate corruption.

They want something better, not just the same old stuff under another party name.

The complete editorial, "Democrats Oppose Reform," follows:

DEMOCRATS OPPOSE REFORM

President Nixon's release of a partial transcript of the White House tape recordings on Watergate so dominated the news last week that little attention was paid to a vote by Democrats in the U.S. House against reform of that body.

The Democrats are hoping to capitalize on Watergate in a big way in the elections this year and in 1976. They are out making speeches about open government, clean government and making Congress effective as a brake on excessive executive power.

How disillusioning it is, therefore, to see the Democratic Caucus of the House voting 111 to 95 against a proposal to shake up the moss-bound committee structure.

Last Thursday the House Democrats met to consider the report of the Select Committee on Committees, headed by Representative Richard Bolling (Dem., Mo.). Iowa Representative John Culver (Dem.) is a member of the Bolling committee, whose bipartisan membership unanimously backed its reorganization plan.

But the moss-backs who want to keep their present committee chairmanships and their reins of power defeated the reformers. House Speaker Carl Albert supports the Bolling plan and spoke in favor of it in the caucus. Majority Leader Thomas P. O'Neill of Massachusetts also spoke for the reforms. But the party of liberalism and reform rejected their advice.

It wasn't a conservative-liberal split. It was a clear case of those who have the power (and the lobbyists who work with them) wanting to keep it. For example, the noted liberal Representative Leonor Sullivan from Bolling's home state opposes the committee shakeup. Why? Because she is chairman of the Committee on Merchant Marine and Fisheries, which would lose power under the revision plan.

Much of her political support comes from labor unions, and the powerful marine unions are opposed to the Bolling plan for "their" committee. Originally, the plan was to scrap this committee, and in the present proposal, its jurisdiction would be cut in half.

Opposition by the AFL-CIO was the main reason for the failure of the Bolling plan in the caucus. Business lobbies in general did not fight it as labor did. Even some "public interest" lobbies which felt they had established themselves with certain committees also opposed reform.

In the reform plan, many standing committees would be altered to conform to modern legislative issues and a more logical breakdown. A new committee on energy and the environment would have control of nuclear power and the Navy's petroleum reserves. The Joint Committee on Atomic Energy and the Armed Services Committee do not view these proposed changes kindly.

In addition to breaking up old power alliances, the committee plan would limit each member to one major committee, such as Agriculture and Forestry or Appropriations. A member might also serve on a lesser committee.

The Bolling committee also made recom-

mendations for strengthening the oversight functions of the House. Congressman Culver was especially influential in this matter. He argued that Congress needs to evaluate the laws it passes and get rid of ineffective or obsolescent ones.

In the caucus last Thursday, the Bolling committee and the House leadership were the victims of a power play. Supporters of the reform were cut short on speaking time. They were denied a record vote, and the vote against the reform was in secret.

Bolling believes the opponents of the reform will lose in the end, because of the hypocritical and undemocratic methods they used. The plan was turned over to a special committee (loaded with opponents of reform) which is to report back to the caucus by July.

If the Democrats hope to show the public something better than secret government by pressure groups, they had better revive the Bolling plan and push it. The voters are not going to turn automatically to Democrats just because of the Watergate corruption.

They want something better, not just the same old stuff under another party name.

THE PRICE OF OIL AND GAS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. ARCHER. Mr. Speaker, the price of crude oil and natural gas has received much attention in our press and in the Congress. Advocates of "price rollbacks" have been vocal in promoting their views. This entire issue of cost needs examination. An article in the Midland Reporter-Telegram of Midland, Tex., provided some very pertinent information regarding the price of crude oil and natural gas when compared with other commodities. I enter this article in the CONGRESSIONAL RECORD.

The article follows:

CRUDE BARGAIN COMPARED TO TOMATO JUICE

Frank Ittner, long-time Midland geologist and oil operator, in pointing out that there has been a great deal of interest lately in the price of crude oil and natural gas, says "the consensus of the reports aired by the media has tended to show that the prices are exorbitant and should be rolled back."

"It is interesting to compare the price of crude oil and gasoline," he said, "to the price of other liquid commodities" (on a gallon basis).

He submitted a compilation of supermarket prices, as of last Tuesday, as follows:

Commodity	Price/gallon
Old Confidence (100 proof).....	\$30.00
Honey.....	11.00
Baby magic lotion.....	7.92
Linseed oil.....	6.00
Mazola corn oil.....	5.80
Beer.....	2.50
Turpentine.....	2.99
Apple juice.....	2.10
Orange juice.....	1.85
Ice cream.....	1.80
Milk.....	1.65
Coca Cola.....	1.46
Vinegar.....	1.43
Tomato juice.....	1.28
Clorox.....	.58
Distilled water.....	.39
Bottled drinking water.....	.38
Compared with:	

Crude Oil (at \$5.25/barrel)----- 0.12½
 Natural gas at 19 cents per mcf (recent FPC ceiling on inter-state gas) reduced to a gallon equivalent by comparing its heating value to a gallon of crude oil (approximate) -- 0.03

"Should tomato juice be worth 10 times a gallon of crude oil?" Ittner asked. "Should distilled water be worth three times as much?"

"Probably not. In fact a good case could be made for the possibility that crude oil has been a great bargain since the East Texas oil field was brought in, and at current prices, still is."

HONORARY DEGREE CITATION

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. McCLOSKEY. Mr. Speaker, a few days ago our colleague from Massachusetts, SILVIO CONTE, received an honorary doctor of laws degree from Amherst College. Mr. CONTE's prowess as an athlete, his courage, and his vigor and wit in advocacy have long been well known to those of us privileged to serve with him.

As fellow legislators, however, we are not always quick to perceive when one of our colleagues has provided faith and inspiration to a skeptical constituency. It is a rare occasion, indeed, when a distinguished private institution such as Amherst ascribes these particular virtues to a Member of Congress.

I, therefore, place SIL CONTE's citation in the RECORD at this point as a permanent tribute to a great and good colleague, an American who has given much of himself in service to this House and to the Nation:

TEXT OF HONORARY DEGREE CITATION:
 SILVIO O. CONTE

Silvio O. Conte, native of Pittsfield, Massachusetts, you received your LL.B. from Boston College and were admitted to the Bar in 1949. Since then, you have practiced law and served the citizens of Massachusetts and now the Nation in many ways. A member of the Senate in the Commonwealth of Massachusetts from 1950 to 1958, you have represented the First Congressional District of Massachusetts in the House of Representatives since 1958. A Republican, perhaps the best measure of the esteem in which your fellow citizens hold you is that you have been either unopposed or nominated also by the Democratic party. At a moment when conflicting theories of representation are deeply implicated in the resolution of momentous issues before the House, your constituents are fortunate, indeed, secure in the knowledge they have in Congress a man who will, with honor and intelligence, accept the responsibility which your office finally demands. At a moment, too, when events encourage cynicism or despair, you make it possible for us to continue to believe there still are decent men to do the work of the Republic. You have often been helpful to Amherst College. For that we thank you. But we honor you for more. We honor you for your dedication to the Constitution which created the Congress of these United States and to the principle of responsibility which is the ultimate sanction of the power delegated to any elected official by the citizens of a free society. For that dedication, we both thank you and honor you.

CXX—1301—Part 15

By virtue of the authority vested in me by the Board of Trustees of Amherst College, I confer upon you the Degree of Doctor of Laws, with all the rights and responsibilities pertaining thereto.

A CURE FOR THE POSTAL PROBLEM

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. HANRAHAN. Mr. Speaker, the rates to mail letters and packages has become exorbitant. I have received many letters concerning this issue. For the benefit of my colleagues, I wish to insert this article pertaining to the elimination of the Private Express Statutes:

A CURE FOR THE POSTAL PROBLEM

From John Haldi, "Postal Monopoly, an Assessment of the Private Express Statutes," published by the American Enterprise Institute: "The Post Office has behaved like any profit-maximizing monopolist. So as to maximize the amount of mail subject to the postal monopoly and thus to protect Post Office revenues, it has construed "letter" to be as all-inclusive as possible. Apparently other public policy considerations—service, convenience, speed of delivery, needs of business and commerce—have been heavily discounted by the Post Office in interpreting and enforcing its monopoly.

"At least since the 1600s the basic scenario of postal competition has been the same. First the government's mail service is deficient. Then an enterprising individual decides that he can make a profit by offering faster or cheaper mail service than that provided by the government. Letter writers start using the private service. The government Post Office senses an impending loss of revenue and may even feel chagrin at being shown to be second-best in service or efficiency. Government then takes action to force the private challengers out of existence."

True to the pattern, the Post Office earlier this year asserted the right to outlaw the newspaper carrier boy, by broadening its official definition of a "letter" to include newspapers and periodicals. Since this is a complete change from historical interpretation of the law, the appropriate congressional committees thought they ought to have something to say about it, and apparently the Post Office has at least temporarily backed off. But while Congress deals with the matter of definitions, it might take a good broad look at the Private Express Statutes themselves.

The statutes prohibit anyone except the Post Office from carrying a "letter" for a fee over "postal routes." Over the years Post Office interpretations have repeatedly broadened the definition of the key words. Its new regulations, still officially pending, would include newspapers and periodicals as letters, though "suspending" the statutes with respect to them. The officials disavow any intention of ever revoking the suspension and actually applying the statutes against newsboys, but the history recounted by Mr. Haldi is cool comfort on this score.

We are of course particularly interested in this issue because of the sharp increases in the cost of mailing this newspaper. One of the effects of creating the public corporation to put the Post Office on a "businesslike" basis is that second-class postal rates will increase something like 270% over a five-year period. The Post Office says the previous lower rates were a subsidy, yet it wants to outlaw private competition at the new higher

rates. Since competition could arise only if the new rates are higher than true costs, this does not exactly reflect total confidence in the subsidy arguments the Post Office has so loudly asserted.

Second-class mailers are scarcely alone, though, in suffering higher prices and deteriorating service. First-class mail service is now the worst in memory, despite the new 10-cent rate. Charges and classes of mail remain an irrational jumble, with supposedly priority air mail often getting inferior service. Meanwhile, despite its crying need for automation, the service has signed "no-lay-off" contracts with its unions, and the percentage of its costs going to labor has actually increased. The key problem is the efficiency of the Postal Service, which actually seems to have deteriorated under the new semi-independent agency.

Which is scarcely surprising, if you stop to think about it, for the reform was based on massive illusions. The first was that a government bureaucracy can be turned into something else by changing its name. The second and even more staggering is that even if all politics were eliminated a monopoly can achieve the efficiencies of a business. This efficiency stems not from superior brainpower but from the lash of competition. What the new Postal Service has given us is free enterprise with respect to prices and socialism with respect to costs.

If Congress is willing to give up such illusions, the way to cure the postal problem is no secret: Entirely repeal the private express statutes and let nature take its course.

TRIBUTE TO MR. HY SEIGEL

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 19, 1974

Mr. WOLFF. Mr. Speaker, I would like to bring to the attention of my colleagues the fine progress made by the Flushing Boys Club. Years of effort have finally resulted in the opening of a new clubhouse for the boys of Flushing.

The club has a dramatic history of growth. Started in 1957 as a one-day-a-week venture operating in the Veterans of Foreign Wars building, the club expanded to new quarters at St. Michael's Church where the club was in session three afternoons every week. The number of boys using the club increased, and the club headquarters has been moved many times to accommodate the rapid growth. The last facility the club used was at the American Red Cross where 400 boys played, studied, and found friends to talk to in only three small rooms and an office.

The progress of the boys club up to this point was largely due to the continued interest and leadership of Mr. Hy Seigel. Mr. Seigel spent long hours working both with the boys and for the continued expansion of the club's facilities. He realized that the worth of the club to the boys of Flushing merited bigger and better quarters so that more boys could benefit.

Last April, the Flushing Boys Club moved into a beautiful new clubhouse named after Mr. Seigel, the man responsible for its realization. This "home away from home" for the boys of Flushing now

can open its doors to every individual who wants to join. There was a real need for this new, modern facility, and it stands as a tribute to Mr. Seigel's ideals and to all the friends of the boys club. The new building can accommodate 800 to 1,000 boys, but the increase in juvenile delinquency and the closing of many after school facilities shows the need for a large facility. In the words of Franklin F. Regan, Jr., president of the Flushing Chamber of Commerce—

Without water, plants would die. Without motivation and guidance our minds would die. The Flushing Boys Club is an elixir of nourishment for our youth.

TRIBUTE TO DAN MUNDY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. ANDERSON of California. Mr. Speaker, on July 1, the people of Los Angeles will honor Dan Mundy, a distinguished leader of the labor movement, who has earned a reputation for his outstanding record of accomplishments in both the State of California and the Nation.

For the past 3 years, Mr. Mundy has been the director of the Los Angeles County Federation of Labor's Committee on Political Education. But earlier this year, Dan Mundy's talents and abilities led to his appointment as legislative director of the Building and Construction Trades Department, AFL-CIO, in Washington, D.C.

A native of Los Angeles, Dan followed in his father's footsteps and was initiated into the United Association of Plumbers and Steamfitters' Local Union No. 230 as a steamfitter's helper in 1941.

Then, after service in World War II, he returned to be trained as a plumber apprentice and became a journeyman in 1947.

Due to his interest and leadership in the union activities, he was, successively, recording secretary, business representative, assistant business manager, and from 1968 to the present, president of United Association Local No. 78.

Mr. Mundy's legislative work in California began in 1965 with the Los Angeles Building and Construction Trades Council. In 1970, he assumed his duties as COPE director of the Los Angeles County Federation of Labor.

Of course, without the understanding and support of his charming wife, Marie Jackson Mundy, Dan's service on behalf of his fellow man could not have succeeded to the extent it has. Through her help and that of their two children, a son, Pat, and a daughter, Teresa, Mr. Mundy has become a great labor leader, an outstanding member of the community, and a faithful humanitarian who has dedicated his life to elimination of the problems and injustices which plague mankind.

It gives me great pleasure to join with Dan's many friends in paying tribute to this outstanding gentleman who has un-

selfishly, consistently, and compassionately worked on behalf of mankind through the labor movement.

GOING METRIC

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. VAN DEERLIN. Mr. Speaker, recent inaction by the House in failing to put the United States in step with the rest of the world—on the metric system—has earned us contempt in scientific circles and scant applause from the public at large.

The Chula Vista Star-News on June 13 carried a roundup on the long quest for uniform world measuring standards, giving special attention to the foot-dragging in Congress.

I submit the newspaper's full article:

GOING METRIC

(By Joseph John Trento and Jane Weisman Stein)

People today are speaking up and demanding clean government, campaign reforms and even the adoption of the metric system without waiting for Congress to act.

Last month the House of Representatives defeated a bill that was to launch the United States on a voluntary plan of conversion to the metric system over a 10-year period. Strong labor lobbying and conservative representatives defeated the bill (H.R. 11035), but despite the defeat, the country is slowly inching or centimetering its way towards the metric system of measurement, without most people realizing it.

Ninety-five percent of the countries in the world use the metric system. Only the United States and the nations of Tobago, Southern Yemen, Liberia and a few others, clung fast to the English or customary system.

IT IS INEVITABLE

Various groups opposing the change to metrics in this country call it everything from unnecessary to un-American. The metric advocates claim it makes sense, is easy to work with and the change is inevitable despite Congressional foot-dragging. They reassure us that the change to the metric system would not come overnight, and the system itself has been proven useful for almost two centuries.

French revolutionaries created the metric system in the 1790s when they were tired of confusing measurement systems that not only varied from country to country, but from village to village.

Three barley kernels set end to end equalled an inch. A mile was measured by 2,000 paces. But no three kernels were ever identical, and no two men paced out the same length mile. The men at the Paris Academy of Sciences came up with a system based on the universal constant that is one ten-millionth of the distance from the North Pole to the equator. This standard unit is the meter, which is approximately 39 inches long.

LIKE DECIMAL SYSTEM

The metric system is similar to the decimal system that we already use for our money. By dividing the meter into tenths we get decimeters, into hundredths, we have centimeters, and into thousandths, millimeters. (An inch is about 2.54 centimeters.) A thousand meters equals a kilometer, which is the standard measurement for distance.

There are no fractions, and moving a decimal point shifts from one unit to another easily.

For measuring volume, the liter, equal to about 1.1 quarts, is used, and for mass, the metric system has the kilogram which equals about 2.2 pounds.

If the United States goes metric, the Celsius scale of temperature measurement will also be adopted. This system is also very logical. Water freezes at 0 degrees and boils at 100 degrees. A healthy person's temperature will be 36.8 degrees and a pleasant summer day will be 30 degrees (86 degrees Fahrenheit.)

NO CAUSE FOR FEAR

But there is no reason to fear these changes. We are already using many metric measurements in our daily lives. People smoke 100 millimeter (mm) cigarettes, buy 35 mm film and order liters of wine at fine restaurants.

Many canned foods are now labelled with both metric and customary weights, and clothing patterns have been printed with metric measurements for many years. When marijuana is confiscated it is reported in kilos, and when a doctor prepares an injection, the medication is measured in cubic centimeters or cc's.

The pure sciences have traditionally used the metric system. NASA adopted metrics in 1970, and IBM and North American Rockwell are only two of the many corporations switching over to the metric system. Recently the U.S. liquor industry decided to go metric to ease their international importing and exporting hassles.

In California, the state Board of Education decided all new and revised textbooks should accommodate the metric system and by 1976 metrics will be taught as the primary measurement system.

Even the Ford Motor Co. designed its new Mustang II engine to metric specifications and the Pinto engine is metric and manufactured in England.

ALREADY IN USE

Scientists, pharmacists, and doctors have been working with both systems for years. U.S. industry is realizing that to compete equally in the international market it must produce goods that can be used universally.

The United States legalized the metric system in 1866 and since then over 50 metrication proposals have been brought before Congress. In 1968, the National Bureau of Standards was asked to conduct surveys and make recommendations for an official position on the system.

Three years and \$1.3 million later, in July, 1971, a report, creatively titled "A Metric America—A Decision Whose Time Has Come," was released. The report found 58 percent of the Americans surveyed had never heard of a meter.

But, nonetheless, it proposed three main points: Within a 10-year period the nation should gradually adopt the metric system; a national metric system; a national board should be created to oversee the changes; and metrication should begin with education and the adoption of international engineering standards.

President Nixon urged passage of an administration-backed bill making the metric system "the predominant, although not exclusive," measurement system in the country.

FOUNDERED IN RULES

But, even with the support of the President, scientists, educators and major industrial leaders, when House Resolution 11035 came up for a vote last May 7, it was defeated 153 to 240, a whopping 109 votes short of the necessary two-thirds majority.

Rep. Olin E. Teague (D-Texas) is chairman of the House Science and Astronautics Committee which presented the bill. While the bill was held up in the House Rules Committee, the opposition was mounting. Labor

groups and small businessmen objected because the bill made no provision for federal funds to help people with the expense of conversion. Powerful AFL-CIO lobbyists representing the International Brotherhood of Electrical Workers, the United Brotherhood of Carpenters and Joiners of America, and the International Assn. of Machinists and Aerospace Workers descended on the Representatives.

The Carpenters Union claimed it would need \$5,000 for each of its members to provide new tools and training. They said the government would have to put up \$363,993,500 to convert the nation's carpenters to the metric system.

These protests were added to by small businessmen who felt that when the U.S. went metric, foreign-made tools and goods would flood the market.

A SPUR TO TRADE

Supporters of metric conversion insist that metrication would not only standardize and simplify measurement in this country, but bring in a \$1-2 billion a year increase in foreign trade.

Whether Rep. Teague was tired of waiting for the bill to leave the Rules Committee or was just anxious to get a vote from the floor is not known for sure. But on May 7 he brought the bill out from the deadlocked committee under what is called a "suspension procedure". This meant the bill had to be voted on without any amendments, and it required a two-thirds majority to pass. The bill was put up for a vote without the amendment proposed by Rep. Spark Matsunaga (D-Hawaii), which would have provided funds for "metric conversion loans" and extended the conversion deadline to 1989.

When the bill was defeated, any chance for enactment in the 93rd Congress died. The Senate has passed a similar metric bill, but there is no indication the House will try again in the near future.

"The bill is dead," said Rep. Teague after the vote, "unless it comes over from the Senate."

ACTION IN SAN DIEGO

Ignoring the Congressional defeat and Teague's gloomy remarks, metric advocates continue their strong, subtle push towards metrication. The American National Metric Council and the American National Standards Institute are two of the strongest national groups supporting conversion.

On the state and local level, advisory groups are working to inform the public and exert pressure to bring metrics out from the laboratory, pharmacy and camera shop and into homes, businesses and schools.

Locally the San Diego Metric Advisory Council was formed last summer to promote community awareness about metric conversion, to act as a liaison between local, state and national organizations and to provide speakers, slide shows and materials to anyone interested in metrication.

The committee members are teachers, engineers at Rohr, Teledyne-Ryan, and Corvair, as well as many others actively promoting metrics. The committee meets monthly and is open to anyone who wants to become actively involved.

SIMPLICITY ITSELF

"The most important advantage of the metric system is that it is very, very easy to use," said Dwight Coblentz, Committee chairman. As curriculum coordinator for mathematics in the San Diego County schools, Coblentz has been advocating the metric system for years.

"I carry around a 30 centimeter ruler, which is close to 12 inches, and I practice measuring things."

Another metric supporter and Metric Advisory committee member is Richard Linder, a math professor at Southwestern College.

"The same groups that attacked water fluoridation, new math and the PTA as communist plots are against metrication," he said. "These people have a head-in-the-sand attitude and are just resistant to any changes."

Linder stresses the metric system in the classes he teaches and has proposed a nine-week course in metrics to be open to anyone in the community. He hopes to teach the first metric mini-course next spring. "I have the impression that metrication is coming regardless of the government, and Congress will ultimately realize that they can't stop it."

A STRONG SUPPORTER

Janet Abbott, general supervisor of the Chula Vista Elementary School District and a committee member also has an abundance of information and materials on metrication to offer local citizens.

"I have provided most of the local PTAs with a slide show and a script to help parents learn about the metric system along with their children," she explained.

Mrs. Abbott is preparing an application to the county Department of Education for funds to create a pilot program on metrics for parents, teachers and children at Hilltop Elementary School.

Local industry is also becoming increasingly aware of the need for metrication. "We had to recently propose that we could build and assemble the French Turbostrain to metric specifications," said G. Art Brummett, chief of business management for Rohr Industries. "NASA also requires metric specifications for all the work we do for them," Brummett continued. "We have to have the ability to quote proposals and build products using the metric system."

A limited sampling of opinion among Chula Vista merchants showed many of them to be on the side of the anti-metric group.

"We're stocking metric rulers for people who come from Mexico, but as far as I know, I haven't sold any to a native Chula Vista," said Bill Sullivan, manager of San Diego Glass and Paint's Chula Vista store.

"I'd say 90 percent of the people in this country are hoping it won't happen, but we'll get it whether or not we want it, if the politicians want it." For the past 45 years Sullivan has been measuring shower doors in feet and paint in quarts, and he said he hopes the metric system will at least wait until he retires.

Ray Prell, director of consumer marketing for Westy's Lumber, says he's waiting for some action industry-wide before taking any steps towards metrication.

"Some measuring tools are coming in both centimeters and inches, but there's been no big demand for them," Prell said for a long time this country will use both systems. "We'll be doing an awful lot of conversion, as most retail people will be." For now, Prell views the metric system as a "shadowy thing that may create a horrendous expense."

THE DRIVE GOES ON

The opposition to the United States adopting the metric system was victorious on the floor of Congress, but metric advocates across the country are ignoring the lack of government support and continuing their drive for metrication.

With more major industries converting every day, and school children preparing to learn their centimeters and liters instead of inches and quarts, the adoption of the metric system in the near future seems inevitable. There is at least one Chula Vista merchant who is anxiously awaiting conversion to the metric system.

"I have books of recipes in the metric system that I'm waiting to use," said Al Houtkamp, owner of Harvey's Bakery. Houtkamp, a native of Holland, misses the metric system and would be ready to change over any day. "I know it's easier to divide things up

in the metric system, and once people get the idea, I think it would be very easy to teach them how to use it."

But, until metrication comes officially to Chula Vista, Houtkamp will still sell you a pound of cookies, even if in the back of his mind he's hoping you'll order a kilo.

AMTRAK DOES NOT TRY AS HARD

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. SHUSTER. Mr. Speaker, the Lewistown Sentinel newspaper which is located in my congressional district in Pennsylvania carried a very perceptive article concerning Amtrak on June 17. I commend it to all my colleagues who are concerned about both the future of America's railroads and the enormous tax burden shouldered by our citizens:

AMTRAK DOESN'T TRY AS HARD

Why don't people ride the trains?

Why don't you arm wrestle a bear.

Both are sports for the masochist. Riding the train today takes a perverse streak of self-hate, for it is its own punishment.

Saturday, for example, the one train a day which Lewistown area residents can take to New York and points east was due here at about 11:30 a.m. It arrived after 3 p.m.

This is not the fault of the local station agents, who know of the constant tardiness and warn passengers of it. It is the fault of Amtrak's policy. The train never arrives at the appointed time, so why is it not scheduled for later?

Because the company does not want to have a realistic schedule and adhere to it. The company does not, in fact, want to make money carrying passengers. It does all in its power to discourage passengers.

And it is doing the job well.

Employees of Amtrak, the federally-subsidized national passenger railroad system, spent more than \$600,000 on airplane tickets last year despite the fact that they could have traveled free on Amtrak trains.

According to an Amtrak spokesman, it is company policy that employees are to take trains on business trips, but sometimes other modes are preferable. For instance, it makes little sense for an Amtrak executive to spend three nights and two days taking a train to the West Coast for a one-day meeting, although this has been done.

Also, during the summer and holiday seasons Amtrak trains are full and employees must seek other types of transportation.

Anthony Haswell, chairman of the National Association of Railroad Passengers, agrees that due to time constraints and the sketchy nature of service on many of Amtrak's routes there will have to be some flying by Amtrak employees.

"But my general observation," he says, "is that if responsible Amtrak management officials rode the trains more often, the public would soon get better service. Amtrak's upper management is really very unaware of the situation on the trains they are responsible for running."

Amtrak had 5,384 employees on Dec. 31 and operates an average of 225 passenger trains daily, serving every major city in the United States except Cleveland, Toledo and Des Moines, either directly or through connections with the few remaining non-Amtrak railroads. It is expected to receive a federal subsidy of \$155 million in the coming fiscal year.

And that, friends, makes it our business, yours and mine.

**RUSSIA HAS WINDFALL PROFIT ON
INCREASED OIL PRICES**

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. HUBER. Mr. Speaker, during the energy crisis there was a great deal of talk about the oil company profits, the money the Arab States were raking in, and other related matters. The Soviet Union, as usual, had it both ways. It vigorously supported the Arab oil embargo, since it was directed against the capitalist states, and at the same time made a great deal of money by raising the price on the oil it sold to the West. Therefore, I commend the article that follows from the Washington Star-News of June 5, 1974, to the attention of my colleagues. More wheat deals with Russia, anyone?

The article follows:

**RUSSIA HAS WINDFALL PROFIT ON INCREASED
OIL PRICES**

(By Christopher S. Wren)

Moscow.—The jump in world oil prices enabled the Soviet Union last year to reap nearly a billion dollars more in oil revenue with only a modest increase in exports.

Windfall profits were taken at the expense of a number of countries in the west hit hard by the Arab oil boycott, according to newly released Soviet foreign trade statistics.

By contrast, the Communist countries were generally confronted with a negligible rise in Soviet oil prices.

The figures in the 1973 Soviet foreign trade handbook indicated that the Soviet Union has prospered from the higher world market prices spurred by the Arab oil embargo which Moscow consistently supported.

Last year, the Soviet Union increased its exports of oil and oil products slightly more than 10 percent but boosted their over-all earnings more than 44 percent.

The export revenue rose from nearly 1.7 billion rubles in 1972 to just over 2.4 billion rubles last year. This is a dollar increase of more than \$990 million, based upon the prevailing 1973 exchange rate of \$1.34 to the ruble.

In the same period, oil exports went from 107 million metric tons to 118.3 million metric tons. The majority of the increase went to the socialist countries at well below the spiraling market price, meaning that the profits came entirely from non-Communist customers. A metric ton is roughly equivalent to seven barrels.

While the Soviet trade statistics spanned all of 1973 without further breakdown, they clearly reflected the price rises that accompanied the Arab oil embargo.

Soviet oil prices were not increased for the Communist countries because the five-year plans allow for only minor fluctuation in the current contracts.

The Soviet Union has been encouraging its allies to look elsewhere to meet their growing oil needs, and it is believed likely that Soviet oil prices for the socialist bloc will be adjusted upwards when the new five-year plans for 1976-1980 are negotiated.

The Soviet Union was not hesitant to peg its Western orders to the new market prices. Last year for example, while Denmark bought 41 million fewer tons of Soviet oil, it paid out two and a half times what it had in 1972. West Germany and Belgium were confronted with increases approximately as steep. Austria, Britain, Sweden and Italy paid slightly lesser increases for Soviet oil.

Last fall, the Soviet press denounced as a "canard" Swedish radio reports that Soviet tankers were carrying oil to the Netherlands during the oil embargo. The Soviet press agency, Tass, alleged that the reports were launched to "poison the atmosphere of trust" between Moscow and the Arab countries that had made the Netherlands a specific target of the embargo.

But the current figures show that the Soviet Union last year boosted oil exports to the Dutch by a third, to over 3.2 million tons, and charged them nearly three and a half times what they had paid in 1972.

Western economic observers here point out that Moscow was honoring export commitments made with the West before the embargo, but they do not dispute that the Soviets moved swiftly to take advantage of the prime oil prices.

TAX JUSTICE

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MADDEN. Mr. Speaker, during my visit to Indiana this weekend I found that the Hoosier taxpayers are weekly becoming more bitter at congressional lack of action on legislative tax reform.

I submit an editorial from a prominent Indiana newspaper on tax justice for the RECORD, as follows:

TAX JUSTICE

Congress must immediately develop and enact a thorough-going program of tax justice which fully addresses:

The need to halt the huge and rapidly growing imbalances and inequities resulting from shocking increases in corporate profits and incomes while workers and consumers are suffering hardship, inconvenience and falling living standards.

The need to raise revenues sufficient to finance essential public investments in areas such as health, housing, mass transit, resource conservation and development, education and jobs.

The need to insure that the burden falls equitably on all Americans and that low- and middle-income families no longer have to shoulder an unfair share of the tax burden.

Because of the critical nature of the nation's present situation, we urge the Congress to give first priority to the immediate enactment of tax measures necessary to put an end to tax abuses that provide lavish benefits to the wealthy, big business in general and the giant oil companies in particular.

We call for:

1. Immediate enactment of an excess profits tax to curb the profiteering of the multinational oil companies and other big business corporations that are accumulating huge returns from price hikes which are, in turn, eroding the purchasing power of workers and other consumers.

2. Immediate elimination of percentage depletion allowances and "intangible" drilling cost write-offs for foreign produced oil, and the speedy phase-out of such write-offs as they apply to domestic operations.

3. An end to the foreign tax credit provision. Foreign income tax payments by U.S. corporations should be treated as deductible costs of doing business and the present practice of crediting them dollar-for-dollar against the company's U.S. income tax liability must be ended.

Failure by the Congress to curb such

profiteering and tax abuses, at the expense of the vast majority of Americans, could completely shatter what little is left of public confidence in government.

As much as \$30 billion of additional federal revenue could be raised by closing the major loopholes in the tax structure and enacting an excess profits tax.

The average American taxpayer knows he is paying more than his fair share of taxes.

The American taxpayer wants tax justice. The average taxpayer will be able to get a genuine tax break, rather than an illusory benefit, only when everyone is paying his fair share—be he President, worker, corporate executive or heir to a fortune.

COL. LEON E. WASHINGTON, JR.

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. HAWKINS. Mr. Speaker, Col. Leon E. Washington, owner and publisher of the Los Angeles Sentinel for 41 years, passed away on Monday evening at 7 p.m. in St. Luke's Hospital in Pasadena, Calif.

Mr. Washington was born in Kansas City, Kans., on April 15, 1907. He attended the public schools in Kansas City, graduated from Summer High School there, and attended Washburn College in Topeka, Kans.

Colonel Washington's commitment through the years has been to the betterment and advancement not only of oppressed people of his own race, but also to the welfare of his entire city, State, and Nation. He dedicated his personal energy and the prestige and power of the Los Angeles Sentinel to an infinite number of worthy humanitarian causes, civic and philanthropic projects.

Colonel Washington came to Los Angeles in 1930 and gained his first journalistic experience with the California News and the California Eagle.

Determined to publish his own newspaper, "Wash" as he was fondly called, started a throw-away weekly called the Shoppers News and later started the Los Angeles Sentinel in 1934. The Sentinel thrived and became known as the "voice" of black people west of the Rockies. For the past 41 years the Los Angeles Sentinel has constantly and consistently articulated the needs, hopes, and aspirations of the Los Angeles Negro community—beginning in 1934 with the movement launched by Colonel Washington with the slogan "Don't Spend Your Money Where You Can't Work." That campaign, along with many similar activities, put Colonel Washington and his paper in the forefront of the civil rights movement for equality and employment, education, housing, and every phase of American life.

The Los Angeles Sentinel under the ownership and editorship of Colonel Washington has grown into one of the Nation's largest Negro weekly newspapers in the Nation and received widespread recognition for its comprehensive coverage of local, State, and national news of concern to the black community.

It has for many years received the highest award from the California Publisher's Association. Government officials have frequently called upon Colonel Washington to serve in important capacities, including his appointment by Gov. Culbert Olson in 1940, to the California State Immigration and Housing Commission, his appointment by President John F. Kennedy, in 1963 to the Commission on Registration and Voting Participation, and reappointment to this major national Commission by President Lyndon B. Johnson.

In 1963 Gov. Bert Combs of Kentucky, commissioned Leon H. Washington, Jr., as an official Kentucky Colonel, an honor bestowed only upon individuals who have made achievements of national significance.

ARKANSAS WELCOMES MARYLAND'S DR. CHARLES EDWIN BISHOP AS PRESIDENT OF THE UNIVERSITY OF ARKANSAS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. ALEXANDER. Mr. Speaker, I am speaking on behalf of the people of Arkansas and the members of the Arkansas congressional delegation when I extend congratulations and a cordial welcome to Dr. Charles Edwin Bishop who will soon become the 15th president in the 103-year history of the University of Arkansas.

Dr. Bishop, who currently is chancellor of the College Park Campus of the University of Maryland, will assume the responsibility in Arkansas of directing the programs and activities of the university's multicampus system. It is, in Dr. Bishop's own words, a "young and vigorous system" with a future in keeping with the promise of the State's proud reputation as "the land of opportunity."

Chancellor Bishop comes to the Arkansas presidency with impressive credentials. Prior to becoming the chief executive of the Maryland campus, the 10th largest in the Nation, he served as vice president of the University of North Carolina, and in several important capacities at North Carolina State University.

The National Government and the State administrations in Maryland and North Carolina have utilized his superior abilities in a number of leadership positions. Three presidents have called upon him to render significant services to his country. He was a member of the task force on vocational education under the late President John F. Kennedy. He served as executive director of the President's National Advisory Commission on Rural Poverty under the late Lyndon B. Johnson. Currently, Dr. Bishop serves as a member of President Nixon's Food Advisory Council.

While Dr. Bishop is recognized as one of the country's leading education authorities in agricultural economics, he is fairly committed to the comprehensive development of higher education in all

areas, including the liberal arts curricula as well as the scientific, technological and professional disciplines.

He is a native of Campobello, S.C., and received his undergraduate degrees at three institutions, Berea College in Kentucky, the University of Kentucky, and the University of Chicago.

Dr. Bishop is a most worthy successor to Dr. David W. Mullins who retired as president of the University of Arkansas March 1 after a distinguished tenure in the position.

HONOR AMERICA PROGRAM

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MURTHA. Mr. Speaker, the more we experience and attempt to understand the United States in the decade of the 1970's, the more it seems to me we should reflect on the American community and the American outlook that existed nearly 200 years ago when this Nation was formed. This thought comes to mind as we are in the midst of the honor America program.

This program lasts from Flag Day to Independence Day and I believe it should be a time of reeducation for all Americans as they seek to relearn the principles and concepts fought for by our Founding Fathers. Because it is those very principles that form the basis of the American governmental philosophy—and they are the foundation just as much today as they were 200 years ago.

Whatever problems we have in the Nation today are, at least in part, the result of some purely American characteristics such as our desire to meet problems head on, our resourcefulness in finding democratic solutions, our national pride, our openness, and a host of other national characteristics. But most important is the fact that our solutions to problems continue to rest on the very same principles first set forth by our Founding Fathers. These principles include such things as equality under the law, freedom of the press, insurance of basic civil rights, individual freedom, the guarantee of individual privacy, and those other concepts which have always guided our Nation.

And if you look closely at American history, it involves a process of maturing, defining, and reemphasizing these ideals in light of continuing developments. The key is that the principles remain the same; and that the cornerstones of this great people remain firmly fixed on that same set of principles.

So it is my hope that during this time of national reflection capped by our July 4th celebrations, that we reflect on this long and glorious history of our Nation, and that we recall those principles and those concepts first enunciated by such brilliant men as Thomas Jefferson, George Washington, James Madison, and others.

I believe every community should seek to develop its own special way of remembering and restating the goals and concepts of these men. Hopefully each community will find a way to bring together all the elements of that community into one celebration.

NATIONAL CEMETERY SYSTEM

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. TIERNAN. Mr. Speaker, the establishment of the National Cemetery System by Congress last year was hailed by many, including myself, as a significant step toward improving the quality of services to veterans and their families. By concentrating the administration of federally operated veteran cemeteries into one agency the Congress intended to bring the appearance and the operation of these cemeteries up to the level of honor and respect entitled and accorded America's veterans.

That, indeed, is a noble undertaking. And although much has been done in the past year to achieve that goal, the privilege and honor of being interned in a national veteran cemetery cannot help but remain an empty one for most of our veterans because of the physical restraints of the National Cemetery System. All veterans are eligible for that honor, yet few can accept it simply because of the practical restrictions imposed upon them by the location and limited space of these cemeteries.

The best and possibly the only way to eliminate these restrictions is to provide financial assistance to the States for the establishment of State Veteran Cemeteries.

The necessity for establishing such a program of financial assistance becomes immediately evident upon an examination of the present system. Public Law 93-43 provided for the creation of the National Cemetery System to administer all national cemeteries transferred to the Veterans' Administration by the National Cemeteries Act of 1973 and all cemeteries under VA jurisdiction at the time of passage. Under the new authority of this law, the Administrator of the VA prescribed new and uniform standards for the administration of these cemeteries, covering such aspects as regulation for internment, maintenance of memorials and records, construction of facilities, et cetera. Even though these new standards have improved the quality of the cemeteries, in and of themselves they cannot make the system responsive to the needs of all Americans. We still have a geographically disproportionate network of national veteran cemeteries which do not adequately serve American veterans, their families, relatives, or friends.

An examination of the geographic distribution of our national veteran cemeteries reveals a disproportionate concentration of these facilities in 4 of the

10 regions of the National Cemetery System. Of the 55 cemeteries which will be operating during our Bicentennial year, 45 will be located within 4 regions composed of 23 Southern and Midwestern States. Nearly half of those cemeteries, or approximately 40 percent of the total number of operating National Veteran Cemeteries, will be concentrated in region IV, the Southeastern portion of the United States.

The remaining 6 regions, encompassing the rest of the United States, will be served by 11 National Veteran Cemeteries. Region I, the 6 New England States, does not now have, nor will it have an operating cemetery within the National Cemetery System in 1976. The closest National Veteran Cemetery is in New York State, well over 200 miles from many points in New England. Similarly, region IX, composed of California, Nevada, and Arizona, will be served by only one national veteran cemetery in 1976. That cemetery is located in Los Angeles, 400 miles from Phoenix, Ariz., and over 500 miles from some cities and towns of northern California.

State governments have not moved to fill these gaps. Presently there are only two States operating veteran cemeteries, Maine and Rhode Island. Aside from these two States, it is understandable why many veterans who otherwise would have desired to be interred in the National Cemetery System have turned away from this privilege.

According to the National Cemeteries System study submitted to Congress by the Veterans' Administration on January 21, 1974, the three "most important factors" in the cemetery usage rate are: first supply of graves, second, willingness to travel, and third, distance of cemeteries to residence. The most significant of the individual variables measured could not be identified because of the high intercorrelation among them. The combination of these factors accounts for a major portion of the disparity between eligibility and usage—thousands of veterans are at least theoretically eligible to request interment in the National Cemetery System, but only a small percentage are actually in a position to act upon that eligibility. Eligibility is meaningless unless it is coupled with the possibility that that eligibility will be acted upon.

The study indicates that in 1965, of the known ground burials of veterans in the contiguous United States in approximately 97 percent of the 221,638 veteran deaths, the disposition is known—47 percent occurred within 50 miles of a Federal cemetery, 23 percent occurred within 100 miles, but more than 50 miles of a Federal cemetery, and 30 percent occurred more than 100 miles from any Federal cemetery.

When we examine the burial rate in Federal cemeteries we see that 28 percent of those living within 50 miles of the Federal cemetery were Federal burials, 6 percent of those living between 50 to 100 miles of a Federal cemetery were Federal burials, and only 4 percent of those living more than 100 miles from a Federal cemetery were Federal burials. Almost three times as many veterans living within 50 miles of Federal cemeteries chose to be buried in these cemeteries as com-

pared to those veterans living more than 50 miles from Federal cemeteries.

Moreover, the percentage of veterans seeking interment is expected to decrease because of a reduction in available space in the National Cemetery System. Since 1965 the percentage of all U.S. ground burials occurring in U.S. Federal cemeteries has declined steadily. From 1965 to 1970 it decreased from 16 percent to 9.1 percent. In 1974, under the new Cemetery System, it is expected to decrease to 7 percent. The likelihood that more of these decreases will occur in areas distant from the national cemeteries is great, since distance adversely affects plans and hopes for many veterans to be buried in the National Cemetery System.

We must not allow the number of veterans who can and are served by the system to dwindle even further. The concentration of national veteran cemeteries in a small number of areas has made the system unresponsive to an American veteran. We can correct this by granting financial assistance to the States who wish to create State veteran cemeteries.

FEDERAL CONTROL OVER MEDICAL PROFESSION

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. ARCHER. Mr. Speaker, our overall experience with programs of Federal aid brings us to one main conclusion: Federal aid brings Federal controls. Although these controls may be justified as congressional checks on public money, these restrictions bring the Federal Government into a decisive role setting regulations and standards for any program receiving Federal aid. This has happened with Federal aid to agriculture and Federal aid to education. These controls have become evident in the medical profession through the Professional Standards Review Organizations established under the medicare and medicaid programs. While promoted as cost control and quality control for the beneficiaries, these regulations have become an opening wedge for the Federal Government to intervene in the private practice of medicine. An excellent column on this relationship between Federal aid and Federal control appeared recently in the June 7, 1974, issue of the Anaheim Bulletin. The columnist, Mr. Allan C. Brownfeld, reveals how this PSRO concept could be extended to the entire field of medicine. I commend this article to my colleagues.

The article follows:

MEDICAL CARE WITHOUT CONTROL?

WASHINGTON.—Proponents of the nationalization of medicine tell us that under their plans the private practice of medicine would be continued virtually unchanged. The administration argues that its proposal for national health insurance would, in fact, prevent the "socialization" of American medicine.

The fact is, quite to the contrary, that government is already telling doctors how

to practice medicine, making them and their patients little more than government administrators and bureaucrats.

Government control always follows government financial aid. There is legal precedent to the effect that this is indeed how our system works.

In 1942, in *Wickard v. Filburn* (317 US 111) the U.S. Supreme Court reversed itself and upheld the agriculture price support law which (among other matters) limited the amount of wheat which a farmer could produce. Filburn, an Ohio farmer, raised wheat for his own domestic and farming uses only. Nevertheless, the Court said he must bow to the agricultural restriction law—cutting down his wheat production! In deciding the case, the Court made this statement: "It is hardly lack of due process for the government to regulate that which it subsidizes."

Government control always follows government financial aid. In the medical field this was clearly seen in December, 1973, when Secretary of Health, Education and Welfare Caspar Weinberger announced that the government will no longer cover the cost of trade name prescription drugs under Medicare and Medicaid if lower priced generic medicines are available.

The new HEW policy is based upon the assumption that generic drugs are, in fact, the equivalent in every respect of prescription drugs. There is no real evidence to confirm this assumption—and a great deal of evidence which refutes it.

SECOND CLASS

The new policy requires Medicare and Medicaid beneficiaries either to accept products that are likely to be inferior or to pay, out of their own pockets, the difference in price between the cheapest drugs available and more expensive counterparts prescribed by their doctors. This policy institutes a program of first and second class medicine. Those patients who are not receiving government assistance will be able to purchase the drugs which their doctors believe to be the best available. Those who are receiving government aid will receive such aid only for the cheapest available drug. The government is, in effect, telling doctors how they may practice medicine with those receiving federal aid.

Now, with a variety of national health insurance bills before the Congress, the day when all Americans will be subjected to the second class medicine now reserved for the elderly and the poor is rapidly approaching.

Just as the new drug policy has been instituted in the name of "economy," so the Professional Standards Review Organizations (PSRO) program came about in precisely the same manner—in the name of economy.

Beginning in January, 1974, a new federal bureaucracy came into being, with its goal the direct control of medical care to all who receive federal funds.

While doctors have traditionally considered it their professional responsibility to prescribe the necessary care for their patients, to determine whether a patient does or does not need to be hospitalized, and to decide what manner of medication would prove most effective, the new PSRO program takes much of the decision-making out of their hands.

DOCTOR BUREAUCRAT

Local PSROs will have the responsibility of seeing that doctors practice according to norms that will be subjected to the approval of a national council, which will include representatives of consumer groups and other non-physicians. A USRO examiner, who may not be a medical doctor, will be able to challenge a doctor's professional judgment. The doctor may be penalized for making what the examiner considers to be an unnecessary treatment by denying payment for the services rendered. PSRO administrators will have the power to order him not to perform an op-

eration he feels to be necessary, to change medicines he has prescribed, or to hospitalize or not hospitalize a patient, and, if he fails to comply, withhold compensation. Government bureaucrats—non-doctors—have, in effect, been given the power to practice medicine.

Under the PSRO program, the principle of confidentiality of the doctor-patient relationship will be seriously challenged. The doctor will be forced to reveal his records to PSRO inspectors and if he is to be paid for the services he renders, he will have to abide by HEW guidelines. The doctor will, in effect, be little more than a government bureaucrat.

The PSRO regulations not only destroy the ability of the doctor to practice medicine in a professional manner but also do significant harm to the patient who is ostensibly meant to benefit from the program. Patients who fall under this program will be denied the best possible medical care and will have in its place, the best judgment not of the individual medical practitioner but the statistical "norms" determined by government bureaucrats.

Under the various national health insurance bills now under consideration, all Americans would receive some form of government medical assistance. Thus, all would be subjected to government controls.

It is clearly impossible for government to finance medical care without taking over total control of the practice of medicine. Those who support such a plan should—at least—do so with their eyes open.

REV. JAMES W. KANE NAMED
"MAN OF THE YEAR"

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MURTHA. Mr. Speaker, the true strength of America lies in its local communities, and especially in the hearts of local citizens who care enough to give their time and service to the people of the community.

And that kind of individual is the Reverend James W. Kane of Sykesville. I was pleased to note recently that Reverend Kane had been named "Man of the Year" by the Sykesville Lions Club, because his record shows it is an honor he fully deserves.

Reverend Kane has been pastor of the Grace Church for the past 7 years. He is a family man, and he and his wife Carolyn have three children.

Reverend Kane is extremely active in community affairs. He is President of the Sykesville Ambulance Service. He is President of the Sykesville Lions Club. He is a director of the local Easter Seal Society. Reverend Kane is on the board of directors of the child welfare board. He is also a director of the Sykesville town and county fair.

Through his professional and community efforts, I am sure Reverend Kane has touched nearly every element of the community, and friends tell me the individuals within the community have greatly benefited because of his continuing contribution.

Reverend Kane is a native of the Brookville area and graduated in English from Clarion State College. He has his master of divinity degree from Methodist Theological Seminary in Delaware, Ohio.

His family and friends are justifiably

proud of the record of public service of Reverend Kane, and it is only fitting that the community he has served has recognized his contribution by naming him "Man of the Year."

I would certainly like to add my congratulations to Reverend Kane, and I am proud to submit these remarks to the record to illustrate again how the strength of America lies with dedicated individuals like Reverend Kane.

THE TRUE IMPORT OF THE
KISSINGER CASE

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. RHODES. Mr. Speaker, the New York Times of June 16 carried a thoughtful commentary by C. L. Sulzberger, a distinguished reporter of foreign affairs, on the current Kissinger controversy. Mr. Sulzberger points out that the Secretary of State had a duty and responsibility to guard the security of the United States at the time of his actions, which have drawn critical political fire.

He realistically notes that surveillance is a fact of contemporary life; and that diplomacy now is necessarily conducted in secrecy. I believe this is an excellent column, an accurate appraisal of the true import of the Kissinger incident. I recommend it to my colleagues for their perusal. Text of the column is as follows:

LEAST SAID SOONEST MENDED

(By C. L. Sulzberger)

The real issue raised by Secretary Kissinger's threat to resign was that of U.S. national security. What means, it is inferentially asked, can justifiably be used to insure that state secrets are not leaked at the expense of the nation's safety or at the risk of embarrassing relations with allies or negotiations with foreign governments?

This is not the best of all worlds and considerably less pleasant and more dangerous than some fifty years ago. It is stuffed with dangerous devices that can burn up the planet's surface or probe the innermost thoughts of its inhabitants. But there is no way of returning to the agreeable horse-and-buggy era.

Therefore, it is naive to criticize Mr. Kissinger for associating himself with moves to check security leaks by electronic bugging and claim a predecessor like Charles Evans Hughes would never have dreamed of doing so. Apart from the fact that wiretapping was still in its fetal stage when Hughes was Secretary (1921-25), this kind of supposition is about as helpful as speculating on how Robert E. Lee might have deployed tactical nuclear weapons.

Wiretapping is an unpleasant facet of contemporary life and far less prevalent in democratic countries than under dictatorships. But it can be an effective way of safeguarding security. And although we don't like to talk about it, it has for decades been the custom in the United States, Britain, France and other open societies.

Some years ago, at a Paris dinner party, the head of French security told me with an amused look that all my telephones were bugged, both home and office. I wasn't angry but sympathized with the staff forced to listen regularly to my wife's trilingual conversations in a musical mixture of English, French and Greek.

Certain hotel suites in Washington, London and Paris are generally assumed to be

tapped because they are so often assigned to important foreign visitors. Of course, in capitals like Moscow or Warsaw, even the most innocent traveler expects this. Embassies are often under electronic surveillance. Ambassador Henry Cabot Lodge once waved a well-bugged American seal from our Moscow embassy before the U.N. Assembly.

There is moralistic revulsion against these practices. Americans are familiar with the objections that cropped up here as a fall-out of the Watergate affair. In France, also, there is an effort to get away from bugging. On May 29 President Valéry Giscard d'Estaing announced he would do away with wiretapping and destroy accumulated tapes.

A system of listening-in, called *les tables d'écoute*, had long been installed in Paris, based in that grand old building of Louis XIV, the Invalides. Theoretically no one could be tapped without specific authority from the premier; in fact the program was operated pretty well on its own by an inter-departmental group including police, military, espionage and security services.

I personally think it highly improbable that President Giscard will be able to eliminate the system although perhaps he can restrict its employment. That, one may hope, will also be one consequence in the United States of the present bugging furor.

But that Mr. Kissinger and other officials of the executive branch, especially those concerned with foreign and defense policies, should have been disturbed by leaks of secret information that could jeopardize our relations abroad is neither startling nor ignoble.

The pleasant Wilsonian assumption that open covenants should be openly arrived at, is plain day-dreaming. The United States seeks open covenants secretly arrived at and I think this is an effective method of negotiating. The other fellow wouldn't negotiate if all his moves were publicized as they occurred. Not all nations dream our moralistic dreams.

Mr. Kissinger, I believe, was mistaken to react so heatedly and quickly to sour press questioning after his astonishing truce-making between Syria and Israel. Moreover, he was mistaken to react in Salzburg. It is sound practice for American officials to limit their comments on current U.S. affairs when they are out of the country. The Secretary was obviously fatigued by his endeavors for peace, and fatigue is not always a sage counselor.

Yet the essential question raised is not something out of a primitive morality play. Mr. Kissinger would be remiss in his duties if he did not attempt to clamp down on leaks endangering the United States or its search for international détente—through the SALT talks with Russia, in the instance of the leaks and buggings now being questioned.

One can only thank the country's lucky star that sufficient Senators of open mind and good judgment, wise enough to acknowledge the Secretary's remarkable talent, have already rallied to grant him their confidence. Now, the less the incident is batted about, except in the due and proper course of legislative investigation requested by Mr. Kissinger, the better. Least said soonest mended.

U.S. MONEY USED TO SPREAD
TERRORISM IN LATIN AMERICA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. ASHBROOK. Mr. Speaker, I have previously addressed this body concerning the counterproductive policy of paying large ransoms or bribes to Communist terrorists. The latest proof of the

error of this policy came out of Argentina last week. As I have stated in the past, large amounts of money placed in the hands of the terrorists is used to increase terrorist activity. The ERP, the Trotskyite-Communist terrorist group in Argentina, has announced that it has shared \$5 million with three other Latin American terrorist organizations. The money had been paid to the ERP by the Exxon Corp. to secure the release of Victor Samuelson, the Exxon operations manager in Argentina. The groups receiving the money are the ELN—National Liberation Army—of Bolivia, the Tupamaros of Uruguay and the MIR of Chile. The last group, the Movement of the Revolutionary Left, served as Allende's storm troopers during his regime and is now operating as an underground terrorist organization.

The chickens have come home to roost. American money extorted by terrorism is now being used to finance new acts of violence in three additional Latin American countries.

NEW SEAT BELT MAY HAVE HURT 1974 CAR SALES

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. HUBER. Mr. Speaker, none of the persons reporting on the seat belt interlock system this year has asserted that it has helped sales of new cars, but on the other hand no one is prepared to say how much it has hurt sales. What is unquestioned, however, is that all new so-called safety features have increased the price of new automobiles. The equipment added to our cars by means of Federal mandate have come at a dizzying pace. A column that appeared in the Detroit News of June 10, 1974, suggests a moratorium on adding such equipment might now be in order so that these things can be properly evaluated to see if all this additional equipment is really helping anyone. I agree with this view and commend this article to the attention of my colleagues.

The article follows:

NEW SEAT BELT MAY HAVE HURT 1974
CAR SALES

(By Robert W. Irvin)

Have the controversial ignition interlock seat belt systems required on 1974 cars by the government hurt the sales of the new models?

There is no clear-cut answer because the current year is such a sales disaster. Many reasons—such as the general state of the economy and the energy crisis—have been cited for the decline.

However, the belts undoubtedly haven't helped '74 sales and this is another reason why auto makers are showing some concern about how the public is going to receive another government-inspired feature on 1975 models: the mufflerlike catalytic converter for pollution control.

Asked if the interlock—which forces people to buckle the lap-shoulder belt before they can start their car—had hurt sales, a General Motors Corp. executive vice-president, Richard L. Terrell, commented, "I don't have any survey facts but I personally am convinced the interlock has had some im-

pact. But to what degree I have no way of knowing."

Another GM executive vice-president, E. M. "Pete" Estes, said of the interlock, "I don't think it has helped us any but I don't know what impact it has had."

On the other hand, Estes thinks the converters won't hurt sales. "No," he said. "They will help sales, offset somewhat by the price increase, although that will not be 100 percent due to the catalytic converters."

Terrell said the converters "are certain to cause some conversation and we're never happy about that. But it's our job to get out there and communicate to the public and tell the story that the unleaded gas and the converters are going to benefit our customers."

He mentioned longer life for some car parts as a result of the unleaded fuel and Estes talked about the durability of the converters. While some prototypes last year made the floor of the car hot, Estes said that won't be a problem because of heat shields which will be installed.

"We have run some 30 million miles of testing, with some vehicles as high as 70,000 miles," he said. Despite the hundreds of vehicles used in testing, there were only two catalytic-converter failures, one because leaded fuel was used continuously and the other for a minimal reason, he said.

Some studies have been made questioning the benefits of some of the government-mandated equipment. For example, studies by Ford Motor Co. and GM have concluded that the five-mile-an-hour damage-resistant bumpers cost more money than they will save in accident-repair costs.

Terrell mentioned another study by the University of Southern California Medical School which "questioned seriously the benefit of putting head rests on cars. We ought to be able to take things off the car if they are not doing anything for the customer. If they are good, we should leave them on."

Terrell also said, "I support vigorously the recommendations of executives in the industry and outside who believe it would be in the best interest of the country and the industry and the consumer if we had a moratorium on some of this mandated equipment going on cars and trucks."

He said a moratorium would allow the manufacturers to "do some cost-benefit studies to see what is really benefiting people." He said the trouble to date has been "that we have had to hang onto items and if we could have the opportunity to consolidate—to really redesign some of these models so we could integrate the features—we would improve the efficiency of cars."

That is the goal now, to improve the efficiency of vehicles, especially the full size ones.

"This is one thing a moratorium on government requirements would help us do," he said.

RURAL HALL, N.C.

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MIZELL. Mr. Speaker, the Fifth Congressional District of North Carolina, which it is my honor to represent, has recently been blessed with a new town. By a vote of its citizens, Rural Hall was officially born as an incorporated town on June 1, 1974.

With its 2,500 citizens, Rural Hall is the third municipality in Forsyth, joining the fine communities of Winston-Salem and Kernersville.

In his inaugural address to the town, Mayor Harry L. Carithers said he wants to "keep Rural Hall the garden spot of the world." That is a laudable ambition, and Mayor Carithers will be assisted in his efforts by an able town council consisting of Dewey V. Harris, Wesley L. Hunsucker, Charles G. Shelton, and Burke E. Wilson, Jr.

I am sure I speak for all the citizens of the Fifth Congressional District in welcoming the new town of Rural Hall. And I am sure that all my colleagues in the House join me today in wishing Mayor Carithers, the town council, and all the folks in Rural Hall the best of luck in their attempt to establish and maintain a responsible, good town government.

HOUSE REFORMS SCUTTLED

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, our failure to give speedy consideration to proposed reforms of House operations is causing an unmistakable outcry throughout this country.

The last major reorganization of Congress took place almost three decades ago, in 1946. In the meantime, jurisdictional lines have become tangled, workloads of committees have become imbalanced, and the over-all efficiency of this body has been placed in jeopardy.

The Committee Reform Amendments of 1974 (H. Res. 988), the product of some 14 months of deliberations by the Select Committee on Committees, seeks to remedy this situation and put the House back on the right track. They should be debated by the House at the earliest possible date. The people we represent deserve no less.

A perceptive editorial on this subject, "House Reforms Scuttled," appeared recently in the St. Paul, Minn., Pioneer Press. The editorial follows:

HOUSE REFORMS SCUTTLED

Bipartisan efforts to modernize and streamline the unwieldy committee structure of the House of Representatives were slapped down this past week by a secret vote of the House Democratic Caucus.

The Bolling reorganization plan, which had the backing of liberals in both parties and had been put together during 18 months of effort, was temporarily scuttled and perhaps permanently killed by the action of the Democratic meeting. Voting behind closed doors, the party caucus sent the plan to a "graveyard" review committee instead of letting it come before the House next week, where it was given a good chance of passing.

Republicans immediately attacked the rejection as proof that the Democratic leadership and powerful Democratic committee chairmen are selfishly opposed to needed congressional reform.

"The burial of this bill, which one hopes is temporary, is simply another act of weak House leadership which has justly earned for the Congress its low public confidence rating," commented Rep. Bill Frenzel, R-Minn.

Rep. John Anderson of Illinois, one of the House Republican leaders, said: "The Democrats have shown they are not the reform

party. A great majority of Republicans would have voted for the Bolling plan if the Democrats had permitted it to come to the floor of the House for action."

The manner in which the Democratic caucus was conducted was disappointing. Extreme rules of secrecy were imposed. It was announced that the vote in favor of referral to another study committee was 111 to 95, but the rollcall was not recorded. The review committee is stacked with opponents of the Bolling bill. In addition, the caucus voted to forbid Democratic members of the House Rules Committee from permitting the bill to come to the House floor until the party caucus has acted on whatever recommendations, if any, may come out of the review committee. It is supposed to make a report in July, when the House is likely to be deeply involved in presidential impeachment proceedings.

The House committee structure has not been reorganized for nearly 30 years. The Bolling plan calls for major shifts in committee jurisdiction for greater efficiency and accountability. Most House members would be limited to membership on a single major committee. Proxy voting would be banned, forcing personal attendance at committee sessions. Some committee chairmen would be reduced in power.

It is disappointing that the reorganization program has foundered, at least for the present. It should be revived later in the session if possible. Meanwhile, the Democratic party must shoulder the blame for sidetracking greatly needed reforms.

SEND THE BIBLE TO SCHOOL

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. HUNT. Mr. Speaker, my very dear, close friend, Harry D. Mackey, author, "The Gallant Men of the Delaware River Forts—1777," and journalist, has just recently sent to my attention a very thoughtful and meaningful poem which he composed expressing the blessings derived from having the Bible returned to our classrooms.

Knowing that his thoughts come straight from the heart I wanted to share them with my colleagues:

PLACE THE BIBLE BACK IN SCHOOLS

(By Harry D. Mackey)

I'd like to see the Bible placed
Where the Bible use to be,
Upon the top of the teacher's desk
For every child to see;
I'd like to hear the teacher say,
As my teacher used to do;
"Before we work or play, dear ones,
I want to read to you."
I'd like to see the teacher stand
Before the class again
And lift with reverent care the Book
That makes God's purpose plain,
And ere the youngsters went to work
I'd like to hear her voice
Repeat those words of truth and faith
That make one's soul rejoice.
I'd like to see her face light up
At each resplendent word
And watch the children's souls shine out
At the message they had heard;
And know the joy had come to each
When the teacher read the Book
Yes, I'd like to see the Bible placed
Where the Bible used to be;

I'd like to see it read aloud in the schoolroom
of the free

I want my children taught to know

God's matchless gift of love.

The Book of books is wisdom's gate

To that bright schoolhouse above.

Never mind children, you may never hear
the Bible read in school, but when you get
to jail there will be one in every cell.

PUBLIC FUNDING IS NOT POLITICAL REFORM

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. FRENZEL. Mr. Speaker, in the continuing debate on public financing of elections, the Christian Science Monitor has made a valuable contribution by publishing a statement by Prof. Allan E. Goodman, chairman of the Department of Government and International Relations at Clark University, Worcester, Mass., in its June 19 edition.

Professor Goodman correctly and emphatically points out that public financing "does not necessarily reform either the electoral process or the parties that organize it." He dramatizes this statement by noting that at least 13 parliamentary democracies whose recent troubles are well known, have some form of public financing. In every case these governments have been burdened with unstable coalitions during times of inflation or dominated by rigid centrist parties during booms and recessions.

I strongly agree with Professor Goodman that advocates of public financing overlook the experience elsewhere.

The Christian Science Monitor article follows:

PUBLIC FUNDING ISN'T POLITICAL REFORM

(By Allan E. Goodman)

The problem with public campaign financing is that it does not necessarily reform either the electoral process or the parties that organize it. Of the 13 parliamentary democracies whose troubles were recently discussed in this newspaper, France, Britain, Denmark, Sweden, Australia, and Israel have some form of public financing. So do about 20 other nations. In every case, unless public-financing legislation accompanies party reform or runoff elections, governments have been burdened with unstable coalitions during times of inflation or dominated by rigid centrist parties during booms and recessions. Advocates of public financing in the United States—first proposed by Theodore Roosevelt in 1907 and again in 1949 by Henry Cabot Lodge—overlook the experience elsewhere.

The major argument in favor of public financing is, as Senator Kennedy recently put it, the "guarantee that the political influence of any citizen is measured only by his voice and vote, not by the thickness of his pocketbook." Where it has been adopted, however, public financing has tended to substitute oligarchy for plutocracy.

The special-interest groups represented by money are replaced with those based on occupational, regional, or religious exclusiveness. Rural parliamentary districts usually come to be dominated by regional or religious interests while urban constituencies tend to be dominated by the long-term residents,

usually creating an occupational bias. This is true for most of Europe, South Vietnam, India, and Japan.

Public financing has also resulted in a proliferation of candidates. More candidates mean that fewer votes are required to win, and this encourages consolidation—rather than expansion—of the bases of political organizations, as has happened in most of Europe, Turkey, India, and Vietnam. The net effect has been to deny electors an effective choice. As a British colleague of mine observed: "My MP [Member of Parliament] is a union man and he is always opposed by several candidates. He keeps to his cronies because he always has enough votes to win. The only way I could have a choice is to vote with my feet and move to another district."

Except where there are comprehensive political party laws, as in Finland and South Vietnam, public financing has also led to the proliferation of splinter and temporary parties. The problem is acute in France where, as a saying goes, two Frenchmen are a political party; three, a constitutional crisis. De Gaulle often complained: "How can you govern a country that has 247 kinds of cheese?" The current French answer is a run-off system. Where there is no such provision the proliferation of parties means that national elections are won by coalitions that prove difficult to sustain as governments—as is proving true now for Israel and Britain.

Proponents of public financing argue that, as the president of the Center for Public Financing of Elections put it, the present system "stifles the emergence of new faces and new leaders." But, in the European and Asian countries where public financing exists, candidates still tend to come up through the ranks of established parties, and, except in West Germany, their social backgrounds have changed little.

Public financing's most direct consequence has been to make campaigning less lavish, though, as is the case in France, no less professionally run than in the U.S. now. The receptions and the tons of frivolous literature tend to disappear and candidates do tend to speak more often to the issues. But in Europe and Asia, public-opinion surveys find that 70-90 percent of the voters tend to have their minds made up before the campaign begins. For the 1960, 1964, and 1968 U.S. presidential elections, on the other hand, estimates are that 36 percent, 33 percent, and 38 percent of the voters, respectively, decided during the campaigns. So, even where public financing's potential impact seems greatest, it may be significant to only a third of the electorate.

All of the current U.S. proposals—the Senate Rules Committee bill, the Anderson-Udall bill, the House Administration Committee bill, and President Nixon's proposal—overlook such aspects of experience elsewhere. The current bills concentrate on candidate spending rather than party or election reform. Without the latter, public financing may do little to change the status quo.

CONGRESSIONAL ADVISORY LEGISLATIVE LINE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MURTHA. Mr. Speaker, I would very briefly like to endorse a concept now being considered by the Congress to establish a congressional advisory legislative line—CALL.

My distinguished colleague, Congress-

man GUS YATRON, is the prime supporter of this concept in the House and he is to be congratulated for initiating the effort.

There is no doubt that a continuing goal of the Congress should be to provide as much information to the public as quickly as possible, and this concept of toll-free access to the status of legislation before the Congress is an outstanding step in that direction.

In fact, I hope that the committees of the House and Senate give quick consideration to this idea and that we will continue to look for as many ways to provide necessary information to the public as quickly and efficiently as possible.

I hope this concept quickly becomes reality, and I am hopeful it will be but the first of many steps taken in the next few years to increase public access to information about the Congress.

SUPPORT FOR FTC ANTITRUST SUIT AGAINST OIL CORPORATIONS

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. LUKEN. Mr. Speaker, recent changes in the programs and budget of the FTC made by the Appropriations Committee raise the gravest problems to memory. The fight against inflation will be severely set back if the FTC effort to break up the "big eight" oil companies is aborted by these cuts.

The attempt by the FTC to break up the oil companies, started in a suit filed in July of 1973, will be thwarted if this Congress fails to provide the resources to the FTC to carry on the fight for the consumer.

If these funds are not restored, the biggest antitrust suit in history will be brought to a halt, and, predictably, the big oil companies will waltz off with a victory, virtually without opposition.

This all important suit has as its objective the elimination of price fixing and the divestiture of 40 to 60 percent of the refineries and all pipelines in order to bring down prices, which the FTC says are higher due to the existence of the monopolies.

Without such restraint the control of the oil companies over our economy will become even more widespread, as witness the prospective purchase of Marcor Corp.—Montgomery Ward—by Mobil, utilizing the embarrassingly high profits realized by their monopolistic practices.

I agree with the FTC that presently the consumer pays twice, because of the companies' unbridled market power, first through higher prices and second through artificially created energy shortages.

Congress must carry on this fight with FTC, over the objections of the administration, which has attempted to shoot down FTC's efforts at every turn. We have witnessed the attempts by Under Secretary Simon to undercut the suit and stop it in September 1973, and have

witnessed recently action of the Office of Management and Budget passing the buck to Congress to fund the continued investigation.

The present action of the Appropriation Committee, inspired by administration's recommendations, is to cripple the FTC current investigation by taking away the funds to support it. This means taking away the means of combating big companies by depriving FTC of the necessary technology and professional personnel to successfully prosecute the case.

Unfortunately, the administration has not supported the case from the beginning. In 1969, the Los Angeles staff of the Justice Department recommended this antitrust action and for 3 years this recommendation lay unacted upon. When the FTC stepped into the breach and took action in 1973, it fell into disfavor with the administration resulting in the critical letter from Mr. Simon and swapping of angry charges between the agency and the administration over Simon's role in attempting to stop progress of the case.

This posture of the administration parallels the posture taken in the famous ITT case in recent and unbeloved memory.

Unless these funds are restored, FTC will not have a computer to process the 25 million pages of documents which will probably be involved in an evidentiary way in the case. Further, we have it on no less authority than the State Attorneys General, that the companies have at least 144 lawyers to fight the case at the same time the FTC has only 18 lawyers ready for battle. The State attorneys general have volunteered lawyer assistance in this suit because of the disparity of resources. The States are showing concern over the welfare of their citizens.

Those who support the free enterprise system should support this move to bring down prices by restoring competition to the marketplace.

Mr. Speaker, I have received a letter from Attorney General Andrew P. Miller of Virginia, chairman of the Antitrust Committee of the National Association of Attorneys General. General Miller calls the *Exxon et al.* case one of "the most important antitrust suits ever commenced," and expresses the association's strong support for the amendments which will be offered on these matters.

I include the letter, urging the House to adopt the amendments, at this point in the RECORD:

OFFICE OF THE ATTORNEY GENERAL,
Richmond, Va., June 19, 1974.

HON. THOMAS A. LUKEN,
House of Representatives, Longworth House
Office Building, Washington, D.C.

DEAR CONGRESSMAN LUKEN: I am the Chairman of the Antitrust Committee of the National Association of Attorneys General. On March 11, 1974, the National Association's Executive Committee adopted the enclosed report of the Antitrust Committee's Federal Trade Commission liaison subcommittee—chaired, incidentally, by Assistant Attorney General Ray Marvin, Chief of the Antitrust Section of the Ohio Attorney General's Office. Accordingly, the views expressed herein are those of the entire Association.

I wish to express the Association's strong support for certain floor amendments to be

introduced on Friday, June 21st, to the FTC portion of the fiscal year 1975 Agriculture, Environmental and Consumer Protection Appropriations Bill. These amendments would add \$650,000 to the FTC budget for computer support services in the Exxon cases and \$364,000 in staff support for the on-going TC energy study.

Every member of the Congress is acutely aware of the public's priority concern with the energy crisis. As Attorney General with responsibility for antitrust litigation on behalf of the citizens of the Commonwealth of Virginia, I deem the Exxon case to be among the most important antitrust suits ever commenced. The oil industry is similarly persuaded as evidenced by the massive resources the defendants are pouring into preparation of their defenses. The FTC merits the full support of the House of Representatives in this proceeding as well as in the energy study.

The National Association of Attorneys General, therefore, respectfully urges the House to adopt these two vital amendments.

Sincerely yours,

ANDREW P. MILLER,
Attorney General.

FREDERICK H. SONTAG ON PARTIES

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. GUNTER. Mr. Speaker, I would like to share the following article on the need for political parties with my colleagues. Frederick H. Sontag, the author of the book, "Parties," has made a very strong case for improving political parties to strengthen representative government.

It has been my privilege to work with Fred over the past year and one-half on many legislative projects. He is creative and truly knowledgeable and his advice is priceless. His excellent study of the political-party structure in America is most worthwhile reading and I commend it to my colleagues.

The article that follows offers keen insight into this man and his work:

[From the South Orange-Maplewood (N.J.)
News-Record, Apr. 25, 1974]

MAKING POLITICS EFFECTIVE FOR YOU, THE
CITIZEN

(By Gail Brown)

Been reading about the June 4 primary election and feeling fed up about "politics as usual?" Has news of Watergate given you tired blood and recent shattering news out of New Jersey's glass government given you the woe-begones?

Heads up! There just might be good news in a kind of political "Whole Earth Catalog," that you've missed.

John S. Saloma, 3rd, a professor of political science at the University of Massachusetts, and Frederick H. Sontag, public affairs, research and public relations consultant, have authored a primer on political parties for the concerned citizen that might convince the unconcerned they ought to be involved.

With the sponsorship of the Twentieth Century Fund, "Parties: the real opportunity for effective citizen politics" was first published by Alfred A. Knopf in a hardcover edition in 1972, months after the Democratic and Republican national party conventions pitted George McGovern against Richard M. Nixon. Sontag and Saloma observed those

conventions—as they observed efforts at political party reform, the national party committees, the Congressional political parties, the state political parties, the new motivations for politics, public interest groups like “Nader’s Raiders,” citizens and politics, the use of professional political consultants and the media. Not only did they observe and report but with each of the above studies (the titles of the chapters in “Parties”) they included specific recommendations on what can be done to improve political parties in the United States—and thereby improve representative government.

EVIDENCE OF CITIZEN PARTIES

Everyone who walked in a peace march, worked to elect George Wallace or to move his American Independent Party ahead, tried to “draft Goldwater,” or sought to get Eugene McCarthy, Bobby Kennedy, or Ted Kennedy elected or demonstrates for women’s liberation or for civil rights is a part of the evidence that more and more citizens from diverse walks of life are becoming involved in politics, according to the authors.

WHILE THE PARTIES HAVE BEEN DERELICT

They believe “that American political parties, whatever their current limitations, offer the best potential means of achieving broad citizen participation in politics and continuing citizen influence in the direction of government. While the parties have been derelict in their failure to develop their resources for government and to encourage extensive citizen involvement in politics, they occupy too strategic a position in American politics to be bypassed or ignored.” Therein lies the basis for their contention that our political parties are in need of modernization.

In an interview in his Montrose Gardens apartment (although the address is South Orange, the apartments are physically in Orange), Sontag elaborated on his views on how the average citizen can get involved—and his views of the current state of New Jersey government.

OLD TO NEW

“A fundamental change is going on now,” says Sontag, who believes that recent reform movements in the Essex County Republican party and in the Democratic party are not dead.

The old-style politics, says the legislative consultant to Senator James H. Wallwork, (R., Essex, Passaic, Morris, district 25) entailed “private negotiations, some quiet give-and-take. ‘Some thought this was bad,’ Sontag says, but the parties took a look at how ‘we can win and govern well’—and represent all of New Jersey’s diverse populace. The new style politics entails candor as well as governing well.

Now people are polarized, labelled reformers, or “modernization people,” says Sontag. “Some regular party people are still somewhat defensive. Some are tuned in to the fact that it’s a new century.

“It’s nearly time,” he predicts, “people will start asking the right questions soon.”

Friends ask him why he spends three-quarters of an hour on the telephone answering questions from 16-year-olds. The busy author, who is also currently an analyst-commentator for Maine Public Broadcasting Network along with holding numerous advisory positions and authoring another book, points out that the 16-year-olds in two years will be 18—and voting.

These are the people he wrote the book for—the young—the college age, and groups such as the Women’s Political Caucus who are striving to reform the present systems surrounding political parties.

In New Jersey, “Good Democrats are wondering day after day about the people they elected,” says Sontag, referring to the Democratic victory here this past November. He points to the recent call of Secretary of State

Crabiel to testify before a grand jury. He compares a recent Maine Public Utilities appointment by the governor of that state with recent appointments here. Maine looked for a man for the 1980’s, Sontag says, and found one of the “new style,” yet acceptable, in Peter Bradford. Byrne didn’t even interview a PUC candidate suggested to him by Wallwork—a candidate whose lifelong hobby and civic interest has been making the consumer-management relationship constructive.

ONE TERM AFTER 6 MONTHS

People knew within six months of former Governor William T. Cahill’s election by a large majority that his would be a one-term governorship, says Sontag. The signposts included: a prominent Essex County woman turned away from the governor’s office because he had “no time to talk to dames about social issues,” (the words of an aide); a New Jersey college president who wanted to talk with the governor about the changing nature of higher education in the state—turned away; a senator from Essex County who wanted to talk about reports he was hearing about a Cahill Cabinet member—also turned away.

These people, says Sontag, “are part of the ‘think structure’ of New Jersey, not the ‘power structure.’” But their opinions—formed early in the administration of an elected official—count.

Sontag sees similar signs that the Byrne governorship will be for one term only. Democrats are saying that the governor’s staff is “obviously inexperienced; many are from out of state and don’t know New Jersey,” says Sontag. They’re also wondering, he says.

MAKING PARTIES SHINE

Talk about Byrne for President shortly after the governor was inaugurated hurt the Byrne administration, says Sontag. A clear statement that “there is plenty to do in New Jersey” would have dispelled that talk and helped the new Democratic regime.

With Democrats fearful that Byrne’s administration will only be one term, Sontag says, candidates with a positive approach will be looked for in 1977. He suspects that Wallwork, the legislator he advises, will be the next governor.

The shift toward new-style politics is evidenced in Maine and other states, he says, where “Parties are looking for people who will make them shine.” The parties’ major hope is for “gutsy, young experienced leaders who can really inspire people.” The revolution in the political parties in the 1970’s that Saloma and Sontag provide the “how-to” for in “Parties” can happen here, the author says.

Some of the “how-to” advice they offer includes the politicians picking up some pointers from public interest groups like Ralph Nader’s Center for the Study of Responsive Law; the Center for Analysis of Public Issues in Princeton; and Common Cause.

The problem-solving roles have been picked up by these groups because the parties have not taken on that role. The thought provokes a pause. Why shouldn’t Republicans or Democrats be as concerned about setting standards for the percentage of fat in “ground beef” compared with the amount of fat in “ground round” as, say Nader’s college campus non-partisan Public Interest Research Group (PIRG), are?

Some groups billed as “non-partisan” such as the League of Women Voters and Common Cause, have in Sontag’s view, however, taken on a “holier than thou” complex.

“They’re deciding what’s good for America and what’s bad for America,” says Sontag. Separating reality from idealism is something these groups lose the touch for.

“Most people pay about as much attention to the League and to Common Cause as you and I pay to what shoes we’re going to wear next month,” Sontag finds.

At a recent meeting on “Money and Pol-

tics”, some 200 Common Cause and League representatives “were so abrasive they turned an audience in favor of public financing (of elections) around,” he recalls.

The League and Common Cause have mounted a “conspiracy as bad as Watergate” with regard to campaign financing, says Sontag. “They want to make money sound bad, to shorten the campaigns. A short election campaign will save money, they say. Less money will also limit workers for candidates.”

The author finds experience is causing him to rethink campaign financing disclosure. On a recent (and initial) trip to the Trenton office of the New Jersey Election Law Enforcement Commission, he balked at being required to list his name, address, the organization he represented and what files he sought. Such requests are “a form of intimidation,” he says.

NEW BLACKBALL SYSTEM

“I’m learning. I thought the knowledge of who gave would only be used for good purposes,” he says. At some very quiet meetings recently, he’s been disturbed over a new blackball system that’s evolving. Persons being considered for appointments by party people are being rejected because, although they worked for Republicans during the last campaign, they gave to Byrne; or they are Democrats who donated to Charles Sandman’s campaign for the governorship.

To him, a list of givers is an honor roll. Now, he finds, to be on the campaign finance list is a sin, is making people objects of suspicion and impugning some of them falsely over “peanut” money.

Who’s to do the reforming—those already in the political parties or those outside? How will the reform come about? The book, “Parties”, offers numerous recommendations about “how” and “who.”

PARTICIPATE

However, Sontag offers some specific advice for you and me—here and now. “If you want to be an activist, make constructive suggestions,” says Sontag. Above all, “stay on things we can do something about.” Under the “Sontag participation plan,” you aren’t going to run down to Washington to save or to impeach Nixon. Instead, after watching and reading about who legislative representatives and party representatives are, Sontag says, contact them. They all have jobs volunteers can do.

Call your legislator—or one whose efforts interest you—and follow up the phone call with a face-to-face visit where you can get a list of five or 10 projects the legislator needs help with.

Republicans (or Democrats who like to help an underdog) could call on Gerard DelTufo—the sole Republican on the Essex County Freeholder Board and offer to help him prepare for his presentations, or the Freeholder meetings.

Sontag recalled a recent hearing he attended where the temperature in the room was 95 degrees (when the state was supposed to be conserving fuel). The presiding hearing officer had no nameplate identifying him and when he introduced himself no one heard his name. So, says Sontag, throughout the hearing, everyone addressed the fellow as “Mr. Hearing Officer.”

“If only some of these citizen-activist types would write up a dispassionate account of what they see,” he says.

In the local city or town parties, the circle of influence around each district leader elected in the June primary is important, he points out. What the people around them think and how they think, will affect the opinions given to the party leaders at the county and state levels.

Work with the party at headquarters, he suggests, echoing “recommendation 1” in a chapter in “Parties” entitled “The untapped potential of state parties.”

“Whether the local party is good, bad or

substantive will be revealed" after working at headquarters, says Sontag. How many people say "one vote doesn't count"? he asks, recalling Assemblyman Thomas Kean's slight margin in Maplewood in November of only 80 votes; and Wallwork's winning margin in Maplewood of only six votes. In those cases, it becomes clear that every vote counts.

The final personal recommendation he makes unabashedly: Read "Parties: the real opportunity for effective citizen policies."

AIRLINES WITH DEATH IN THE CARGO

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. HANRAHAN. Mr. Speaker, cargo on airlines is not as restricted as it should be. I have expressed the need for additional hearings to Chairman JACK BROOKS of the Government Activities Subcommittee on this urgent matter. There have already been too many accidents because of unrestricted cargo; this must not continue. I insert the following article for the benefit of my colleagues:

[From the Chicago Tribune, June 17, 1974]

AIRLINERS WITH DEATH IN THE CARGO (By Bill Anderson)

WASHINGTON.—Capt. Jim Echols munched on the large celery stalk that came with his Bloody Mary and then proceeded to open his "Pandora's box."

The box Echols was talking about contains things like hydrofluoric acid, nitric acid, sulphuric acid, alcohol, hydrogen peroxide, many other noxious and caustic substances, and finally, the "devil material," plutonium.

For more than three years Echols, a pilot for Ozark Airlines has spent much of his free time lurking around airports, watching the hazardous substances mentioned above being loaded into the holds of both passenger and cargo-only plane flights. All that was before Pan American cargo flight 160 plunged into Boston Bay last November.

Now Echols and a few other angered pilots are spending their free time buttonholing congressmen, trying to force sweeping changes in law to get these hazardous items eliminated from passenger aircraft and severely restricted on cargo flights. Several disturbing current events are making Echols' push somewhat easier.

First there is the tragedy aboard cargo Flight 160. The story began in Prestwick, Scotland, where an electronics firm was in critically short supply of chemicals used to manufacture its goods. Massive purchases were made thruout the United States and routed to Kennedy International Airport in New York. Flight 160 took off Nov. 3 with 16,000 pounds of corrosive, inflammable, and poisonous acids aboard.

Over the Atlantic a fire started somewhere aboard the plane. The crew radioed that it was turning back and informed ground controllers a short time later that crew members were forced to don oxygen masks to breathe. Conditions aboard the aircraft deteriorated until all radio gear was knocked out and the controls were affected. Just a few feet away from the safety of a runway at Logan International Airport, the pilot lost all control of the airplane. Three crewmen died and the 16,000-pound cargo poured into Boston Harbor.

The National Transportation Safety Board is still studying the causes of the crash, and spokesmen for that agency told us they have yet to determine why the fire started. The

aircraft in question had a history of fires in its electrical system, and there is a possibility that the fire had nothing to do with the cargo. NTSB officials also said "we may never know" what caused the fire.

Pilots, thru the Air Line Pilots Association, however, are taking a hard line regarding the crash. ALPA President J. J. O'Donnell has warned Federal Aviation Administrator Alexander P. Butterfield that, if Butterfield doesn't act to meet pilots' complaints, "I see as the only alternative, a flat refusal by the pilots to operate aircraft with such cargo aboard."

As to the timing of such an embargo, W. L. Bachelor, a Pan Am pilot active in ALPA, urged in an internal memo that, "should these chemicals finally be convicted as the source of the fire," the embargo would begin. Thus, any pilots' revolt would await a final determination by NTSB, a decision not expected for several weeks.

Spokesmen for the airline companies through the Airline Industrial Relations Conference emphasize the undeniable safety record of air travel, both by cargo flights and passengers. They point out that FAA inspectors are on hand at major airports to assure proper cargo handling. The cargo end of air carriers in the United States did \$1 billion worth of business last year, and an embargo against the many government-designated "restricted" cargoes would be damaging.

The second event which ALPA pilots like Echols are using in their public relations push for reforms is an incident in early April when passengers in two flights from Washington were exposed to radiation from improperly packed hospital radioactive medicine shipments. The Atomic Energy Commission told us that the dose was high enough to cause concern. If any of the passengers were pregnant, AEC scientists also estimated that nearly one million shipments of radioactive material are made by air each year.

While the pilots debate with the government and the industry, numbers of fliers, like Seaboard pilot Paul Jordan, have begun taking matters into their own hands. Jordan told us that of the 10 flights recently assigned to him he has refused to fly four times until loads he considered potentially hazardous were removed from his plane. "The last thing I turned down was a load of 30,000 pounds of butane lighters," Jordan said. "Can you imagine riding with that over the Atlantic?"

FIGHT AGAINST DRUG ABUSE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. EDWARDS of California. Mr. Speaker, Sunday, June 23, will mark the opening of the new detoxification and therapeutic community facility of Carnales Unidos Reformando Adictos at Camp Parks, Calif. The opening of this new facility is of the utmost importance in the fight against drug abuse in my congressional district, and specifically in terms of providing appropriate treatment for the Chicano population.

The success of CURA to date is primarily the result of the energy, insight, and determination of its executive director, Henry Collins, who helped establish the program in December 1971. Together with a fine and dedicated staff, Mr. Collins has fought many battles to provide treatment and rehabilitation for

a largely low-income and disadvantaged Chicano clientele.

The opening of this new facility signifies the end of CURA's long search to find a satisfactory detoxification facility and also marks the beginning of what I hope will be the country's best possible treatment and rehabilitation program for Chicano addicts.

I want to offer Mr. Collins and his dedicated staff my congratulations on their efforts so far and my heartfelt hopes and encouragement as they launch into this new important phase of their fight against the personal, social, and economic ravages of drug abuse in the Chicano community of southern Alameda County.

GENTLE PERSUASION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. SARASIN. Mr. Speaker, I believe most of us were shocked and distressed by the recent news that India had exploded a nuclear device, adding yet another source of atomic disaster and mocking our present efforts to reduce this type of threat to the world's future. The impact of this information was increased by the fact that it came only slightly before disclosure of plans to provide U.S. nuclear power technology to at least two more nations.

A very sensible and proper response to this Indian misadventure has been suggested in the form of legislation introduced by our esteemed colleague, Representative STANFORD E. PARRIS, in the House, and by Senator MARLOW COOK of Kentucky, in the other Chamber. This proposal to curtail our foreign aid to India if that nation chooses to pursue this nuclear folly would be appropriate not only in this case, but as an additional safeguard, in the form of a warning, to any other nation which might think of misusing nuclear material or information provided for peaceful purposes.

I would like to offer for inclusion in the RECORD an editorial from the Journal Messenger of Manassas, Va., which sums up very well the case for this sensible legislation, which I am personally planning to cosponsor and support. I believe all the Members will find this article of interest:

GENTLE PERSUASION

For many years foreign aid has played an important role in the diplomatic policies of the United States. It had been a useful tool in advancing our interests in many parts of the world and as such has gained a large measure of acceptance among the American people and their representatives in Congress.

In recent years, however, the matter of foreign aid has been getting much more careful scrutiny from the Congress. The amount and conditions of the grants have undergone considerable changes since the days of almost unlimited largess dispensed to a variety of foreign countries. The effects of this generosity were not always favorable to the United States in a changing world which did not grow to love us any more because of these handouts.

In some quarters the attaching of conditions to foreign aid was looked on as self-defeating in spite of the fact that many of the beneficiaries of this aid adopted policies inimicable to our best interests. Instead of gratitude, Americans received treatment ranging from hostility to outright hatred on many occasions. Our motives were viewed with suspicion by citizens and officials alike in many foreign nations.

Nevertheless, the United States has continued to provide this aid, particularly in cases in which such aid was needed to avert starvation and to aid in reconstruction in the wake of natural disasters. The compassionate nature of the American people has always come to the fore in aiding less fortunate peoples in coping with catastrophic situations.

In many instances, compassion has outweighed good judgment in the distribution of aid with no strings attached. That is why the companion bills introduced in the House and Senate by Virginia's Eighth District Congressman Stanford Farris and Kentucky's Senator Marlow Cook to put a brake on our aid to India are like a breath of fresh air. The condition is a most reasonable one in view of the constant threat to world peace engendered by the unchecked proliferation of nuclear weapons.

The bills are designed to provide the gentle persuasion necessary to induce India to sign the treaty on nonproliferation of nuclear weapons. While the aid provided to India is designed to assist that nation in feeding its undernourished population, its government's intransigence with regard to the nuclear treaty puts a different light on the whole matter. Persuasion of this nature is needed to improve the climate for world peace.

Farris summed up the problem succinctly when he said, "If they want to starve their people while they become a nuclear power, that is their business. But I certainly do not believe they should expect the American taxpayer to subsidize that kind of foolishness." We need more of this kind of approach to the problem of foreign aid to countries which are glad to accept our substance at the same time that they spit in our collective face.

The Congress of the United States would do well to scrutinize all foreign aid in the way that the sponsors of this legislation have. By passing this legislation, the House and Senate will be striking a blow for peace and putting the world on notice that recipients of these handouts must be worthy of them.

The granting of blank checks in foreign aid must be made a thing of the past. The Farris-Cook bills will do just that in the case of India. We strongly support their passage.

**STATEMENT IN THE KNESSET BY
DEFENSE MINISTER SHIMON
PERES, JUNE 12, 1974 ON THE
TREATMENT OF ISRAELI PRISONERS
OF WAR IN SYRIA**

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. DRINAN. Mr. Speaker, last March 7 I submitted testimony to the Subcommittee on International Organizations and Movements of the House of Representatives Committee on Foreign Affairs on the subject of Israeli prisoners of war in Syria. At that time I indicated my concern over the treatment of the Israeli prisoners in Syria. I noted that:

The Syrians have proven themselves impervious to humanitarian considerations and deaf to the appeals advanced by a procession of international representatives.

The Syrian record of the past 25 years stands as a sorry reminder of their disregard of the Geneva Conventions of 1949.

Many of our worst fears were realized on the bittersweet occasion of the return of Israeli POW's 2 weeks ago. I commend to my colleagues the report on these prisoners made to the Israeli Knesset by Defense Minister Shimon Peres on June 12, 1974. This statement follows:

STATEMENT IN THE KNESSET BY DEFENSE MINISTER SHIMON PERES, JUNE 12, 1974, CONCERNING TREATMENT OF ISRAELI PRISONERS OF WAR IN SYRIA

The Geneva Convention—to which the Syrian government is a signatory—defines in paragraphs 12, 13, 17 and 109 the treatment to be accorded to prisoners of war and the philosophy behind this treatment.

DETAINING POWER RESPONSIBLE

Para 12 of the Geneva Convention stipulates:

"Prisoners of war are in the hands of the enemy power but not of the individuals or military units who have captured them. Irrespective of individual responsibilities that may exist, the detaining power is responsible for the treatment given them."

HUMANE TREATMENT

Para 13 states:

"Prisoners of war must at all times be humanely treated. Any unlawful act or omission by the detaining power causing death or seriously endangering the health of a prisoner of war in its custody is prohibited and will be regarded as a serious breach of the present Convention."

NO COERCION

Para 17 states:

"No physical or mental torture nor any other form of coercion may be inflicted on prisoners of war to secure from them information of any kind whatever."

RETURN OF WOUNDED

Para 109 states:

"Parties to the conflict are bound to send back to their own country, regardless of number or rank, seriously sick prisoners of war, after having cared for them until they are fit to travel."

SUBHUMAN SYRIAN BEHAVIOR

Syria has not only grossly violated the stipulations of this Convention—she has acted in a way that is beneath any human standards in peace of war.

In a number of cases, Syrian soldiers fired at point blank range at our pilots while they were bailing out and at unarmed soldiers who had stopped fighting.

For over four months, the Syrian authorities refused to name the prisoners or even state their number. Only on 27 February 1974 did the Syrian government hand over the list to the U.S. Secretary of State, Dr. Henry Kissinger, and on 1 March Red Cross representatives were permitted for the first time to visit the prisoners. Prisoners' letters reached their families only at the end of March, and their families' letters were handed over only at the beginning of May 1974.

CROWDED CONDITIONS

According to objective testimony received by us, the prisoners were held in prison under severely overcrowded conditions: Thirty were held in one small, narrow cell with only 21 mattresses on the floor. They were kept without adequate ventilation, and without the provision of minimal sanitary facilities. The food they received was poor, which ap-

plies even to some of the wounded prisoners, who were held together with their healthy comrades. Medical treatment was bad and irregular. They were given no reading matter or religious texts.

TORTURE

An especially grave matter is the interrogation of prisoners. The Syrians did not scruple to use every kind of pressure: Electric shocks applied also to sensitive regions of the body, extraction of nails (in one case they drilled a hole in a nail, which was then extracted with an iron hook), blows on various parts of the body, beating and whipping, torture by blows on open wounds. At this stage we already know of at least five soldiers who were maimed as a result of these excesses following their capture. Two prisoners apparently died after torture.

The Chief media officer of the IDF has transmitted to us his preliminary report (in order not to burden the prisoners more than necessary, their examination is being carried out in phases), which states:

"The overall picture obtained is that the vast majority of prisoners were exposed during their imprisonment to severe physical and mental torture. The usual methods of torture were beatings aimed at various parts of the body, electric shocks, wounds deliberately inflicted on the ears, burns on the legs, suspension in painful positions, and other methods."

As a result of these tortures, a number of the returning soldiers suffer from injuries in various parts of their bodies, including marks of beatings on the soles, the teeth, the head and the ears.

POOR MEDICAL TREATMENT

The Chief medical officer notes that "treatment at Syrian hospitals was minimal, and only a few of the prisoners requiring hospital treatment received it. Those who were fortunate enough to be hospitalized were discharged after the briefest period before having recovered—despite the fact that by all medical standards they should have been kept in hospitals to receive the treatment required. The premature discharge of the wounded from hospital and their incarceration in jails lacking suitable facilities, where they were left without any medical treatment, has undoubtedly aggravated their condition."

SYRIAN BEHAVIOR NOT NEW

It must be noted, therefore, that this cruelty was inflicted by all ranks—from soldiers and jailers who fired at unarmed prisoners, through the ranks responsible for the terrible tortures, up to the leaders of the regime, who refused to accede to the accepted requirements of the provision of details to the families. All of them, together, have violated the law by the most inhuman behavior.

These acts were perpetrated by the Syrians—there is no proof that representatives of any foreign power took any active part in such interrogations—and they are not without precedent. In the past too, our POWs suffered a similar fate. At the end of 1973, the Government of Israel drew the attention of the International Red Cross organization to grave violations of the Third Convention by the Government of Syria, and informed the organization of the fact that after IDF Forces had entered the area of the Golan Heights previously held by the Syrians, cases were discovered of atrocious murders of our men who were captured, including prisoners taken in Nafah and in the Hermon outpost.

CIVILIZED WORLD MUST TAKE NOTE

These four crimes of Damascus cannot be overlooked by the civilized world, or indeed by anyone imbued with the spirit of humanity. Those responsible must be brought to trial. Such cases must not be allowed to recur. The Red Cross must be enabled to carry out its duties in accordance with the

international Convention. The Government of Israel, which has always taken, and will continue to take, the greatest care to treat POWs in accordance with the Geneva Convention and the obvious requirements of the humanitarian approach, will complete the full investigation of these acts of cruelty and the maltreatment of our prisoners, and will publish its findings fully and faithfully.

The attempts of the Syrian authorities to trump up entirely unfounded charges concerning the treatment of the Syrian POWs in Israel will not weaken by an iota the power of the truth or mitigate the appalling cruelty of the Syrian authorities.

OUR SONS RETURN, THEIR SPIRITS UNBROKEN

Sixty-eight Israeli citizens, our sons—officers and soldiers, men of the air and land forces—who set out to defend their country after the surprise attack by the Syrian army on Yom Kippur, have returned home, to their families, to their country. Despite all they have suffered, their spirit has not been broken. On the contrary, when we listened to their stories or saw them on television, we suddenly discovered new depths to the human spirit, a capacity to endure, a descriptive power, a touching candour, shown by men who knew how to fight and knew how to withstand loneliness, torture and sickness.

We saw them on their return, and found them richer in feeling, knowledge and understanding, and when we discovered their wealth, we, too, were enriched. For their fathers and mothers, it is as if their sons had been reborn. For the wives, a new light of family life has been restored. For the children, father has come home, and for the people, our sons have returned after fighting twice—once in the field of battle, with weapons, and once, in the dark prisons, armed only with the power of the spirit.

Their capture, their imprisonment and their return have renewed our feelings of being a united people, a people which can unite in times of hardship and anxiety.

Some of the former prisoners are here now in the Knesset building, which contains the organized expression of a free people. Upon their release the whole house, I am confident, extends to them a sincere and heartfelt welcome home.

We greet the men who, even in the hour of stress, displayed such courage, endurance and faith.

CONGRESSMAN WALDIE INTRODUCES COPYRIGHT REVISION BILL

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. WALDIE. Mr. Speaker, today I am introducing legislation providing for a general revision of the copyright law, title 17 of the United States Code.

This bill is basically similar to that introduced earlier in both the House of Representatives and the Senate.

The lone difference in the bill, Mr. Speaker, is that my legislation does not include a section pertaining to the rebroadcast of professional sporting events.

Under previously introduced bills, there would be an effective blackout of such sports events imposed on cable television outlets.

I believe this blackout would be an unfair restraint on the cable television industry and a disservice to cable television subscribers.

Mr. Speaker, the general copyright re-

vision is badly needed and I am most hopeful the Congress can consider this legislation in the very near future.

Especially acute is the need to revise the copyright provisions relating to the recording industry. I have already introduced legislation (H.R. 13681) directly aimed at the need to stop the piracy of recordings.

This revision is needed immediately to stem the multimillion dollar recording piracy industry. Hearings have been held and I am confident that this legislation will be signed into law this year.

PEYSER SAYS "NUTS" TO PEANUTS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. PEYSER. Mr. Speaker, I submit the following for the information of my colleagues:

TIME TO STOP SHELLING OUT CONGRESS OF THE UNITED STATES,

Washington, D.C., June 19, 1974.

DEAR COLLEAGUE: 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 1955-1973. 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% 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%.

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 in the same person.

According to USDA figures, the peanut program will cost the taxpayers \$1,188,000,000 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.

Sincerely,

PAUL FINDLEY,
PETER A. PEYSER,
GLENN ANDERSON,
Members of Congress.

NATIONAL CONSUMERS CONGRESS,
June 20, 1974.

Congressman PETER A. PEYSER,
Committee on Agriculture,
Washington, D.C.

DEAR CONGRESSMAN PEYSER: The National Consumers Congress would like to commend you for your proposed amendment to end the highly inflationary subsidy payments currently being made to the peanut industry.

For far too long the subsidy support program under the Agriculture Appropriations Act of 1938 has been an outdated burden forced upon the American consumer. It has provided us with little more than a protectionist policy geared to insulate the peanut industry from price competition in an open market.

In a recent study done by the Government Accounting Office, it was estimated that if this program is allowed to continue for the four year span from 1973 to 1977, it would cost consumers in excess of one half billion dollars. When we examine the price situation, we find that the United States supported price is \$3.28 per ton which is almost double the world price.

The time is long overdue for the government to begin developing economic policies which benefit both the consumer and the farmer rather than agricultural policies which protect the farmer at the expense of the consumer.

Again, we thank you for your efforts on behalf of the consumer.

Sincerely,

AILEEN GORMAN,
Executive Director.

CONSUMERS LEAGUE,

Washington, D.C., June 18, 1974.

DEAR CONGRESSMAN: The National Consumers League, the nation's oldest consumer organization, urges you to eliminate the present structure and subsidy of our country's peanut production.

Peanut production has been locked into a rigid system which allocates a certain minimum number of acres for growing peanuts, despite consumer demand or growing conditions or technological changes. Then, when the acreage produced more peanuts than consumers wanted to buy, the government, in the form of the Commodity Credit Corporation (CCC), had to step in, to buy up the surplus. According to a GAO report, the CCC sold those surpluses time and again at a loss, totaling \$279 million for the years 1967 through 1971.

If the same acreage-allotment-with-subsidy arrangement continues, the cost to the CCC, and thus to the taxpayer, will come to \$537 million for the period 1973 to 1977.

Yet these are changing times for agriculture. First of all, technology has permitted peanut production per acre to jump. About 70 more pounds of peanuts per acre can now be grown than in 1955. Second, other rigid systems of allotted acreage have been eliminated. It is time to eliminate the peanut system.

The consumer's interest lies in a free, competitive marketplace. We urge that the government end its involvement in peanut production, and allow farmers to plant exactly that quantity of peanuts which will respond to consumer demand. Thus both consumer and farmer will prosper, and the U.S. Treasury will no longer be supporting an outdated, expensive mechanism.

We appreciate your support on this issue. Sincerely,

ALICE SHABECOFF,
Executive Director.

PUBLIC INTEREST ECONOMICS CENTER
Washington, D.C., June 20, 1974.

The peanut price support program cost taxpayers \$273 million in the years 1967 to 1971. The GAO predicts that for the years 1973 to 1977, losses will average more than \$100 million annually and one-half billion for the entire four years.

The program forces up the price of peanuts and peanut products to consumers and taxes consumers in order to do so. USDA figures show that even if the price of peanuts were reduced by a third, peanut growers would still be making a profit.

Consequently, these economists urge that the Amendment to the Agriculture Appropriations Bill be supported.

Dr. James Barth, Department of Economics, George Washington University;

Dr. Allen R. Ferguson, President, Public Interest Economics Center;

Ms. Sarah Ginzburg, retired, Washington, D.C.;

Dr. Robert Goldfarb, Department of Economics, George Washington University;

Dr. Talbot Page, Resources for the Future;

Dr. Ransford Palmer, Chairman, Department of Economics, Howard University;

Ms. Louise Sissman, economic consultant, Washington, D.C.; and

Dr. Anthony Yezer, Department of Economics, George Washington University.

NOTE.—Affiliations are shown for identification purposes only.

DRIFTING BACK INTO WAR IN VIETNAM

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. FORD. Mr. Speaker, a few days ago, Linda Hunt, a recent graduate from Garden City High School in the 15th Congressional District of Michigan, which I have the honor to represent, has sent me her senior research project on our continuing involvement in Vietnam.

I feel this issue is of great importance because our current involvement clearly points out the potential for drifting back into war in Vietnam.

A year-and-a-half has passed since the signing of the Paris Peace Agreement to end the fighting in Vietnam. All American troops withdrew from Vietnam as a result of this agreement, but there remains a continuing American military presence in Indochina.

In South Vietnam alone there are 1,200 defense attachés, some 400 CIA operatives, about 800 AID and Embassy employees and 3500 employees of defense contractors. Despite the specific wording in articles 4 and 5 of the cease-fire agreement, the United States continues to maintain a high level of substantial support, dispatching huge quantities of weapons and ammunition, as well as the personnel mentioned above who have become integral parts of the South Vietnamese supply, transport and intelligence systems.

Mr. Speaker, at this time I would like to insert in the RECORD a copy of Linda Hunt's research paper and share with you and the other Members of Congress her views on our involvement in Vietnam.

WHITE PAPER INTRODUCTION

As we all know the soldiers are home from Vietnam and we no longer are involved. But is that really the story? In my opinion, it's not.

The citizens of the United States are led to believe that we no longer have investments in Vietnam. I took a survey of ten people and asked them if they thought we were still involved in Vietnam. Six of the ten people didn't think we were involved at all. The other four thought we were involved a little bit.

I would like to inform those six people that we do have investments and that we are still involved.

The United States is not out of Vietnam.

We are still spending money and manpower which should be spent on our own domestic problems. We've done them more harm than good interfering in their civil war.

"There has been no peace and there has been no honor. The war still goes on and our government is still backing one side in it," says the *Boston Globe*. The fact is that there is neither peace for the Vietnamese nor honor for the United States.

The war is at this moment intensifying. In the course of the twelve months after the signing of the Paris Accords in January 1973, the number of casualties, dead and wounded, continued at about the same figure as during the previous year of fighting.

Kissinger accepted the Nobel Prize as recognition to "a lasting peace." Chief North Vietnamese diplomat Le Duc Tho displayed considerable realism in rejecting the award on the grounds that "peace has not been really restored" in Vietnam. Bolstered by extravagant amounts of U.S. weaponry, South Vietnamese President Nguyen Van Thieu has stubbornly resisted a settlement of the kind envisaged in the Paris agreement and the Communists their hopes of making gains by political means frustrated, have gradually resumed military action. As a consequence, the conflict that was never ended by the cease-fire accord signed last January now appears to be spreading.

Vietnam has economic problems which we are aiding.

As of late April, when we left Vietnam, an active effort was underway in Washington to find new ways to put more dollars into the Vietnamese economy.

It would appear that if the Vietnamese economy is to be supported at its present level and if politically unpopular internal economic measures are to be avoided, gross U.S. economic assistance to Vietnam in fiscal year 1974 will have to be increased substantially beyond the fiscal year 1973 level of \$649.3 million—probably to around \$800 million. We are spending too much money in Vietnam. It should be spent on our economy.

It is our taxes which continue to maintain this military state whose interest in ending the war and binding up the wounds is not apparent. The Vietnamese have said again and again that we are responsible for maintaining in power the oppressive military dictatorship of the Thieu regime and providing the military hardware which enables the war to continue.

One of Thieu's main objectives in delaying the cease-fire draft agreement in October 1972 was to gain the time in which to acquire weapons & the United States obliged him with a crash program of supplies valued at nearly a billion dollars.

In October 1973 President Nixon was seeking \$200 million dollars in aid for Cambodia in addition to more than a billion dollars to keep the Saigon government army operative.

A steady flow of arms & ammunition, gasoline & other military supplies continues to arrive in Vietnam. Under terms of the cease-fire, the United States is permitted to replace weapons & ammunition used up in fighting. And there has been plenty of show that the United States has supplied South Vietnam with \$284.7 million dollars worth of weapons & ammunition since the cease-fire. About three-fourths the amount supplied during 1972, a year of extremely heavy fighting.

Despite efforts by Congressmen & journalists to determine what other equipment is being sent to Vietnam, neither the Defense nor State Departments has been forthcoming, though such information is supposed to be public. Along with this secrecy there are hints of abuses. South Vietnam troops reportedly sell their weapons to the Cambodian army & put in claims for new ones, & an official U.S. audit last spring

discovered that Saigon had trumped up a request for nine tanks.

As early as the fall of 1972, when Henry Kissinger visited him in Saigon, Thieu turned down a cease-fire. He was brought around only by the delivery of massive quantities of U.S. equipment, including tanks & aircraft.

Explaining why it is necessary to have Special Assistant to the Ambassador for Field Operations (SAAFO), the officials concerned say that it is important for psychological reasons to maintain a U.S. presence in the field because of the shock that would result, now that military personnel have withdrawn, if all civilians were also to leave.

A subcommittee on U.S. Security Agreements & Commitments Abroad of the Committee on Foreign Relations United States Senate was briefed by the Defense Attaché Office in Saigon. They were told that contractor personnel then on duty numbered 4,917 (and thus were not "about 4,000" as anticipated), & they were shown a slide which indicated that the numbers expected to be in Vietnam after January 1, 1974 was 2,136 (rather than "less than 2,000," as indicated in the March 20 paper) & that the number remaining after July 1, 1974 would be 1,099 (while the March 20 paper had said that it would have dropped to "approximately 500" very soon after January 1, 1974. They were also told in another briefing on April 13, 1973 that the number of Air Force contractors would be 2,644 after July 1, 1973 and 1,703 after January 1, 1974.

Three days later they were informed that these figures had been revised upward as follows: 2,800 remaining after July 1, 1973 and 1,926 after January 1974. The explanation given for the adjustment in the withdrawal schedule was that fighting had continued at a higher than anticipated level, thus necessitating a higher level of support activity, and that, in the case of Air Force contractors, Vietnamese Air Force personnel "have been diverted because of operating requirements."

As long as the United States continues large-scale military aid to Saigon, needing the war is not a Vietnamese decision. At least eight thousand U.S. advisors accompany Saigon troops and, according to Viet Cong charges, direct them in combat. Our planes fly reconnaissance missions over the North—tempting targets for Viet Cong fire. We give Thieu over one billion dollars a year in military aid, with an additional \$600 million dollars marked for next year.

CONCLUSION

What you have just read told you that we are still involved in Vietnam money wise and manpower wise.

Peace has been achieved to some degree but there is plenty more to be done.

Vietnam does have economic problems which we are aiding, but we also have problems that should be taken care of first.

The United States is spending too much money and it should be cut down considerably.

The men still remaining should also be cut down. We won't be uninvolved until everyone is back and we aren't sending any money over there.

We didn't have anyone fighting in our civil war why are we involved in theirs.

"It is now time for all American people to accept the guilt for our destruction of Vietnam and make amends for the tragedy we have wrought, by seeing that our government withdraws from this foolish and impossible effort to wring out of the tragedy some self-satisfaction." That was quoted from George W. Webber. I feel that it has a lot to say.

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CHILEAN MARXISM TRANPOSED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. ASHBROOK. Mr. Speaker, Judith Hydes, a serious student of Chilean affairs, has written to inform me concerning a very disturbing situation developing in this country. She writes that Marxist professors from Chile are teaching their ideology to American students at our universities, and that influential Americans are assisting these Chileans by urging the U.S. Government to provide asylum for these so-called "political refugees" who are equated with genuine escapes from Hungary and Cuba.¹

Somehow I had been under the impression that the Statue of Liberty and American tradition was a beacon of welcome and freedom for the oppressed—not the oppressor.

Mrs. Hydes' letter follows:

ALEXANDRIA, VA.,
April 5, 1974.

HON. JOHN M. ASHBROOK,
House of Representatives,
Washington, D.C.

DEAR MR. ASHBROOK: It is with great concern that I write to you regarding the pursuit of some members of the House and Senate bent on passing legislation which would permit thousands of Chilean Marxist refugees to enter the United States. Already we find Marxist/Communist professors from Chile being given asylum and positions in American colleges to teach so-called "Latin American Affairs" to our young and impressionable students. To date, more than a dozen such professors are indoctrinating our students with their ideology and now, some congressmen are urging that many hundreds of students with the same Marxist ideology be admitted.

As Chairman of the Subcommittee to Investigate Problems Connected with Refugees and Escapees, Friday, September 28, 1973, Senator Edward Kennedy in his "Recommendations for Action", No. 3, in his opening address before the Hearing on Refugees and Humanitarian Problems in Chile stated: "As we do for refugees from other areas, our government should be prepared to provide asylum and resettlement opportunities to a reasonable number of political refugees from Chile, under parole provisions of the Immigration and Nationality Act. We have done this time and again. I think we did it admirably with the Hungarian refugees when Eisenhower was President. We

have done this with some of the Cuban refugees and there is no reason why we can not do it at the present time in regard to the political refugees from Chile."

I take strong exception to the fact that the Marxists fleeing from Chile should be equated with those Hungarian and Cuban refugees who fled from the communists in their countries. The question arises: "From whom were these desperate people fleeing?" We all know the true answer. Admittedly, a military government is now leading Chile back to normalcy, but having suffered from communist infiltration, could the badly fractured political parties have done a better job? The answer is no. Chile is now working toward reconstruction and liberty for her citizens in a democratically motivated nation and there is no room for communists, thus, they are feeling the country.

Therefore, the question must be asked: "On what guidelines do we base our open door to refugees?" On NBC's MEET THE PRESS on Sunday, October 31, 1971 the late President Salvador Allende of Chile, in answering a question given by Mr. Peter Lisagor of the Chicago Daily News, stated: "... when you say this government is Marxist, I do not deny it, sir, I am a Marxist..." Is the United States then to become a haven for pro-Allende Marxist revolutionaries because some politicians are unable to differentiate between political ideologies or has this particular Subcommittee been misinformed of the truth about Chile? These Marxist refugees from Chile have nothing whatever to do with the Hungarian, Czechoslovakian, Rumanian, Latvian, Estonian, Lithuanian, Polish, Cuban, Chinese and other South East Asian political refugees now enjoying freedom in the United States.

In this inaccurate equation a great insult has been done to all refugees having fled the communist dominated countries known now as the "Captive Nations". An even greater injustice is being done to Chile while endeavoring to regain her freedom and equilibrium after an attempted communist takeover. The greatest injustice of all is being done to the United States in encouraging the importation of Marxist revolutionaries from Chile, who are then placed in positions of influencing our students. Unless the Congress has the courage to recognize the differences in the analogy made, we are destined to have even more subversion in our nation bent on fragmentizing the Constitution and the Bill of Rights to the point of jeopardizing our security. The question could be fairly asked: "If Fidel Castro were overthrown, would YOU vote in favor of giving him and his comrades refuge in the United States?"

Maybe more than some, the naturalized Americans who have experienced the terrors of living with communism and are ever aware of their new found freedom will say to you, thank you, for any support you can give in making the truth of this situation abundantly clear to both your colleagues and the public.

Most sincerely,

JUDITH M. HYDES,
A naturalized American.

According to testimony given on November 15, 1973 by Mr. Rafael Otero, a former member of the Chamber of Deputies of Chile, to the House Internal Security Committee, the Communist Party of Chile had heavily infiltrated Chilean universities which thereby became "communist bastions" because of the activities of certain pro-Allende professors who were surreptitiously aided by support from the Communist Party.

Allende of course was merely following in the footsteps of his mentor, Fidel Castro whose sister, Juanita Castro had testified on June 11, 1965 before the House Internal Security Committee's predecessor, the Committee on Un-

American Activities, on the Communist takeover of the Cuban educational system.

In pre-Castro Cuba, many schools had been conducted by religious denominations, both Catholic and Protestant. All were taken over by the Communists. In the Communist indoctrination of Cuban youth, new textbooks were substituted for the older ones beginning immediately after Castro's rise to power.

"Every single word in their textbooks was purely Marxism-Leninism," Miss Castro related, and the one thing which the student "could not do was to believe in God."

As a Marxist, could Allende do differently? He was hide-bound to follow his precepts as are the Chilean professors who now teach or seek haven here in their search for young, impressionable, idealistic American minds to confuse and finally corrupt.

ONE BILLION DOLLARS FOR SECOND-RATE PARCEL POST

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. WRIGHT. Mr. Speaker, under leave to extend my remarks, I include at this point the fourth in a series of investigative articles which began June 9 in the Washington Post. The report deals with exorbitant spending by the Postal Service on a parcel sorting system that is proving to be inefficient.

While the U.S. Postal Service promises that a new \$1 billion parcel sorting system will vastly improve service, latest findings indicate that the so-called improvements will lead only to the perpetuation of second-rate service.

Presently the new Postal Service is delivering parcels at Pony Express speed. The current damage rate for fragile packages borders on 50 percent. Contrary to the promises made by former Postmaster General, Winton Blount, the General Accounting Office finds that the new \$1 billion network is leading to slower service than the Agency's major competitor. In some cases the new system will be moving mail at a lower rate of speed than does the present system.

These facts underline the inadequacies of the U.S. Postal Service and again bring to our attention the need to abolish the present agency and return it to the status of a fully public Department of Government.

The article follows:

ONE BILLION DOLLARS FOR SECOND-RATE PARCEL POST

(By Ronald Kessler)

The new U.S. Postal Service is spending \$1 billion to build parcel sorting facilities that promise slower and more damage-prone service than the agency's parcel post competitor, United Parcel Service.

The network of new facilities, called the bulk mail system, are under construction and are expected to be finished in 1975. One of the buildings is now in operation in Jersey City, N.J., and the parcel sorting center for the Washington area is expected to be completed in Largo, Md., in September.

The Postal Service has promised that the

¹Hearing, Subcommittee to Investigate Problems Connected With Refugees and Escapees, Committee on the Judiciary, U.S. Senate, Sept. 28, 1973, p. 2.

new facilities will give the public "vastly improved service" by reducing parcel damage and speeding deliveries.

Presently, although the Postal Service does not disclose the fact to persons mailing packages, the average parcel mailed from Washington to Los Angeles takes more than eight days to be delivered, according to internal reports for the latest fiscal quarter for which figures are available. This is longer than the Pony Express trip from Missouri to California in 1861.

The Postal Service also does not tell the public that the chances of a package arriving at its destination unscathed are less than reassuring. Internal reports show that, in a Postal Service test, about half the fragile items mailed by parcel post arrived broken.

The reason for the breakages is not hard to find. Although the new Postal Service told the press in 1972 it is "no longer throwing packages," visits to post offices from Boston to Cincinnati and from Miami to Los Angeles reveal it is rare when a package is not thrown.

Since sorting bins are placed 5 to 25 feet from clerks who sort the parcels, the alternative to throwing a package is a long walk to sort each one.

In the Chicago post office, clerks throw packages under a sign warning, "The parcel you toss may be your last." Clerks in the New York general post office are told, "Parcels must not be thrown more than five feet."

Although another sign warns that packages marked "fragile" are not to be thrown, these parcels were observed to be treated like any other.

"A private company that did that wouldn't last in business or would be investigated for consumer fraud," said John D. Swygert, executive assistant to the deputy postmaster general until 1969 and a consultant to large mailers.

If the shortcomings of the Postal Service's parcel post are obvious, so are the advantages of the private United Parcel Service (UPS).

Although the Postal Service publicly denies it, the government agency's internal reports show that one important reason for building the \$1 billion bulk mail system was to attempt to stop an accelerating loss of business to UPS.

UPS, a private company started in 1907 as a messenger firm and owned largely by its managers, now handles about twice as many parcels as the public Postal Service. Seven years ago, the situation was reversed.

Internal Postal Service studies list the reasons for this success. UPS service is faster and more reliable than parcel post; its rates are generally cheaper; and its damage rate is one-fifth that of the Postal Service.

In addition, the studies say, UPS offers services the Postal Service does not: it gives free insurance on every parcel up to \$100, it keeps a record on each parcel, and it picks up from homes and offices for an extra \$2 fee.

While the Postal Service makes one attempt to deliver, the reports say, UPS makes three.

The Postal Service at times has publicly attributed UPS' success to what it calls "cream skimming" of the most profitable business. Unlike UPS, the public agency said, it must deliver every package of crumbling cookies and fruit cakes to every point in the nation, no matter how out-of-the-way.

There is some truth to this. The less profitable parcel business generated by households accounts for one-quarter of the Postal Service's volume, compared with less than 5 per cent of UPS'.

On the other hand, the majority of both entities' business comes from large, commercial mailers, and the Postal Service has never presented evidence to contradict UPS' claim that it picks up and delivers anywhere in the 43 states it is authorized by the Interstate Commerce Commission to serve.

"For the many reasons, disclosed on this record," John B. Drury, ICC administrative law judge, ruled last year on a UPS application to expand its jurisdiction, "it is abundantly clear that UPS is providing the American people with a broad service, designed to meet the public need, that is far superior to that of the (Postal Service's) parcel post or of any other carrier herein of record at a comparable, and oftentimes lower, cost."

Despite UPS' lower rates, it made an after-tax profit in 1972 of \$77 million, or about 7 per cent of its \$1 billion revenue. In about the same year, the Postal Service, which does not pay taxes, had a loss on its fourth class, largely parcel post, business of nearly \$300 million, as calculated by the U.S. Postal Rate Commission's staff assigned to represent the public.

The Postal Service proposed in 1969 to change all this. To carry out the mechanization recommendations of the Kappel Commission, Winton M. Blount, President Nixon's appointee as postmaster general, said the Postal Service would build separate, modern systems for handling letter and bulk mail.

Processing both types of mail under the same roof, he said, was like "trying to manufacture tractors and sports cars on the same assembly line."

Blount said the bulk mail network would handle second-class newspapers and magazines that do not require speedy delivery, third-class mail, and fourth-class parcel post.

They would use modern sorting machinery designed to keep damage to a minimum. They would be located outside congested areas and near major transportation lines. To reduce handling and speed the mail, they would consolidate sorting now done in more than 500 post offices into 33 centers, including 12 auxiliary stations.

Five years later, the bulk mail system is being built under the direction of Blount's successor, Elmer T. Klassen. Despite Blount's original claims, the GAO has found the \$1 billion network promises to give slower service than UPS and, in some instances, than the existing parcel post system.

While the Postal Service has claimed the new system would save money when compared with the existing system, the GAO has found the agency has no evidence to support its contention.

While UPS has designed its facilities to keep damage to a minimum by eliminating any free-fall drops of parcels, the Postal Service has designed its new buildings with drops of at least a foot.

When they designed the new bulk mail system, postal officials had before them the successful UPS facilities as models, but there is little resemblance between the two systems.

While the new bulk mail system will handle a large portion of parcels in canvas sacks, UPS uses no sacks.

"One of the problems with a canvas sack," said a UPS spokesman, "is that corrugated boxes are designed to withstand pressure if they're on their bases; in a sack, packages may or may not be sitting on their bases."

To empty parcels from the sacks, the bulk mail system uses a machine that tips them upside down and allows parcels to fall on a flat conveyor with impact-absorbing cones. Parcels near the lip of the sacks drop a foot. Those near the tops of the sacks drop as much as four feet.

A Postal Service analyst who helped design the system said, "There are an awful lot of ways to handle parcels besides dropping them from sacks. It's madness."

Employees in the Jersey City facility, which sorts parcels for the New York metropolitan area, said some parcels get caught in the folds of the sacks and later drop seven feet to the floor. They say other parcels are crushed in the sorting machinery or burst

open when bounced against other parcels by high-speed sorting equipment.

"Parcels are breaking open like crazy," said an operator of one of the machines. Others say glassware, clothing, and books often spew on the floor, and extra workers have been assigned to rewrap damaged packages.

Repeat requests to tour the \$130 million Jersey City facility were turned down by the Postal Service on the grounds the employees were too busy to give tours and the plant is not fully operational.

George R. Cavell, manager of the facility, did not return a reporter's telephone calls. Cavell selected the company that made the sorting equipment after he had been paid as a consultant to the company. He also determined that no other companies should be allowed to bid on the \$8.4 million contract.

Cavell's secretary referred calls to Julie B. McCarthy, a headquarters employee, who said that although she had not seen the equipment sort parcels, the damage rate in the plant "has not been a problem which has occurred in any general sense."

She said parcels that drop four feet from sack-shaker machines are cushioned because they slide out on top of other packages. She said the other machines are still being tested and improved.

In an interview, E. S. Brower, assistant postmaster general for bulk mail, acknowledged he did not know what the maximum drop in a UPS facility is.

When told it was zero, Brower, who claimed in 1972 that the Postal Service no longer throws packages, said he did not think the one-foot, designed-in drop in the new bulk mail facilities is unreasonable.

Brower said many parcels that do not arrive in sacks will drop only nine inches. He said tests have shown the equipment does not significantly damage parcels. He would not make available copies of the study, however.

Brower said the new system will offer service "as good or better than UPS." However, the GAO has found the new system promises slower service than UPS.

For example, UPS promises to deliver packages locally in one day, compared with two days promised by the bulk mail system. (The Postal Service recently amended its standard to call for one-day delivery of 76 per cent of local parcels.)

From Washington to New York, UPS promises two-day delivery, while the bulk mail network promises to make the trip in three days.

The Postal Service found in a 1971 test that UPS does not always adhere to its standards. Parcels that were supposed to be delivered to one area in three days took an average of 3.3 days, the test determined.

The bulk standard for the same distance is four days.

Much of the slower service of the new bulk mail system will be caused by its consolidation of more than 500 sorting centers into 33, the GAO has reported.

To Americans brought up on the proposition that bigness means efficiency, the consolidation makes sense. But in service industries like the Postal Service, bigness often means delays and higher costs. The largest post offices in the country, for example, have productivity rates as much as 50 per cent lower than smaller post offices.

In the bulk mail system, packages will often be slowed because they will travel longer distances before being sorted at the consolidated centers, GAO says. A parcel mailed the 103 miles from Pensacola to Panama City, Fla., will travel 1,536 miles through New Orleans, Memphis, and Jacksonville, GAO has reported.

Brower called GAO's conclusion that the new system will in some instances offer slower delivery than the present system "not true." He said the degree of consolidation of the new sorting facilities is "really not different from UPS."

However, Charles W. L. Forman, executive vice president of UPS, said that UPS has three times more sorting centers to serve 43 states than the Postal Service will have for 48 states. In the New York metropolitan area, he said, UPS has five centers, compared with the Postal Service's one in Jersey City.

Large centers, Foreman said, have been found by UPS to reduce productivity and increase service time.

Although the Postal Service has told Congress the new bulk mail centers would use modern sorting equipment, Brower acknowledged the machines work on the same principle as those used in post offices in 1968. They route parcels to appropriate bins based on address information punched into keyboards by clerks who read labels on packages.

Brower said the new equipment would cut costs because they sort to more bins than the old machines, reducing the number of addition sortings needed.

The Postal Service did not attempt to develop new sorting devices because "we wanted to make sure it would work," Brower said. He indicated new machines might not work because they would be untried.

The GAO has found that much of the sorting equipment installed in Jersey City still does not work.

An internal agency memorandum by Robert E. Ruckman, a research analyst, says the equipment was designed on a rush basis. The official in charge of the project, Harold F. Faught, formerly a senior assistant postmaster general, was committed to starting construction of the system "too soon—before he could locate or design them (the buildings) with valid systems data," the memo says.

The number and location of sorting centers was determined by a computer based on "obsolescent" information, the memo said. Because of the "strange locations" chosen by the computer, the 12 auxiliary stations had to be added to fill in blank spaces on the map, the memo added.

Cavell, who was then in charge of the national bulk mail system, wanted the network designed in three months, "... other things, such as how the system would work, being add-on details later," the memo said.

Cavell, the memo said, decided to use "current processing hardware—no new development of machinery..." The memo quoted Cavell as suggesting the new buildings could be used for five to seven years, then "write it off and ask for new facilities..."

The system was designed, the memo said, by "the blind leading the blind."

Asked why a mailer would want to switch his business from UPS to the Postal Service after the facilities are built, Brower said, "The main advantage over UPS is that they (persons mailing packages) can mail (parcels) with their other mailings."

Like other postal officials, Brower disclaimed any intention of building the facilities to compete with UPS. In part, postal sources said, this position is a reaction to congressional criticism of the unseemingly appearance of spending \$1 billion in public funds to compete with a private business that is, by all accounts, doing a good job.

"Is there any reason," postal officials were asked in 1972 hearings by Rep. Robert N. C. Nix (D-Pa.), "for the public to be concerned about the fact that a private company has taken parcel business from the Postal Service? Is there any reason to spend \$1 billion on such an enterprise?"

Despite the claim that this was not its purpose, the Postal Service's internal reports devoted considerable space to charts depicting how the new system will stop the loss of business to UPS. Postal officials said that if the system does not do so, it will have no parcels to sort.

The system's capacity of 1.2 billion parcels is the combined volume of the Postal Service and UPS in 1971. Postal Service volume has since slid to 475 million parcels, or less

than half the capacity of the bulk mail network.

Brower said the new system will save money when compared with the present network even if parcel volume dropped further to 230 million packages. He declined to make available a copy of the study predicting the savings.

Brower said it had been reviewed by GAO, which "agreed" with it. However, GAO, it was learned, had told Brower that the study represented "speculation." Brower did not return subsequent telephone calls from a reporter.

A number of postal officials said the agency knew almost from the start that the new system might not justify its \$1 billion cost. The said Blount, and later Klassen, were intent on showing visible improvement in the form of bricks and mortar.

"It was a shell game," said Dr. James C. Armstrong, a former postal official who is director of corporate planning for American Telephone & Telegraph Co. "No one knew when it was going to blow up."

James E. Josendale, who was deputy assistant postmaster general for operations from 1969 to 1971 and is now chairman of Wire Rope Corp. of America, said, "If I did that in my company and didn't show where I'm going to receive the money (to justify the investment), they'd throw me out."

THE CONGRESSIONAL BUDGET REVIEW ACT

HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. BAFALIS. Mr. Speaker, since coming to the Congress I have been most distressed over the virtual lack of controls this body has over the appropriations of the taxpayers' dollars. This lack of control—whether willing or unwilling—has added daily to the increasing inflationary spiral now plaguing our economy. If this spiral is ever to be turned around, the action is going to have to take place here—in the Congress of the United States. Only when the Members of Congress are fully willing to assume the heavy responsibility of monitoring our Nation's budget will this situation ever get any better.

From the beginning, I had great hope for the Congressional Budget Control Act, H.R. 7130. As passed by the House last December, it contained strong provisions binding the Congress to an overall spending ceiling each year and requiring that all authorization legislation be passed before taking up appropriations. H.R. 7130 was a good, solid bill which had my full support.

Like other bills that mandate great changes here in the Congress, H.R. 7130 hit some rough spots. After being sent to conference in March it stayed idle without any action at all well into May. In order to express my strong desire to have immediate action taken on this vital measure, I sponsored a special order on budget reform and also introduced a resolution sponsored by 50 of our colleagues urging expeditious action on this vital legislation. Needless to say, I am gratified by the quick action of the conference committee.

Unfortunately, however, H.R. 7130 as reported from conference, is not without

its faults. Some of the House's strong language was dropped—particularly that which established safeguards to insure the Congress worked within the overall budget limitations set early in the year. With the language in the conference report, the effectiveness of this bill will depend a great deal on the desire of each Member of Congress to work within this new program. This is going to take a great deal of discipline but, unfortunately, it is now or never.

I have consistently supported legislation which will establish a basic framework to allow Congress to grasp control of the budgetary process and H.R. 7130 is a step in this direction and one which must be taken.

It provides us with the first opportunity in many years to operate under a total budget picture rather than the piecemeal approach that has been taken in years past—an approach that has led to nothing but increasing deficits in our budget and increasing interest on our national debt. With the mechanisms set up in H.R. 7130 coupled with the determination of the Members of Congress to work within them, we have the opportunity to turn this bleak picture around. Inflation is having a drastic effect on each and every family in America. Our constituents are distressed and angry and are now demanding action. In my mind, this type of action is long overdue and is vital to reestablish the responsiveness of the Congress to the needs of the people of this Nation.

THE POLITICS OF DIVERSION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. RANGEL. Mr. Speaker, during the Watergate coverup the transcripts released by the White House to the Judiciary Committee and the public revealed that there was an effort which was sustained at the highest echelons at the White House for a long period of time to hide the truth concerning the Watergate break-in and related matters from the American public.

We have seen in recent weeks a parallel effort being made by the White House to divert the attention of the American public away from the real issues involved in the committee's work to determine whether the President is guilty of impeachable offenses. We have seen a massive effort by the White House to discredit the committee through a distortion of facts to try to sell the American public on the notion that the committee which is trying to carry out its constitutional responsibilities in a deliberate measured nonpartisan way is attempting to exact partisan political retribution upon the President. That the lawfully issued subpoenas calling for evidence needed for the impeachment inquiry are excessive and a fishing expedition, and the statements made by committee members in accordance with their constitutional responsibility should disable them from sitting in judgment of the Presi-

dent's conduct. Now that it has been revealed that the Watergate grand jury has named the President as an unindicted coconspirator, the attacks have turned toward the grand jury.

A recent example of this type of attack appeared in the New York Times. Patrick Buchanan, a Nixon speechwriter and leading apologist for the President, set forth the notion that the Watergate grand jury had not considered the evidence presented by the Special Prosecutor but had instead acted out of a hatred for Nixon arising out of the fact that most of the grand jurors live in the District of Columbia and are black. This is such utter nonsense that it tempts one not to even dignify it with a response.

However, the Washington Post this past Sunday published an editorial in response to Mr. Buchanan's article which clearly points to the fact that although it is nonsense, Mr. Buchanan's argument is dangerous nonsense that should be discouraged.

I place the Washington Post editorial on the Buchanan article in the RECORD for the information of my colleagues:

[From the Washington Post, June 16, 1974]

MR. BUCHANAN AND THE WATERGATE GRAND JURY

Only a single member of that 23-member [Watergate] grand jury was a Republican. Seventeen of the 23 were black—members of a racial minority that voted, nationally, upwards of 10 to 1 against the President, a minority whose political leaders have repeatedly characterized Richard Nixon and his Administration as bigoted and racist.—From an article by White House Consultant Patrick J. Buchanan in The New York Times.

Well, so much for the Watergate grand jury. The resourceful Mr. Buchanan has now explained to those who care to listen how that particular group of men and women happened, toward the end of their second year of deliberations, to name Mr. Nixon as an unindicted co-conspirator in the Watergate cover-up. They were unrepresentative, you see, both by virtue of their being black and of their not being Republicans. If Mr. Nixon is ever impeached, we have not the smallest doubt that Mr. Buchanan will offer up the explanation that the House of Representatives is not representative—they are, after all, mostly not Republicans and some of them are even, well, black, and never mind that somebody or other out there among the electorate voted to send them to Congress.

True, no one voted to send the Watergate grand jurors to the grand jury. That long-suffering and much put-upon group of citizens trying to do their duty was summoned to serve in the first instance—courtesy of a computer—by the U.S. District Court and then assigned its tasks by an official of the U.S. Justice Department. The Justice Department, you will remember, was then under the guidance of a white Republican who has since become the first Attorney General in our history to be convicted of a criminal charge. (It should be noted, nonetheless, that statistically both he and his predecessor, another white Republican currently awaiting trial on criminal charges himself, would have much more nearly approximated Mr. Buchanan's apparent criteria for fair service on the Watergate grand jury.) The reason the grand jurors to whom Mr. Buchanan objects have been in business so long is that the subject before them was reopened when it was discovered that they had, the first time around, been systematically lied to under oath by the President's associates and otherwise been made the object of deceit in a conspiracy emanating from the White House. It is not recorded that when, having fallen for the lies, they orig-

inally indicted only a handful of lower-down aides in the fall of 1972, Mr. Buchanan saw fit to introduce questions about their color and their politics.

Mr. Buchanan, of course, is a white Republican. So is John Dean. So is Judge Sirica. So is H. R. Haldeman. And so is Lowell Weicker. The point is so elementary that one is astounded to have to make it: people are more than the sum of their statistics; they are individual and willful and different; and they tend to be motivated by a desire to act responsibly and to do right. As anyone who has contemplated the White House transcripts will know, it is this last little wrinkle that Mr. Nixon and some of his closest aides seem to have had the most trouble understanding. Those transcribed conversations show that they were at once baffled by and contemptuous of those of their associates and employees who decided to play straight with the investigators. Were they closet Democrats? Were they going for some hero's role? What could be motivating such people who were, after all, white Republicans?

The same thing, we would say in response, that is motivating the black grand jurors: a desire to fulfill their public responsibilities as honestly and as decently as they can.

A LETTER TO COLLEAGUES

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. DINGELL. Mr. Speaker, pursuant to permission granted, I insert in the appendix of the RECORD the following letter. This letter has been signed by 14 Members and expresses our concern regarding the serious deficiencies in the agriculture-environmental and consumer protection appropriations bill. The letter also explains the action we propose to take to rectify these problem areas and solicits the support of our colleagues.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 20, 1974.

DEAR COLLEAGUE: As indicated in my previous letter of this date, on Friday, June 21, 1974, the House will take up the Agriculture-Environmental and Consumer Protection Appropriations Bill. The purpose of this letter is to emphasize three of the serious deficiencies in this bill as it relates to the activities of the Federal Trade Commission, and to provide a more detailed explanation of the reasons for our proposed action.

Specifically, as indicated in our previous letter, we oppose: (1) deferral of action on the FTC's request for \$650,000 to fund a computerized data retrieval system for use in the Exxon antitrust case; (2) deferral of action on the FTC's request of \$364,000 for annualization of the personnel funding of the Energy Industry Study targeted for completion during fiscal year 1975; and (3) unwarranted substantive restrictions placed on the FTC's Line of Business Reports Program.

DATA RETRIEVAL SYSTEM

The FTC antitrust complaint versus eight major oil companies represents one of the largest civil antitrust litigations in history. The Bureau of Competition estimates that discovery in this case will produce 25 million document pages. A computerized data retrieval system is essential to organization and use of this staggering volume of documents. The defendants in this case will have access to such a system, and without this essential support the FTC staff will be placed at a significant and potentially insurmountable disadvantage.

No appropriation is contained in the Com-

mittee bill for this data retrieval system. The report of the Appropriations Subcommittee indicates that no action was taken on this matter due to the absence of a specific request for the funds in question. While it is true that no specific budgetary request was forwarded through OMB, the FTC did make a specific letter request for the funds subsequent to forwarding its formal budgetary proposals to OMB and the Congress. The letter request was necessitated by the fact that a consultant's report which recommended establishment of such a retrieval system, proposed a specific system and estimated the cost of the proposed system, had not been received by the FTC until after the formal budgetary request had been prepared.

The "technical" absence of a formal request for these funds should not be allowed to cripple the FTC's vigorous enforcement of the antitrust laws, especially when the request is meritorious and the variance from strict procedures is justified. An additional \$650,000 must be appropriated for this purpose.

ENERGY STUDY

The Special Energy Appropriations Bill of 1974 appropriated funds for an Energy Industry Study to be conducted in FY 1974-75. The FY 1974 funding level provided for personnel to conduct the study during the six month period January-June 1974. During OMB review of the FTC's 1975 budgetary requests for continuation of this study and its conclusion by the end of FY 1975, OMB did not annualize the personnel budget approved in FY 1974. Thus, the budgetary request forwarded to the Congress from OMB does not provide personnel funding for a full year. OMB advised the FTC to take up the need for annualization of the personnel funding with the Subcommittee at the time of the Subcommittee's hearings on this matter. Regrettably, the Subcommittee refused to act on the FTC's direct request when it was presented in the manner suggested by OMB because the Subcommittee viewed this as a departure from normal budgetary procedures and not an official request from OMB.

The personnel funding of the Energy Industry Study must be annualized to permit completion of this study during FY 1975. An additional \$364,000 must be appropriated for this purpose.

LINE OF BUSINESS REPORTS

The Line of Business Reports Program was proposed by the FTC Bureau of Economics in order to obtain more useful data on concentration and profitability of 219 distinct lines of business. The program would afford significant improvements over existing data. While adequate appropriations have been provided for this program, crippling limitations have been placed on the Program which must be eliminated.

By requiring random sampling as the basis for selection of the firms to be questioned under the program, the Appropriations Subcommittee has virtually guaranteed that the information gathered will be totally useless.

The FTC program as proposed would have gathered information from those companies representing over 70% of the Nation's manufacturing assets. In addition, the FTC system would have obtained publishable information on 219 lines of business. Random sampling reduces the percent of any industry's sales covered by the questionnaires and, more importantly, reduces the likelihood of obtaining publishable data in any line of business due to the Commission's requirement that data from three or more firms be aggregated in order to protect the confidentiality of the information obtained.

The Appropriations Committee's action evidences a basic misapprehension of the purpose of the FTC's proposed program and the effect of the Committee's restrictions. Rather than rendering the system more manageable, the reduction in surveyed firms from 500 to 250 merely reduces the degree of confidence which may be placed in the informa-

tion obtained. Moreover, while the Appropriations Committee sought to impose random selection in an effort to avoid the "pre-judgment that bigness is suspect per se," the Committee did not recognize that the purpose of the FTC survey was not aimed at assessing the impact of "bigness" but rather "concentration." By effectively eliminating surveying of the largest firms, the Committee has rendered unobtainable the objective of gathering information on concentration. What kind of usable data can be assembled on the auto industry unless all three major auto manufacturers are surveyed? A survey of every firm in the auto industry except the big three would provide little usable information regarding concentration in this industry.

As indicated in our previous letter, we propose to take the following action when this bill is brought before the full House: (1) add an appropriation of \$650,000 to fund a data retrieval system for use in the Exxon antitrust case; (2) add an appropriation of \$364,000 to annualize the personnel funding for the Energy Industry Study; (3) remove the burdensome restrictions imposed by the Appropriations Committee on collecting Line of Business information; (4) remove the unnecessary restrictions placed on the use of the economic data obtained; and (5) eliminate section 511.

We solicit your support on these actions.

John D. Dingell, M.C., Bob Eckhardt, M.C., John Melcher, M.C., Edward Mezvinsky, M.C., James C. Corman, M.C., Benjamin S. Rosenthal, M.C., Charles A. Vanik, M.C., John E. Moss, M.C., Harley O. Staggers, M.C., Silvio O. Conte, M.C., Joseph E. Karth, M.C., Thomas A. Luken, M.C., Brock Adams, M.C., Edwin B. Forsythe, M.C.

PROFIT CLAIMED FOR THIRD-CLASS MAIL

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. WRIGHT. Mr. Speaker, under leave to extend my remarks, I include at this point the third in a series of investigative articles which began June 9 in the Washington Post. This article deals with the new cost system of the Postal Service.

The Postal Corporation has cited this new accounting system to justify the recent 2-cent increase on first-class mail. However, the Postal Rate Commission chief administrative law judge and the General Accounting Office have rejected the system as "failing to show true costs." The question then is raised as to whether or not the increase was indeed justified.

The Postal Corporation is claiming that third-class mail is bringing in a tidy profit and first-class customers are not being overcharged. However, six postal cost studies, including two by the agency itself, show the contrary. These studies find that first-class customers are paying extra to cover the costs of all other classes. First-class customer, John Doe, is being overcharged to cover the losses of other mail classes which are generally used by special commercial interests.

One of the objectives of the Congress in approving the new Postal Service in 1970 was that all classes pay their own

way. According to these findings, this objective has not been followed.

The article follows:

[From the Washington Post, June 11, 1974]

PROFIT CLAIMED FOR THIRD-CLASS MAIL

(By Ronald Kessler)

At first glance, it appeared to be a miracle. Third class, so-called junk mail, which had been causing a loss to the Postal Service of \$152 million a year, was suddenly bringing in a tidy profit of \$407 million a year.

Even more startling was that the actual revenues and costs of third class mail had not changed.

Indeed, the conflicting versions of whether third class mail made money or not applied to the same year—fiscal 1970. What had changed was the Postal Service's method of showing those costs.

On the basis of the new method, the Postal Service claims that third class mail paid for itself and that first class mail—the class used by most Americans—is not overcharged to subsidize it.

The agency has cited the new cost system to justify recent increases in the price of a first class stamp from 8 cents to 10 cents.

But the agency's claims are contradicted by six other postal cost studies, including two by the Postal Service itself. They showed first class mail was overcharged and subsidizes all, or nearly all, of the other classes, which are generally used by special commercial interests.

One of these studies, by the U.S. Postal Rate Commission staff assigned to represent the public in rate questions, showed an overcharge to first class mail in fiscal 1972 of about \$1 billion, after the overall postal deficit, for which no class of mail pays, is eliminated.

This means first class mail users are paying an extra 2 cents a letter to subsidize others.

The Postal Service denied it overcharges any mail class, and it said its official cost study is the correct one. But one postal rate expert who has publicly defended the new system said it was designed to hide costs. "The purpose of the system," the expert said, "was to cover up losses on second, third, and fourth class mail for political and economic reasons."

Second class is used by newspapers and magazines, third class by so-called junk mailers, and fourth class by parcel post mailers, who include the general public and large mail order houses. First class is used by individuals and by business.

The expert added, "First class was just Joe Doaks. They weren't worried about first class."

Postmaster General Elmer T. Klassen said in a Wall Street Journal interview that when postage rates are raised, first class mail would bear the brunt. "To the housewife mailing six or eight letters and bills a month, that's insignificant," Klassen said, referring to a possible first class increase from 8 cents to 10 cents.

"I'm more concerned about the big mail user . . . Big mail users are much more vocal" than consumers in fighting rate rises, Klassen said.

Klassen recently discounted the interview as "misrepresenting" his views. He said he could not recall what he had said.

The question of overcharges and undercharges has long been a point of contention. Through the years, third class mailers had been accused of not paying their way, but they argued they saved the post office money because they presorted their mail. One industry consultant figured third class mail requires 30 fewer handlings than does first class.

To those not familiar with the Postal Service's old method of determining its costs, the argument made sense. Third class mail is presorted, and does save costs.

But as Congress was told by the General Accounting Office, its audit branch, the old method took presorting into account.

The cost figures were based on observations of time spent by clerks handling the various mail classes. If clerks spent less time on third class mail, it showed up in the cost figures, GAO said.

The figures still showed third class was losing money, and the issue became of more than academic interest when Congress, in creating the new Postal Service in 1970, said all classes must pay their full costs.

This meant third-class rates would have to be substantially raised. But during the debate on the postal reform bill, the cost system was changed.

Where third class had been losing money, it was now making money. Indeed, Winton M. Blount, President Nixon's appointee as postmaster general, called third class mail the agency's "most profitable class of business."

Was a deal made to change the cost system for third class mailers if they would support the Nixon administration's bill?

Robert M. Huse, executive director of the Mail Advertising Services Association, a third class industry group, said, "I think the promise to change the cost system made reform a little more palatable. The new cost system showed that third class mail was not only paying its way but making a profit."

What the new system did, in effect, was to change the rules defining costs.

The old system—known as a fully allocated system—charged all the costs of running the Postal Service to the various classes of mail.

Time spent by clerks sorting third class mail was charged, based on salaries, to third class mail. The costs of maintaining sections of buildings used for sorting parcels was allocated to fourth class parcel post. A postmaster's time tending to first class mail was assigned to first class.

The new Postal Service system—called short-run incremental costs—allocated to the various classes of mail only about half the expenses of running the agency. The remaining costs are charged to the mail classes largely according to the Postal Service's judgment of how much they can be charged without driving customers away.

Since first class mail customers have nowhere else to go because the Postal Service has a legal monopoly on the delivery of letters, the Postal Service has allocated the highest proportion of these extra costs to first class mail.

Economists and accountants interviewed for this series said most companies, federal regulatory agencies, and government agencies use the Postal Service's old cost system—fully allocated costs—for determining their expenses. They said some companies use another cost method, called long-range incremental costs.

But they said the Postal Service's new system—using short-run incremental costs—is rarely used. When it is, they say, it is only for special, limited purposes.

For example, a manufacturer may have extra plant space available for a year. He might use a short-run system to figure his extra cost for making a new product line in the extra space while it is free. For this purpose, he would estimate the extra costs of salaries and equipment, but would exclude the cost of building and maintaining the plant, since this cost would continue regardless.

Obviously, if the manufacturer decides to continue making the new product line, he would have to take a long-range approach and figure in his plant costs. If he did not, he might think he is making money when he is losing it.

The new Postal Service method does not include the cost of buildings. It includes only costs that the Postal Service believes would increase or decrease within a period of a

year if mail volume increased or decreased in the same period.

Since an increase in mail volume would not produce a new building within a year, buildings are not considered costs caused by any particular mail class, said Nathan W. Schachter, the Postal Service accountant who developed the new cost system. Schachter recently retired from the agency but continues as a consultant on rate matters.

For similar reasons, Schachter said, the new system does not charge to individual mail classes the costs of supplies, building maintenance, stamps, or most salaries of letter carriers, postmasters, and clerks who sell stamps.

A \$1 billion expenditure on new buildings for sorting second, third, and fourth class bulk mail will be charged to first class mail users as well, said Arthur Eden, the agency's director of rates and classification.

If a home owner planned to charge rent for his home only on the basis of annual maintenance costs, without including the cost of a paint job every five years, would he lose money?

Yes, Eden said.

Will the Postal Service lose money if it does not charge bulk mail users with the cost of painting buildings that sort bulk mail?

No, Eden said. Using an analogy, he said that if an apartment owner had difficulty renting his apartments, he would forget about the cost of constructing them and charge rents low enough to attract tenants.

Does this mean the new bulk mail facilities will lose money? No, Eden, said, they will save money.

Seymour Wenner, chief administrative law judge of the U.S. Postal Rate Commission, found much of the Postal Service's reasoning to be anomalous. He ruled the agency's cost system does not show "the real costs of the various classes imposed on the system's capacity."

Wenner said the agency must change its cost system, but to date it has not done so. While six cost studies show first class mail is overcharged, the Postal Service has continued to base its rates on its new cost study, which shows first class is not overcharged.

In addition to Wenner's ruling, the new study has been found lacking by the GAO, which is expected to report this year that it falls to show the true costs of the mail classes.

Asked to cite any experts who agree with the Postal Service cost system for rate-setting Eden of the Postal Service named two economists.

One, Dr. William S. Vickry, a Columbia University economics professor, said he generally agrees with the Postal Service method, but acknowledged that all of the federal rate setting agencies that have heard his views—including the Federal Communications Commission and Interstate Commerce Commission—have rejected them.

"I'm a voice crying in the wilderness," said Dr. Vickry, who is a paid Postal Service consultant.

The second expert, Dr. Alfred E. Kahn, a Cornell University economics professor, said he did not agree with the Postal Service method. To use short-run costs for setting rates, Dr. Kahn said, "would mean that you could be losing money when you think you are making it."

He added, "To fail to put the bulk mail costs on the bulk mail users is to subsidize bulk mail at the expense of first class mail users."

SPECIAL PAY LEGISLATION

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. MITCHELL of New York. Mr. Speaker, I am introducing today legislation which would address the growing problems which our Armed Forces have in retaining qualified health care personnel. These problems are still with us and the situation can only deteriorate until we devise a method to encourage these health professionals to remain in the service once their initial obligation has expired. My legislation will affect dentists, optometrists, veterinarians, and podiatrists by increasing the amount of special pay which these professionals would receive. It also allows the Secretary of Defense to pay those personnel in a critical shortage specialty a reenlistment bonus of up to \$13,500 per year.

Each of these health specialties performs some of the work carried out by physicians. If each of these professions is fully complemented, the M.D. shortage, which is the most critical of all, becomes less severe.

Mr. Speaker, this problem was explored in great detail in April during the extensive floor debate on S. 2770. As the Members may recall, at that time the House-passed measure granted incentives very similar to the ones in my new bill to physicians, dentists, optometrists, and veterinarians. The Senate objected however, and all except physicians were eliminated from the bill. By reintroducing this legislation the House can serve notice on the other body that we intend to responsibly see this problem through to a satisfactory solution.

Let me briefly enumerate, Mr. Speaker, why this legislation is vital if we are to avoid reinstating the doctor's draft. Department of Defense projections indicate that within 3 years the demand for veterinarians may exceed supply by as much as 20 percent. Similarly, the number of optometrists in the service is estimated to be 18 percent less than the number needed in the same 3-year period. The shortage of dentists is 15 percent, again within a 3-year time span. Retention rates paint an equally bleak picture. According to investigations I have made, the general retention rate for dentists, optometrists, and veterinarians throughout all branches of the military averages roughly 15 percent. Translated, this means that 85 percent of those health professionals inducted into the service do not reenlist once their obligated service has been completed. To keep the volunteer service concept viable we must maintain a better record than this.

It is also extremely costly to the taxpayer to have to subsidize the expensive education of health practitioners year after year to secure a sufficient number of graduates to serve our Armed Forces. A strong case can be made that a modest increase in incentive pay might well serve to retain a sizable number of the 85 percent who leave after their brief, obligated service has been completed,

thus resulting in a savings to our overburdened taxpayers.

There are at present only about 65 podiatrists in the armed services, but this growing health profession has just seen the addition of 50 new commissioned officer billets in the three branches of the armed services. In order to attract and retain well qualified personnel in these new billets, the extension of the incentives in this legislation to podiatrists is essential.

I am confident, based upon the debate of S. 2770 in April, that hearings will be held on this legislation, that the Department of Defense will make its views known on the subject in an unambiguous manner and that Congress will act responsibly to correct a most serious flaw in our present all-volunteer service.

REV. WILLIAM MOSES DOWNS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. STOKES. Mr. Speaker, tonight will mark the 35th anniversary of the pastorate of the Reverend William Moses Downs of the East Mt. Zion Baptist Church of Cleveland. An anniversary banquet to be held at the Park Plaza Hotel this evening will acknowledge his accomplishments and his contributions to our community.

There are several events that have occurred in my own life that have made me feel especially close to Reverend Downs, and I treasure my long relationship with him. He officiated the marriage of my wife Jeanette and me, and I often take delight in teasing him about the girl I "stole" from his church. He is also one of the many black ministers in Cleveland whose commitment and outstanding leadership was instrumental in helping my brother Carl become the first black mayor of a large American city. He gave me this same unswerving dedication during my first campaign for election to the U.S. House of Representatives, and I will always be appreciative of his unselfish efforts.

Mrs. Stokes joins me in acknowledging what Reverend Downs has meant to our family and to all Cleveland. He is among the men for whom I hold great respect and admiration, and I submit for the consideration of my colleagues a brief biography of his most commendable service as a theologian and civic leader:

BIOGRAPHICAL SKETCH

The Rev. William M. Downs entered the pastorate of the Mt. Zion Baptist Church of Cleveland on June 25, 1939.

A graduate of Benedict College in Columbia, South Carolina, and the Union Theology Seminary in New York City, Rev. Downs began his service as a minister in January, 1931. He has received the doctor of divinity degree from Morris and Benedict Colleges, and on June 24, 1961, was awarded the doctor of humanities degree from Monrovia College in Liberia, West Africa.

Rev. Downs served as assistant pastor of the Zion Baptist Church in Columbia, and was minister of the First Nazareth Baptist Church in that City for five years. He was

also chaplain of the South Carolina State Penitentiary for several years, and conducted religious broadcasts on radio station WLS in Columbia for more than two years.

An active, enthusiastic participant in community and church affairs, Rev. Downs has served as secretary of the Finance Committee of the South Carolina Baptist Convention, and is on the board of directors of the Evangelical Board of the National Baptist Convention of America.

A member of the executive boards of the Northern Ohio District Association and the National Baptist Convention of America, Rev. Downs also serves on the board of trustees of the Woodruff Memorial and is state president for the National Baptist Convention.

In December, 1959, the members of the congregation of East Mt. Zion honored Rev. Downs by awarding him a lifetime pastorate at East Mt. Zion. His parishioners have said, "We are thankful to God for sending us such a leader who, with his messages of inspiration and spiritual guidance, has strengthened our religious foundation. Through his ministry he has added to our rolls 1,226 marriages; 6,182 reunited; 2,428 baptized; 1,016 eulogized, and 316 babies blessed."

Rev. Downs is married to the former Ruth Cummings, and is the son of William D. and Rachael Downs. He was born in Greer, South Carolina, on August 21, 1908.

JET FUEL SHORTAGE

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. KUYKENDALL. Mr. Speaker, I noted with interest the article in the Wall Street Journal, which alleges a shortage of jet fuel of serious proportion. Consequently, I asked the Air Transport Association to furnish me with a copy of Paul R. Ignatius's letter to Administrator Sawhill which details the complaint.

If the airlines' contention is correct, this is a matter of serious concern because it would affect not only the price of air transportation but also the actual availability of fuel to meet the Nation's air transportation needs. The integrity of the entire FEO enforcement program is at stake.

So that all Members may be informed of the issue, I place in the RECORD the full text of the airline letter:

AIR TRANSPORT ASSOCIATION
OF AMERICA,

Washington, D.C., June 19, 1974.

Hon. JOHN C. SAWHILL
Administrator, Federal Energy Office,
Washington, D.C.

DEAR MR. SAWHILL: As a result of a failure by FEO to implement its announced policies, the members of the Air Transport Association are extremely concerned by the apparent breakdown in the integrity of FEO's mandatory Refinery Yield Control Program for jet fuel. This breakdown is reflected in the published production figures for May.

ATA equally is distressed by the seemingly cavalier response to these production shortfalls which have effectively emasculated this vital FEO program and by FEO's negative attitude toward ATA's continuing efforts to help monitor and assist in its enforcement.

I feel obliged to bring this matter to your personal attention in the hope that you will be able to apply urgent corrective measures to assure fulfillment of the objectives of the

Refinery Yield Control Program and to advise your staff of its priority importance.

As you will recall, FEO's initial proposal of March 4 to provide relief to international air carriers by ending the distinction between bonded and domestic supplies threatened substantial adverse supply and price consequences for domestic carriers. In opposing that March 4 proposal, ATA alternatively recommended meeting the bonded fuel problem by adjusting the refinery yield order to insure adequate supplies for both domestic and international carriers and by granting special product treatment and price stabilization to aviation fuel. Joined by four airline presidents, I met on March 21 with then Administrator Simon to discuss the bonded fuel problem. At that time, Mr. Simon indicated that he was unable to grant price relief, but would consider favorably utilizing the refinery yield program to insure adequate supplies for both domestic and international carriers.

Four days later, on March 25, FEO changed its original proposal and published a revised approach to the bonded fuel problem which combined relief to international carriers unable to obtain bonded fuel at reasonable prices with an extension of the then applicable mandatory refinery yield order. 39 Fed. Reg. 11205 (March 26, 1974). Certain airline comments on this proposal continued to reflect concern with future domestic supply levels and the price consequences of possible large-scale importations of foreign origin aviation fuel to meet domestic shortfalls. At meetings between our respective staffs, it was agreed that domestic production of 750,000 to 800,000 barrels per day of kerosene base jet fuel would be required to insure against adverse consequences and that some modification of the then existing yield order would be required to accomplish this goal. When you and I discussed this matter on April 4, you also agreed that production of 750,000 to 800,000 barrels per day would make supply adequate to stabilize domestic prices.

It is noteworthy that FEO's official announcement of the new bonded fuel regulation on April 9 called specific attention to the fears of certain air carriers that providing relief to international carriers from domestic resources "could adversely affect supplies to domestic air carriers and could result in higher fuel costs to such carriers." In that context, FEO announced what it described as a "major change" in the refinery yield program. The FEO announcement specified that "the total yield of kerosene base jet fuel will be increased to approximately six percent of crude runs" and that, as a result, FEO anticipated "supply levels in the range of 750,000 to 800,000 barrels per day." 39 Fed. Reg. 12995 (April 10, 1974).

After release of the revised bonded regulation on April 9, I wrote to Mr. Simon that "the decision of the Federal Energy Office to combine relief for international carriers with affirmative action to increase jet fuel output and insure adequate supplies to both domestic and international carriers, is consistent with the position of the airline industry." I also noted that: "Vigorous enforcement of FEO orders and reporting requirements relating to maintaining availability of kerosene base jet fuel is, of course, critically important to the airline industry. We are confident that FEO staff will give priority attention to monitoring the supply situation, and we intend to work closely with them to assist in detecting and resolving any problems which might arise."

ATA's General Counsel, James E. Landry, moved to implement this offer of assistance on April 23 by writing to Mr. John Weber, FEO Assistant Administrator for Operations and Compliance, with specific reporting and enforcement recommendations. ATA also made a simultaneous request, under FEO's public disclosure regulations, for certain data which would permit ATA members to place

their acknowledged experience and expertise in the jet fuel area at the service of FEO's enforcement effort.

On May 10, Mr. Landry reported our concern to Mr. Weber that certain refiners were attempting to retaliate against airline support of the bonded fuel regulation by raising domestic prices although no increased costs had been generated by the regulation. Mr. Landry requested "immediate action . . . to have this unlawful retaliation terminated."

Despite FEO's April 9 order, and ATA's efforts to encourage effective enforcement, jet fuel output figures for the month of May and consequent refiner actions threaten the objective underlying the bonded fuel regulation.

According to the figures contained in the American Petroleum Institute Weekly Statistical Bulletin, kerosene base jet fuel yields were approximately 5.21% of crude runs for the month of May and production of kerosene base jet fuel averaged 632,000 barrels per day. This represents a shortfall in jet fuel yield of approximately 12.4% and an average shortfall of 118,000 to 168,000 barrels per day from the agreed target of 750,000 to 800,000 barrels per day. Indeed, had jet fuel yields been maintained at the level ordered by FEO for the month of May (106% of the second quarter 1972 kerosene base jet fuel yield), actual jet fuel output would have averaged 722,000 barrels per day and the total May output would have increased approximately 2,782,000 barrels over the actual production levels.

There can be, in our view, no explanation for these shortfalls apart from blatant defiance of the FEO order. API figures demonstrate that 6% jet fuel yields are readily achievable. In fact, jet fuel yields for the months of January, February, March and April 1974 were higher than those in May. Moreover, actual weekly jet fuel outputs in May have been exceeded in the months of January, February, March and April 1974, even at lower levels of refinery operations.¹

There is no public record of any refiner having been excused from compliance with the yield program and ATA has not been informed of any such exemption.

With the FEO Refinery Yield Control Program thus rendered essentially meaningless in the supply situation, refiners are continuing to threaten substantial increases in jet fuel prices as an alleged response to the new bonded fuel regulation. While, as spelled out in Mr. Landry's letter of May 10, we continue to believe these increases are unjustified and unrelated to any costs arising from the bonded fuel regulation, the sole response to Mr. Landry's letter has been a form noti-

¹The following week-by-week comparison is illustrative:

Week ending May 3*: API output 685.

Week ending May 10; API output 616; exceeded in week ending January 25, February 1, March 1, March 8, March 29, and April 12.

Week ending May 17; API output, 641; exceeded in week ending January 11, January 25, February 1, March 29, April 12, and April 19.

Week ending May 24; API output, 630; exceeded in week ending January 4, January 11, January 25, February 1, March 8, March 29, April 12, and April 19.

Week ending May 31; API output, 618; exceeded in week ending January 4, January 11, January 25, February 1, March 8, March 29, April 12, and April 19.

*Includes 4 days of April production under previous yield order. This yield was surpassed during the weeks ended February 1 and March 8 at lower levels of refinery operations. In addition, the actual output of 685,000 barrels per day was exceeded in 16 of the first 22 weeks of 1973.

fication, which I attach, indicating that the matter is being investigated. I would appreciate being informed as to when you expect this investigation to be completed and want to assure you of our continued readiness to be of assistance.

Moreover, since hand delivery of his letter of April 23, Mr. Landry has been seeking an appointment to discuss the full array of enforcement matters with Mr. Weber. Despite repeated requests, Mr. Weber has not made himself available. Mr. Weber did not respond to Mr. Landry's urgent letter of April 23 until June 3 at which time he forwarded an essay on the general principles of FEO/industry coordination with no specific response to the operative points of the April 23 letter. For your information, I also attach copies of this correspondence.

The FEO response to ATA's request under FEO's public disclosure regulations has been equally difficult to understand. Because the FEO staff claimed practical difficulties in assembling the requested material, ATA representatives participated in extensive meetings aimed at facilitating the transfer of information. Despite this flexibility, and ATA's incontestable right to the information sought, no significant information has been delivered. The relevant correspondence in this matter is also attached.

I am certain that you will agree with me that an atmosphere of open communication and good faith dealing is essential between the FEO and the airline industry. In all candor, I must tell you that the history of the implementation and enforcement of the present jet fuel refinery yield order has shaken our faith in FEO's willingness or ability to move beyond promises to effective action in maintaining adequate supplies of jet fuel at reasonable prices. I trust that you will take a personal interest in putting this matter to right and restoring the atmosphere of mutual confidence.

Sincerely yours,

PAUL R. IGNATIUS,
President and Chief Executive Officer.

A BILL AUTHORIZING THE SECRETARY OF THE TREASURY TO REIMBURSE STATE AND LOCAL LAW ENFORCEMENT AGENCIES FOR ASSISTANCE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. BELL. Mr. Speaker, today I am introducing a bill that would require the Federal Government to reimburse State and local law enforcement agencies for costs incurred to meet Secret Service requests to provide security for major political candidates and foreign dignitaries.

The Federal Government has acknowledged that the responsibility for protection of Presidential candidates and foreign officials is at the Federal level. However, the Secret Service is not large enough to carry out this responsibility by itself and therefore must seek assistance from local law enforcement agencies. There is presently no fund available to reimburse these local agencies for the services they perform. Thus the burden falls upon these agencies to pay expenses from their own budgets.

In Los Angeles alone, requests from the Secret Service for supplement-

tary security personnel more than tripled with the passage of Public Law 90-331—security for major Presidential and Vice-Presidential candidates—and Public Law 91-651—security for dignitaries. During an 11-month period in 1972, the Los Angeles Police Department incurred direct expenses of \$168,959 in responding to 44 requests of the Secret Service.

The increased burden on local communities was not foreseen when Congress enacted legislation to expand Secret Service protection. It is time that this inequity be corrected and that the Federal Government assume responsibility for paying Secret Service costs. My bill would accomplish this by authorizing the Secretary of the Treasury to reimburse State and local governments for expenditures made at the request of the Secret Service.

A complete text of my bill follows:

H.R. —

A bill to authorize the Secretary of the Treasury to reimburse State and local law enforcement agencies for assistance provided at the request of the United States Secret Service

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any State or local government which makes any expenditure at the request of the United States Secret Service for the protection of any person whom the Secret Service is authorized by law to protect, may submit to the Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") an application for reimbursement with respect to such expenditure.

SEC. 2. The Secretary, upon receiving any application under the first section of this Act, shall verify that such expenditure was necessary to provide the assistance requested by the Secret Service.

SEC. 3. The Secretary shall reimburse a State or local government in an amount equal to the expenditures verified under section 2.

SEC. 4. The Secretary shall prescribe such rules and regulations as he considers necessary to carry out this Act.

SEC. 5. For the purposes of this Act—

(1) the term "State" means any of the several States, the District of Columbia, the Virgin Islands, Puerto Rico, or any other territory or possession of the United States; and

(2) the term "local government" means any political subdivision of a State.

CONCENTRATION CAMP SURVIVORS MARK GOLDEN WEDDING ANNIVERSARY

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. WYDLER. Mr. Speaker, I have the pleasure of congratulating two of my constituents, Henry and Auguste Leider, on the occasion of their golden wedding anniversary which they will happily celebrate on Saturday, June 22, 1974.

The joyful event will be more than an anniversary, however. In a way, it was a tribute not only to the Leiders but also to America. The couple had the courage to start a new life here after surviving

the horrors of a concentration camp, and America, the country, offered them the opportunities to carry out their dream.

As Mr. Leider noted, in our concern with today's problems, we tend to overlook the Nation's great underlying strengths and virtues—and the miracles that grow from them, such as the Leiders second career. Where else could this happen?

People like the Leiders believe in America. But then, they had the opportunity to contrast life elsewhere with life here—dispossession, persecution, and torture versus respect for property, individual rights and personal beliefs. They do not have to search for an alternate life style to find what they want; they have already found it.

Congratulations, Mr. and Mrs. Leider.

CONSTITUTIONAL QUESTION

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. BOB WILSON. Mr. Speaker, perhaps the most crucial constitutional question which our Nation has had to face is the relative power of the three branches of Government within our checks-and-balances system. A constituent recently sent me an item from a 19th century textbook, which is significant from a contemporary, as well as a historical, point of view. It has particular importance at a time when the principle of executive independence from the legislature is being questioned. I include as a portion of my remarks a brief excerpt from "The Columbian Class Book," consisting of geographical, historical, and biographical extracts, compiled from authentic sources, and arranged on a plan different from anything before offered the public, by A. T. Lowe, M.D., published by Dorr and Howland, 1825:

Another act, in which he proved himself to be less regardful of the public partialities and prejudices, than of what he conceived to be the public good, was the ratification of the British Treaty. The English government had neglected to surrender the western posts, and by commercial restrictions had evinced a hostile spirit toward this country. To avert the calamity of another war, Mr. Jay was nominated as envoy extraordinary, in April 1794.

In June, 1795, the treaty, which Mr. Jay had made was submitted to the Senate, and was ratified by that body, on the condition that one article should be altered. While the president was deliberating upon it, an incorrect copy of the instrument was made public, by a senator, and the whole country was thrown into a state of extreme irritation. At this period, he conditionally ratified it, and in February, 1796, when it was returned from his Britannic majesty with the proposed alteration, he declared it to be the law of the land.

After this transaction, the House of Representatives requested him to lay before them the papers relating to the treaty, but he with great independence, refused to comply with their request, as they could have no claim to an inspection of them, except upon a vote of impeachment, and as a compliance would establish a dangerous precedent.

As the period for a new election of a President of the United States approached and

after plain indications that the public voice would be in his favor, and when he would probably be chosen for the third time unananimously, he determined irrevocably to withdraw to the shades of private life. He published in September, 1796, his farewell address to the people of the United States, which ought to be engraved upon the hearts of his countrymen.

In the most earnest and affectionate manner, he called upon them to cherish an immovable attachment to the national union, to watch for its preservation with jealous anxiety, to discountenance even the suggestion that it could in any event be abandoned, and indignantly to frown upon the first dawning of every attempt to alienate any portion of our country from the rest. Overgrown military establishments he represented as particularly hostile to republican liberty.

While he recommended the most implicit obedience to the acts of the established government, and reprobated all obstructions to the execution of the laws, all combinations and associations, under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberation and action of the constituted authorities; he wished also to guard against the spirit of innovation upon the principles of the constitution.

Aware that the energy of the system might be enfeebled by alterations, he thought that no change should be made without an evident necessity; and that, in so extensive a country as much vigor as is consistent with liberty, is indispensable. On the other hand, he pointed out the danger of a real despotism by breaking down the partitions between the several departments of government, by destroying the reciprocal checks, and consolidating the different powers.

THE CONSUMERS HAVE A BEEF

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. VANIK. Mr. Speaker, this morning, there are reports that a congressional committee has approved a \$3 billion government guaranteed loan bill "to ward off bankruptcies among the Nation's money-losing livestock feeders." There are also moves underfoot to limit imports, either by reimposing the anti-consumer Meat Import Quota Act or by actually imposing an embargo against all imports for 180 days!

Only a short time ago—in a period of beef shortages caused by devaluation, the cattlemen of America enjoyed fat windfall profits in a free market of scarcity. Consumer prices skyrocketed and most Americans revised their diets by reducing beef consumption. Agriculture Secretary Butz stated jubilantly that the American people would simply have to pay more for food. The 40-year partnership between the urban communities and the farmers was washed out—perhaps permanently by the agricultural decisions for a totally free farm economy. This means fat windfall profits in some years and lean, tough going in others.

The cattlemen can not have it both ways—a free farm economy means no public bailout in years of adversity. This is a year in which the cattlemen may lose but they chose the system and now they

must live by it. How can the cattlemen expect the American consumer to provide a \$3 billion bailout to an industry which only last year demanded that Washington stay out of its affairs. If the taxpayer is to become a guarantor of the profitability of beef income—he should get something in return to insure fair prices and adequate supplies in the marketplace.

What will the \$3 billion loan program do? First, it will provide further growth of the already overexpanded feedlot industry. Second, it will provide funds for the cattlemen and feedlot operators to survive while they "boycott" the marketplace to further drive up prices—just like the wheat growers are now doing. Third, a large percentage of the loans will probably go to the syndicate, tax loss farming operations which have been set up to provide tax dodges for wealthy doctors and lawyers. Really, Mr. Speaker, before we start providing guaranteed loans, we should determine how many "tax dodgers" will be aided. We should insure that an amendment is added to the bill to prohibit any loans to tax shelter farms and ranches.

The problem with the beef market is that there is not enough demand for beef at current prices. Lower prices would stimulate consumption and restore beef to its former role in the American diet. The producers' losses would be temporary and the domestic demand would be stimulated.

It would be more expedient to order an immediate antitrust and FTC investigation of the beef and grocery store industries. It might be more expedient to determine why the Iowa Beef Processors Co. had a 66 percent profit increase last year or why the American Beef Packers Co. had a 288 percent profit increase, before we extend public loan guarantees to the beef industry.

The beef industry wants to limit imports which provide the American people with low-grade red meat when prices are sky high. This permits some beef in the diet of the poor and the near poor. Imported beef sustained millions when the free market in beef drove the commodity from their diets. However, import quotas cannot be turned off and on again to suit the cattlemen. Foreign producers cannot be expected to provide these types of beef only in periods of shortage. If we are to rely on these foreign sources of lower grade beef—the producers must be assured of a constant level of sales.

Now the industry is seeking an embargo and quotas. Yet the latest estimates available indicate that total imports to the United States in 1974 will be 100,000,000 pounds less than in 1973. In addition, foreign meat is largely low grade meat, the type used in luncheon meats, sausages, hot dogs, and the cheaper grades of hamburger. If we limit foreign imports, this type of meat, the only type that low-income individuals and those with large families can afford, will escalate in price. If we embargo foreign meat or limit its entry, I predict that the price of hamburger will indeed rise to \$1 a pound. The poor and the near-poor will pay the price for the bailout of the cattlemen.

Mr. Speaker, the consumers of America have a legitimate "beef" about meat prices. Once again they are being asked to bear the cost of the industry's mistakes. They are being asked to pay for the costs created by the tax dodges of others. They are being asked to pay for the monopolistic growth of the food processing industry. The consumers and the taxpayers of America should not be compelled to "bail out" the cattlemen whose greed of last year brought them to the problems of today.

OIL POLITICS AND THE ENERGY TAX BILL

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. PETTIS. Mr. Speaker, earlier this month, the new Administrator of the Federal Energy Office spoke to a group of independent oil producers and royalty owners in Texas.

Mr. Sawhill's remarks provide an excellent assessment of this Nation's current energy situation and the problems that lie in the path of achieving energy self-sufficiency through Project Independence. He also assesses—and I think correctly—just why we are having such a hard time in bringing the oil and gas energy tax bill to the floor despite the fact that our Committee on Ways and Means overwhelmingly reported it out for House action.

I urge each of my colleagues to read Mr. Sawhill's statement and to consider realistically the dangers inherent in playing "oil politics" in face of our national economic and energy problems.

The article follows:

REMARKS OF THE HONORABLE JOHN C. SAWHILL

I especially value the opportunity to join you here at TIPRO's annual convention.

My assistant, Duke Ligon, is intimately acquainted with the structure and problems facing the independents everywhere—especially here in Texas. Duke, needless to say, insisted that I join him at the TIPRO convention, adding that it would at the least give me a chance to verify the maxim that "the good deals never leave Texas." Aside from that I wanted to meet you face to face, to give you an insight into what FEO is doing, and especially to outline our policies that are indispensable to the success of Project Independence.

However, our meeting is equally important for another reason. The decisions we make, and the programs we implement in Washington, affect you in a very immediate and profound way. Because of this, and because of the vital role independents have in achieving our national energy goals, your input is essential.

Let me begin by saying that I have an intense concern for the vitality of the independent sector of the oil industry. In FEO's capacity as the lead energy policy agency in government, we have a responsibility to insure that the role of the independents—and especially your vital leadership in exploration and development—is preserved. Today, I want to reaffirm our commitment to you.

In formulating energy policy in the pursuit of self-sufficiency, we at the Federal Energy Office are continually faced with the

need to balance a number of competing interests . . . economic . . . political . . . environmental . . . and even cultural interests.

The consumer is interested in the availability of energy at a reasonable price, while the producer is justifiably interested in a fair return on his investment.

Even the structure of the oil and gas industry itself adds a complex dimension to our formulation of policy. The needs of the marketer are often at odds with those of the producers. Government can and must, look beyond the narrow dimensions of every problem, choosing instead to opt for the decision which will match the public interest.

The government then—your government—is charged with striking a balance, and with trying to weave all these strands into an energy network that will serve the consuming public and provide incentives which preserve the vitality of a free and equitable market place.

FEO's policy has been to sort out competing interests and weigh them carefully before making a decision. This attitude led us to reject gasoline rationing, and this attitude will continue to guide our decisions in the future—a future in which your voice will be heard and where we will act—when necessary—to safeguard the industry's independent sector.

As you know the drive to roll back crude oil prices continues unabated. There is no question about it; while a price roll-back may result in cutting prices temporarily—it will end up cutting supplies in the long-run. Because of this, and because of the high risk capital required for exploration activity, I worked within the administration to urge the President to veto any legislation calling for a price roll-back on oil. And let me add, that at my confirmation hearings before the Senate Interior Committee last Friday, I made it clear I am unequivocally opposed to a roll-back.

We hope the Congress will exercise the political will and judgment in energy matters exemplified by the Chairman of the Senate Finance Committee, whose spirited leadership will prevent the next 20 years of exploration activity from being like the last.

Each and every decision, in whole or in part, may not always be to your liking, but I can promise you a full, fair, honest and open hearing. For example, the crude oil allocation program still ties the independent producer to his customers as of December 1, 1973. However, we did try to mitigate this by insuring that you would receive the highest price allowable for your crude. And, as a result of your comments, the new regulations also provide an incentive for new refinery capacity.

In some quarters of the nation's capital, there is an unfortunate atmosphere of recrimination. Some members of the Congress, for example, are focusing all too readily on the recent dramatic increase in oil prices while ignoring the slow and unimpeded deterioration of the domestic oil industry over the last two decades, when the real price of oil and natural gas actually declined by 31 percent in terms of 1973 dollars.

As you are aware—very painfully aware—that decline combined with rapidly accelerating costs forced you—the independent producers—to curtail your expenditures for exploration and development by one half. Some independents were forced to limit their activity in varying degrees while other simply sold out and quit altogether.

The history of the last 20 years proves conclusively to me that there is a clear and inescapable relationship between the price of oil and gas, and the rate of expenditure for exploration and development. The two are inextricably bound together.

That lesson is being confirmed even today. The average price of domestic oil crude now controlled by the Federal Energy Office today stands at \$5.25, while the uncontrolled price for new crude is holding around \$10. As a

direct result, the number of active rotary rigs as of last December was up over 13 percent from the same period in the preceding year and for the first quarter of this year, drilling activity is up 40% over last year. There are countless reports from around the country of former independent producers—men who had left the business during the industry's own private recession—returning to active exploration.

Your increased activity, and willingness to take the fiscal and, at times, physical risks of exploring and developing our domestic oil and gas resources is one of the most encouraging signs I have seen for the future success of Project Independence.

But despite your eagerness to expand exploration and development, we all know that the industry is experiencing manpower and material shortages. For example, oil country tubular products have been in short supply, while the limited number of available drilling rigs continues to restrain your productivity.

However, these problems can and are being dealt with. We met, for example, with leaders in the steel industry and received commitments from them for increased tubular steel production so as to insure equity for independent producers in this country. Because of this, the major producers of tubular goods are reserving some production for the independents.

All indications are that we will be near equilibrium between the supply and demand for oil country tubular products this year.

Unfortunately, the distribution of tubular goods and the inordinate stockpiling levels in some segments of the industry have resulted in some dislocations. In my view, we cannot afford to allow a shortage of tubular goods to reduce the scale of domestic drilling.

Of course, tubular steel for exploration and development is not helpful without rigs, and we have some good news in this regard. Most of the major rig producers have indicated that, by December 1975, they will have stepped up the capacity for the production of drilling rigs by 25 to 50 percent.

Aside from the piping and rig limitations, capital requirements not only to finance new drilling rigs, but to operate them as well, continue to present a major challenge to the entire industry—especially to the independents.

I am especially aware of these problems and frankly, I have made every effort not only to resolve them—but to speak out clearly and unequivocally on the need to insure that the oil industry—and especially the independents—have the necessary tax incentives to accelerate domestic drilling activities.

In this respect, it seems to me that legislative efforts to eliminate the depletion allowance completely and immediately represent oil politics at its worst. It is a calculated effort on the part of some to produce headlines at home. In the long term, it won't produce one drop of oil or a foot of gas at the wellhead. Aside from that, what the advocates of ending the depletion allowance have failed to point out, is that it is the consumer rather than the major oil companies who will ultimately bear the burden of increased costs.

Industry experts have estimated that costs would increase by as much as \$1.35 per barrel if the depletion allowance were eliminated. These higher costs must either come out of profits—in which case we reduce the incentive to expand drilling—or they must be passed along to the consumer in the form of higher prices.

If the consumer pays the price, we could expect to see increases of as much as 2 to 3 cents per gallon for gasoline and the possibility that the Federal Power Commission would have to increase gas prices.

I have no quarrel with those who wish to reorganize industry's tax structure. In fact, the Administration has proposed a windfall

profits tax with the traditional plow back provision designed to encourage more exploration.

But, drastic revisions should not be undertaken in such intensely political circumstances, nor in an atmosphere of recrimination, and certainly not *now*, when the domestic oil and gas industry is just beginning to emerge from almost two decades of decline.

Increased oil and gas production is essential to achieving the goals of Project Independence. But Project Independence means more than oil and natural gas. When the Blueprint for energy self-sufficiency is submitted to President Nixon this November, it will reflect the two critical dimensions of energy policy: increasing supply and sustaining and accelerating our energy conservation efforts.

If we are to be successful, we must develop a conscientious and voluntary program of conservation that will allow us to reduce the growth of energy demand by as much as one-half—without forcing us to take a cut in economic growth.

Conservation is in everyone's interest. The fact remains that conservation is our only realistic near-term option to balance our energy accounts; and most important, conservation will buy us precious time until we bring new supplies on-line.

While restraining demand we will be trying to match our fuel mix with our patterns of consumption. Needless to say, this means expanding coal's role.

The U.S. has massive coal reserves equivalent to about 50 percent of the free world's known resources. In spite of that, however, coal accounts for only about 17 percent of our energy economy.

Through Project Independence we hope to increase the production of coal by 10 percent a year. We will seek to stimulate the use of coal, to develop cleaner burning techniques and better mining methods. I'm not suggesting that you producers get into the coal business—although I understand Texas has some rather promising lignite deposits. But it is obvious that increasing coal's role will take a lot of the pressure off oil.

Nuclear power is another crucial element in our Project Independence planning. We have known about nuclear technology for thirty years, yet today it provides only 1 percent of our nation's energy.

As in other areas, nuclear power presents an array of significant challenges. New construction methods must be found, tested, and put into operation. We have already proposed a number of legislative measures to expedite site review and approval, and encourage the standardization of plant design. And, as in every instance, we face the competition for resources the quest for more capital . . . manpower . . . and raw and finished construction materials.

We are seeking a combination of fuels for energy self-sufficiency. But until we can make the transition to exotic fuels, such as hydrogen or solar energy which have promise far in the future, we will need to increase the production of oil and natural gas.

I would like to close on what I feel is a very significant point about the Federal Government's role in energy development.

It has been said around FEO that the only fuel the Government can produce in any quantity is paper—and at an extremely high cost per BTU.

I feel that Government can and should do only so much.

Its role should be supportive of private enterprise. Government should not make all the big decisions, but it should create the kind of climate where local, state and Federal authority, and in particular, the clearly stated interest of private enterprise can be harmonized effectively for the best service to the community.

Progress is not produced by government. It

is the product of conditions—and I mean a free and unencumbered marketplace—a free market that has in the past, and will in the future, evoke the predictable and traditional response of the greatest industrialized nation the world has ever known.

Thank you.

FTC IS ABOUT TO OVERHAUL TV ADS

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. TAYLOR of Missouri. Mr. Speaker, the Federal Government is forever issuing regulation upon regulation aimed at protecting the American consumer which further limits the power of the individual to make his own decisions. While sometimes these actions are legitimate, all too often the Federal agencies come up with ideas that seem far-fetched. One such instance has come to my attention from a radio editorial that was aired in my district on June 7 of this year.

The editorial has to do with the recent proposal by the Federal Trade Commission to ban cereal ads that might tend to mislead our children as to what brand to purchase. This editorial was delivered by Mr. Don C. Bailey, vice president of KGBX Radio in Springfield, Mo., and I feel it is very relevant and warrants the consideration of my colleagues.

The editorial follows:

"BIG BROTHER" ENGMAN

Tuesday morning the Associated Press carried a story from Washington reporting that Lewis A. Engman, Chairman of the Federal Trade Commission, is about to overhaul television advertising for children, beginning with a ban on advertising premium offers. If we know anything about the television and radio industry, everyone will shake and shiver, a few will scream bloody murder, but most will simply accede to whatever the Government demands. Mr. Engman told a convention of the American Advertising Federation that the television industry had not moved firmly enough in response to his demand 10 months ago for TV ad safeguards . . . to "protect" our children from ads on kiddie shows. He says he wouldn't ban cereal manufacturers from hiding prizes in wheat flakes or making box top offers. But he would ban advertising them on television. Mr. Engman then gives us one of those pearls of wisdom that could only come out of Washington. He says selection of a breakfast cereal, "involves weighing price, nutritional value, taste, convenience and other factors! "The injection of a premium offer cannot help but multiply the difficulties of choice." Following that line of reasoning, why give people any choice at all. . . . Why not just make everybody eat Mr. Engman's favorite cereal, whatever it might be? Remember he's talking about banning ads on children's TV programming because the difficulties of choice are so tough for children!

It's this type of "big brother" Government thinking that is helping mess up our whole economic system today. In the name of "protecting the public" there's a new half baked consumerism scheme coming out of the Washington fog practically every week. Mr. Engman also says if the TV people don't get their ads for children molded into the form he wants them, he'll go further. He'll demand that the use of "hero figures" such as an athlete and cartoon characters in ads be stopped. Why? Because they "may divert

the attention of the child from the merits of the product." Again, implying that your child must make the decision of what to buy in the grocery store! We don't know very many families in the ozarks who can afford to turn over that chore to the kids.

Why are we in radio so concerned about TV? Well, if this keeps up, the Government might demand that General Mills recall all those secret de-coding rings that Jack Armstrong sent out for box tops through radio advertising 35 years ago. They might even force us to admit we're still hooked on wheaties after all those years!

Seriously, where does the public come into all of this in the demand for imposing standards on commercials and programming on the air waves? Well . . . if the public continues to let it happen, direct public influence would be replaced by the judgment of the Government as to what our children should see and hear. Such Government judgments would inevitably reflect the tastes, preferences and general philosophy of those sitting on the FTV, as well as the political party then in power. This is the very reason the framers of the Communications Act sought to preclude censorship of broadcast programming. The real question is: who will most accurately reflect the desires of the American people? . . . The broadcaster whose goal is to seek out the desires and needs of the public and serve them well . . . or a government body under heavy pressure to "use" our broadcasting system to "protect the people" . . . "to educate the people" . . . "to improve their tastes," etc.

No one denies that allowing the broadcaster control of programming and commercials results in some abuses . . . but on balance, the possibility of occasional instances of abuse are small drawbacks compared to the threat of Government control and dictation of programming.

DON C. DAILEY,
Vice President KGBX.

STATE OF OUR PUBLIC RESOURCE LANDS

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. STEIGER of Arizona. Mr. Speaker, the Bureau of Land Management's Director, Curt Berklund, summed the state of our public resource lands in a most cogent speech to the National Advisory Board Council on May 18 of this year. These remarks are well worth the Members' time and attention:

STATE OF OUR PUBLIC RESOURCE LANDS

(By Curt Berklund)

Ladies and Gentlemen of the National Advisory Board Council and members of the public.

I have, I believe, just uttered a historic first. For the first time in history, an address to this important body has opened with a reference to the ladies. To the ladies—let me welcome you as new members of this Board. We look forward to working with you, and are confident that we will benefit from your counsel.

It is my responsibility to deliver here what might be described as a "State of the National Resource Lands" report. I propose to summarize key actions of the past year which have significantly affected our National Resource Lands and our Bureau programs for the management of those lands and their resources.

As early as 1971, this council was advised of a BLM Organic Act then pending in Congress. Time moves on. We now call it the

National Resource Lands Management Act, and it is still pending.

The need for an Organic Act is still clear. Despite our overwhelming desire for sound management decisions and actions, BLM is hamstrung by an assortment of 3,000 different public land laws. You can understand why, over the years, it has been alleged that BLM is an ill-assorted collection of poorly matching parts forming a distressing whole.

You know I can't totally subscribe to that, but this Act is most vital to the future management of National Resource Lands, since it would provide BLM with a mission, management authority, and guidelines.

It would be the first time in our Nation's history that Congress has, in other than an interim or temporary basis, clearly spoken its will concerning public lands and public land management.

On a note of optimism, our legislative staff feels that the Act has a good chance of becoming law before the end of this year.

The administration has also proposed legislation that would repeal the General Mining Law of 1872 and the Mineral Leasing Act of 1920. This new Mineral Leasing Act will bring the Bureau's mineral leasing program into line with the demands of our times. It would give the Secretary of the Interior the authority to manage mineral leasing on public lands according to the total public interest. It would also contain more effective environmental safeguards. The Subcommittee on Minerals Materials and Fuels of the Senate Interior and Insular Affairs Committee held two days of hearings on this bill in March 1974.

Last June 29, the President proposed to Congress the establishment of a Department of Energy and Natural Resources. This Department would take over most of the functions of the present Department of the Interior, as well as specific functions of certain other agencies. It would bring together, under a single Secretary, all Federal programs pertaining to Energy and Natural Resources.

The committee on Government Operations in the House held hearings on this bill (HR 9090) in July and August 1973, and the Subcommittee on Reorganization of the Senate Committee on Government Operations held its hearings in the summer of 1973 and in February and March of 1974.

We believe that each of the bills I have mentioned would enhance the program for National Resource Lands and the effectiveness of the Bureau.

Anyone who waited in a gas station line this past winter knows that the United States has an energy crisis. The crisis, and the measures necessary to alleviate it, have caused us to shift our priorities drastically in the Bureau of Land Management.

By way of illustration, our involvement on the O.C.S. dates back to 1953, when Congress passed the Outer Continental Shelf Act which gave the Bureau of Land Management the responsibility for mineral leasing on the nation's Outer Continental Shelf. In the first 20 years of the Act, the Bureau leased just over 10 million acres of the Outer Continental Shelf for oil and gas development.

On January 23, 1974, President Nixon reported to Congress that he had directed the Secretary of the Interior to increase offshore leasing to 10 million acres in calendar year 1975. This 10-fold increase in our leasing program poses a great challenge to the Bureau, but I am certain that it is a challenge that we will meet.

In addition to meeting the goal of accelerated leasing, the President has charged us to do the job with the least harmful impact on the environment. In response to this, the Bureau has established three new Outer Continental Shelf Offices in addition to the long established OCS office in New Orleans, Louisiana. The new offices are located in New York City, in Anchorage, Alaska, and here in Los Angeles. Each of these offices have been staffed with an interdisciplinary team of specialists. It will be their responsibility to see

that the necessary environmental safeguards are built into each offshore sale.

Because we must be prepared to build environmental safeguards into our leasing program, as we expand offshore leasing into new areas of the OCS, the Bureau is gathering knowledge needed to make proper decisions pertaining to OCS leasing. Studies will concentrate on 5 geographic areas. These are: the North Atlantic, from the Bay of Fundy to Sandy Hook, New Jersey; the Mid-Atlantic, from Sandy Hook to Cape Hatteras; the Gulf of Mexico; the Gulf of Alaska and adjoining OCS areas of the Pacific Ocean from Cook Inlet to Unimak Island; and the Coast of Southern California.

During fiscal year 1974, approximately \$2.3 million is being spent to gather environmental data. This will be increased to \$14 million in fiscal year 1975.

Let me quickly note that the impact of the energy crisis is not confined solely to our offshore leasing program. There has been a corresponding interest in onshore energy sources. A good example of this has been the interest the industry has shown in the development of our oil shale resources.

In 1970, Secretary Morton appointed a task force to study the problems associated with the leasing of oil shale on lands administered by BLM. This Task Force prepared an environmental statement in support of a prototype leasing program. Under the prototype program which Secretary Morton announced on November 28, 1973, the Bureau proposed to offer 6 tracts, 2 located in Colorado, 2 in Utah, and 2 in Wyoming for leasing. On May 14, we offered the fifth of these leases, the sixth will be offered in June. While no bids were received for the fifth lease, the Department has accepted high bids totaling more than \$448 million for the first 4 tracts that have been sold. We believe that the amount of these bids are clear indications of the interest which the oil and gas industry has in the development of oil shale resources.

I would like to point out that the prototype program is only experimental at this stage. It was designed to give the industry the resources it needed to work with in order to find the best way that oil shale can provide oil for the domestic market in a manner that is environmentally acceptable. If the results of the prototype program show promise, then we will get on with the business of leasing on a large scale.

Another area that has attracted interest has been the Department's program for development of geothermal steam. Admittedly, steam can provide only a fraction of the Nation's energy needs, but a total of \$6.3 million in high bonus bids have been received for the 3 Known Geothermal Resource Areas that have been offered for lease to date. This again is an indication of the interest industry has shown in developing new energy resources.

A more conventional source of future energy will come from the coal that can be found on public lands. It is estimated that 40 percent of all known coal reserves in the United States are on BLM lands. In this month, the Department issued a draft environmental impact statement that addresses itself to the development of these reserves. A proposed coal leasing program known as EMARS (Energy Minerals Allocation Recommendation System) is being developed by Interior to get the best coal at the least expense to the environment.

Properly harnessed, coal may become the giant of the energy world. If this happens, our public lands will be a major supplier of the nation's needs.

I sometimes feel that the energy crisis could be resolved if somebody could find a way to harness the public reaction generated by the wild horses and burros using National Resource Lands. It has been estimated that there are approximately 43,000 horses and 14,000 burros grazing on the public range. Out of this number, 17,000 horses and 123

burros have been claimed by private owners. The rest are presumed wild and fall under the protection of the Wild and Free-Roaming Horses and Burros Act.

As you may know, this Act places all wild horses and burros under the protection of the Secretaries of Agriculture and Interior. On August 15, 1973, the Department of the Interior published its regulations implementing the Act as it applies to lands administered by the Bureau of Land Management. Our first priority is the protection of wild horses and burros. At the same time, the Bureau is obligated to process the claims for horses and burros which private individuals contend they own, as provided in the Act. We are now processing these claims and expect it will take several years before all private claims can be satisfied.

Almost anything concerning wild horses seems to be highly controversial. A lawsuit filed by the American Horse Protection Association and the Humane Society of the United States against the Departments of the Interior and Agriculture is still pending. The suit charges both Departments with negligence in enforcing the Act by allowing a roundup of horses from public lands in Idaho.

On the other side of the coin, we have a suit filed by the State of New Mexico challenging the constitutionality of the Wild Horse and Burros Act. New Mexico takes the position that unclaimed horses and burros belong to the State. The case is still pending.

While on controversial subjects, we should mention another issue, the fencing of National Resource Lands. On one hand, some wildlife groups have opposed fencing of public range on the grounds that fences interfere with the natural movements of antelope, and that this in turn leads to high winter kills. On the other hand, fencing is recognized as a tool in livestock grazing management.

In March the Bureau took the initiative in trying to resolve this controversy when it held hearings in Cheyenne, Wyoming. Input from the public and from concerned agencies will help us formulate a firm fencing policy for the National Resource Lands that will be responsive to the needs of range management and also to wildlife.

Public lands in the United States provide grazing for 3.5 million head of cattle and 5.6 million sheep, for a total of 13 million animals unit months of grazing use. Livestock grazing on public lands is a traditional use of public range that dates back to the first settlers.

On October 30, 1973, the Natural Resource Defense Council filed a civil complaint in the United States District Court in the District of Columbia against the Department and BLM for failure to comply with the National Environmental Policy Act. The Council wants the court to enjoin BLM against the issuance of grazing leases until the Bureau has prepared and circulated an environmental impact statement for each planning unit or grazing district.

We believe that a more practical approach is through the issuance of what has been called a "Programmatic Environmental Statement." The programmatic statement seeks to look at the environmental impact of a program rather than dealing with the narrow environmental issues associated with a single action that might be taken under a given program.

In April, we sent such a programmatic statement to the Council on Environmental Quality. This statement analyzes the impact of BLM's livestock grazing management program on National Resource Lands and discusses both the present program as well as a number of alternatives to it.

There's a relatively new use of these lands which we have to consider. The increasing recreational use in the past quarter of a century has been phenomenal. In addition to the traditional forms of recreation, such as hunting, fishing, picnicking, and hiking, have

come new and innovative forms of recreation. No form of recreational use has increased more rapidly than in the use of off-road vehicles.

The popularity of off-road driving can perhaps best be seen in the fact that the automobile industry has catered to the demand by building a wide variety of motorized vehicles from snowmobiles to dune buggies. The Bureau has looked upon the off-road driver as a legitimate recreation user of public land.

We have also been aware of the problems that this use has caused. Much of the public land lies either in desert or semi-desert regions. The ecology is fragile, and the time required for nature to repair man-made surface damage is incredibly long. In addition to this, many people find the presence of off-road vehicles in isolated areas offensive to their aesthetic sensibilities.

In 1972 President Nixon issued an Executive Order requiring all Federal land agencies to regulate off-road vehicle use on public land. The Department published its final regulations in response to this order on April 15, 1974. They became effective on the 15th of this month.

Under the regulations, areas and trails will be designated as open, closed, or restricted. The regulations provide procedures to control and manage off-road vehicles on public land. They are designed to protect public land resources, promote safety, and coordinate use.

On November 1, 1973, and prior to the publication of off-road vehicle regulations, the Bureau realized that it was facing a particularly acute problem in the California Desert. Because of the proximity of major population centers like Los Angeles, the 12 million acres of National Resource Lands were particularly susceptible to damage. In view of the critical nature of this area, we felt that it was necessary to initiate an interim program for off-road management as a stop-gap measure pending completion of the Bureau's planning system procedures. Although only a small percent is either entirely closed, or open with few restrictions, this measure has protected fragile ecology and lands valued for historical and archaeological reasons.

In August 1973, the Secretary of the Interior designated a 40 thousand acre area between Gunnison and Lake City, Colorado, as the Powderhorn Primitive Area. This was the seventh primitive area to be designated on the National Resource Lands. The Bureau now administers a total of 164,625 acres of Primitive area. Like Wilderness Areas, Primitive areas are set aside to protect their primitive values. Unlike Wilderness Areas, we can protect the primitive values of an area through administrative withdrawal. This enables us to provide preservation in a much shorter time frame than is possible when dealing with Congressionally designated Wildernesses.

The National Resource Lands produced approximately 1.3 billion board feet of timber during the past fiscal year. Most of this production came from the highly productive and intensely managed O&C forest lands of western Oregon. We will increase the annual cut from BLM lands other than the O&S lands by approximately 100 million board feet in the next fiscal year. Most of the increase will come from National Resource Lands in California, Colorado, eastern Oregon, and Idaho.

The past fiscal year set a new record for the value of BLM timber sales at \$131 million. Forecasts for the coming fiscal year indicate the last year's record will be short-lived. We expect to beat it by almost 40 percent. Income from timber sales is expected to reach \$176 million.

The Bureau of Land Management has cooperated with the U.S. Forest Service in preparation of the environmental impact statement for control of the Tussock Moth. This pest has caused considerable damage to public forest lands managed both by the

Bureau and by the Forest Service. Because of the serious nature of the damage, the Forest Service has been granted contingency use of DDT. If conditions warrant and the project moves on schedule, about 2,500 acres of BLM land will be treated this year.

At the beginning of this fiscal year, we anticipated processing just under 11 thousand realty actions affecting the National Resource Lands. Over the past few years, there had been a downward trend in new filing, but this past year the trend has been reversed. By the end of March, we had received 16,629 filings which represented a 60 percent increase over the work load we had anticipated.

The increase was caused by the energy crisis and the rising value of agricultural land. The latter was brought about by the high demand and price for agricultural products. The increasing prices for farm products has made agricultural lands more attractive to investors. From July 1, 1973, to March 1, 1974, a total of 236 new Desert Land applications were filed in Idaho. During the same period we closed 197 cases.

Increased applications for pipeline and a direct reflection of the demand for new sources of energy that has mushroomed during the past year. Complex proposals involving coal development for power generation or for coal gasification will have an impact on the number of realty transactions the Bureau will be required to process. A good example is provided by the coal-related activity in the Power River Basin of Wyoming. This project will require a comprehensive environmental statement and about 180 separate realty actions for rights-of-way, reservoirs, material sites, waste disposal sites, and other uses.

In a related matter, we are trying to determine if there is a need to establish a national system of utility and transportation corridors.

The Bureau has been given the lead in preparing an environmental impact statement for an Alaska pipeline corridor that would start on the North Slope of Alaska and cross Canada to branch out to the east and west coasts of the United States.

The Bureau is deeply involved in the Alaska Native Claims Settlement Act, and with the settlement of state claims for land allowed under Alaska's Statehood Act. We are also processing some 5,000 native allotment applications that were filed prior to the passage of the Alaska Native Claims Settlement Act.

The impact of wildlife on the orderly management of the National Resource Lands continues to be a major concern. Fires on the BLM-administered lands last year burned approximately 630,000 acres of national resource lands and destroyed property and resources worth more than \$12.6 million. The fire season, which was most severe in the Northwest, had 2,600 fires start. These fires cost approximately \$23 million to suppress.

On the national level, agencies involved in firefighting are banding together to improve the coordination and efficiency of Federal fire management programs.

During the past year interagency cooperation has been further advanced by an excellent working relationship between Interior, Agriculture, and the Weather Service at the Boise Interagency Fire Center in Idaho, and on a local pilot project between BLM's Susanville District and the Lassen National Forest in California. These two projects have provided that coordinated mobilization of all firefighting resources provides more efficiency in protecting natural resources for the tax dollar spent than we were able to achieve through the old system. Each agency formerly provided independent protection for the lands under its jurisdiction. We are also working toward new and innovative firefighting equipment, as well as a planning system based on computerized data from satellites.

To insure balanced consideration of all resource values in a given area of National Resource Lands, we have adopted a program of land use planning. We call it "Management Framework Plan" or MFP. The planning process considers all factors. It makes use of economic, resource, environmental, social, cultural and institutional data, along with policy and legal requirements.

We expect to have 68 percent of these first generation MFP's compiled by the end of FY 1975. We know our plans will be subject to change. New programs and new emphasis are already causing us to update some of our early MFP's.

I know that many of you have been involved on some of our planning sessions. We are aware that we are custodians of your land and that the local people in any given area are the people who are going to have to live with whatever program we develop for public lands in that area. We feel that they ought to be involved in helping determine the kind of program that we provide. We have, therefore, encouraged people to get involved in the planning process. The response has been good and we have profited from the contributions made thus far.

Without your help, both as active users of the land and as concerned citizens, our planning would soon lose touch with the people the plan is meant to serve.

As I have discussed the various program areas, you have heard me mention environmental impact statements. You may know that we now prepare environmental statements on all major actions having a significant effect on the environment as required by the National Environmental Policy Act of 1969. Because of the magnitude of the workload this imposes on Bureau personnel, I feel that I should make special mention of this aspect of the Bureau's work.

We are currently preparing environmental statements in three categories: for legislative proposals such as the Organic Act; for program-wide areas such as coal leasing on public lands, and for such individual actions as timber sales. At this moment, we have 40 environmental statements in some stage of preparation.

In terms of manpower, time and effort each of these statements may be considered as a major project.

In addition to the statements, the Bureau must prepare an environmental analysis record for almost all proposed actions. This is done to determine if the proposal would have sufficient impact on the environment to make it necessary to prepare an impact statement. In fiscal year 1974 the Bureau prepared 8,872 of these environmental analysis records.

Bureau personnel are also asked to review environmental statements prepared by other agencies if the proposed action is in an area where the Bureau has expertise. During 1972 and 1973 we reviewed 863 such statements. This year we have reviewed 426 statements for other agencies.

In conclusion, it must be obvious to you that there are many disciplines involved in the management of public lands and public land resources, and that there are many uses made of these lands. Sometimes one use conflicts with another. When this happens, the Bureau becomes the arbitrator between user groups. In such situations we try to consider the best interest of the greatest number of people, both now and for the future. However, it is seldom that we are able to please everyone. We are certainly aware that we have no monopoly on wisdom or foresight. It is for this reason that this National Advisory Board Council was formed so that we could get opinions and viewpoints from knowledgeable and concerned people to help us with our decision making process. We are looking forward to the coming deliberations and to working with you now and in the years ahead.

GENERAL ACCOUNTING OFFICE INTERIM REPORT ON THE USE OF PRESIDENTIAL EXECUTIVE INTERCHANGE PERSONNEL WITH OIL INDUSTRY BACKGROUNDS BY THE FEDERAL ENERGY OFFICE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. VANIK. Mr. Speaker, on April 4, 1974, I asked the GAO to examine the background and circumstance of employment of certain Presidential Executive Interchange Program personnel working at the FEO. On May 3, I received the first of what will be a series of reports on the interchange program and activities at FEO.

Because of the continuing interest in this issue, I would like to enter into the RECORD at this point the GAO letter of May 3. For purposes of conserving space, I am omitting the appendixes. Copies of the appendix items may be obtained from my office. The report follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C.

HON. CHARLES A. VANIK,
House of Representatives.

DEAR Mr. VANIK: In your letter of April 4, 1974, and in subsequent discussions with your office, you asked that we examine the background and circumstances of employment of certain Presidential Executive Interchange Program personnel working at the Federal Energy Office (FEO) and give consideration to any potential conflict of interest problems. This interim response to your request contains information on one of the interchange personnel—Mr. Robert C. Bowen.

In developing this response we interviewed Mr. Bowen, his supervisor, and various officials of FEO and the Department of Treasury; reviewed Mr. Bowen's official personnel folder, his correspondence and work related files; and contacted an official of the Presidential Executive Interchange Program.

The President's Executive Interchange Program provides for the interchange of managerial skills between the Federal Government and the private sector. Executives in the private sector are selected for year-long assignments in the Government; similarly, Government executives are selected for year-long assignments in the private sector.

The President's Commission on Personnel Interchange selects candidates meeting program requirements and refers them to the most appropriate host organization for additional interviews. Under the interchange program, private sector employees who are assigned to the Government are subject to the same conflict of interest laws and regulations that are applicable to Federal employees.

Mr. Bowen is on a year's leave of absence from the Phillips Petroleum Corporation and is working as a petroleum engineer (petroleum specialist) in FEO's Office of Policy Analysis. Mr. Bowen initially joined Government service on June 18, 1973, as a petroleum engineer (petroleum specialist) with the Office of the Energy Advisor, Office of the Deputy Secretary, Office of the Secretary, Department of the Treasury. On September 2, 1973, Mr. Bowen was transferred from the Office of Energy Advisor to the Office of Analysis and Special Studies of Natural Resources and Energy, Department of the Treasury. Mr. Bowen has been working for FEO since his office's functions were transferred on December 4, 1973. Mr. Bowen

is still considered a Treasury Department employee, and the Department still maintains his official personnel folder.

In your request, you asked eight questions regarding the interchange employees. Your questions and our responses as they regard Mr. Bowen are set forth below.

What is the actual job description for which the individual has been hired?

Before Mr. Bowen's employment with the Treasury Department, Mr. William A. Johnson, Special Assistant to the Deputy Secretary, wrote a memorandum to Mr. William E. Simon, Deputy Secretary of the Treasury, which outlined the duties Mr. Bowen would perform during his year of service with the Government under the interchange program. In the memorandum, Mr. Johnson said that Mr. Bowen would primarily collect and analyze factual data and provide technical calculations and studies in which subjective judgment and advice were not required. Mr. Johnson also set forth typical studies which Mr. Bowen would work on including (1) developing data on foreign oil operations, (2) assisting in preparing an analytical base for providing surveillance of the Government's oil import control program, (3) making cost studies of petroleum storage, refining, and pipelines, and (4) preparing background papers on the U.S. petroleum industry for briefing other staff members. The memorandum also set forth actions that would be taken to insure that Mr. Bowen would not get involved in a conflict of interest situation. A copy of the memorandum is included as Appendix I.

The official position description for Mr. Bowen, dated August 31, 1973, shows Mr. Bowen as a petroleum engineer (petroleum specialist) in the Office of Analysis and Special Studies of Natural Resources and Energy, Office of the Deputy Secretary, Office of the Secretary, Department of the Treasury. Mr. Bowen's position description includes a functional statement of the Office of Analysis and Special Studies of Natural Resources and Energy which states that the Office advises the Deputy Secretary on the international economic and financial impact of domestic and international policies on resources and energy. It states that:

"* * * the office will also advise the Deputy Secretary on related tax policies including depletion allowance, accelerated amortization, investment credits, and production incentives, as well as * * * financial and investment policies, * * * price controls, loans and guarantees, * * * as they affect U.S. natural resource and energy needs.

Mr. Bowen's specific duties and responsibilities as outlined in the job description generally parallel those set forth in Mr. Johnson's memorandum referred to earlier. A copy of Mr. Bowen's position description is included as Appendix II.

FEO has not developed a position description of Mr. Bowen's duties and responsibilities at FEO because he is still considered an employee of the Treasury Department.

What are and have been the nature of the employee's actual activities during his term of employment in his FEO position?

Mr. William A. Johnson has been Mr. Bowen's immediate supervisor since Mr. Bowen joined the Government. Mr. Johnson was the Energy Adviser to the Deputy Secretary of the Treasury, was detailed to FEO at the time of its creation, and was made Assistant Administrator for Policy Analysis, reporting to the Administrator and Deputy Administrator. According to the functional statement of the Office of Policy Analysis, Mr. Johnson is responsible for reviewing program operations and carrying out a broad program and policy evaluation leading to the development and adoption of FEO policy and programs. He is also responsible for reviewing proposed policies developed within FEO and for reviewing and making recommendations on regulations and legislation in the energy field. According to the functional statement, he participates

in economic planning, analyzes and reviews FEO programs and policies which deal with economic and financial issues concerning all forms of energy. He also works with Treasury Department tax personnel to develop plans for taxes and other regulations which have an impact on energy matters, including the pricing of energy and rate regulations. A copy of the functional statement for FEO's Office of Policy Analysis is included as Appendix III.

In regard to Mr. Bowen's actual activities, during the week of April 15, 1974, Mr. Bowen was asked to provide the Office of Policy Analysis with a list of duties he had been performing at FEO. In a memorandum to the FEO Administrator dated April 17, 1974, Mr. Johnson outlined the duties Mr. Bowen had performed since his assignment to FEO as follows:

"1. Has prepared background studies on crude oil, propane, natural gas, and various refined products.

"2. Has evaluated and projected the effects of existing and proposed regulations on various sectors of the oil and gas industry.

"3. Has made a study of the capital investment patterns of the oil industry and various individual companies.

"4. Has prepared estimates of imports and exports of crude oil and refined products.

"5. Has held informal seminars for staff members on technical aspects of the oil industry.

"6. Is involved in a major study of European refinery capability and sulphur levels of distillate and residual fuel oils.

"7. Has analyzed foreign financial, physical, and manpower capabilities that may limit or impede foreign oil producing countries from reaching probable or announced goals.

"8. Is working on a history of price controls.

"9. Provides general technical advice about marketing of petroleum products."

Messrs. Johnson and Bowen informed us that Mr. Bowen had been involved in a variety of duties at FEO, such as those outlined in the April 17, 1974, memorandum to Mr. Simon. According to Mr. Johnson, Mr. Bowen's area of expertise is marketing and refining operations, and he has provided particular knowledge of how things are done in the oil industry. Mr. Johnson said that Mr. Bowen's knowledge of industry operations had enabled him to make an invaluable input into comments made by the Office of Policy Analysis on the impact of proposed rule changes on the industry.

From the foregoing, Mr. Bowen's duties at FEO appear changed in several significant respects from those outlined in his original position description as carefully defined with the assistance of the Treasury Department's General Counsel. The most important change is that he has been called upon to evaluate and project the effects of existing and proposed regulations on various sectors of the oil and gas industry.

Did the employee produce any material relative to his original job description and what is the nature of these papers?

Mr. Bowen said he did not participate in producing his original job description. Our review of Mr. Bowen's personnel file at the Department of Treasury showed no indication that Mr. Bowen had participated in any way in drafting his job description or produced any material relative to it.

How has the original job description designed, and was it with the aid of Legal Counsel's Office; and if so, why was that necessary?

According to Mr. Johnson—and supported by our review of Mr. Bowen's personnel file—the original job description was prepared by Mr. Johnson with the advice and participation of Treasury's General Counsel. Documents in Mr. Bowen's personnel file indicate that Treasury personnel and legal officials were sensitive to a potential conflict of interest involving Mr. Bowen before his employment. A memorandum dated May 18,

1973, to the Assistant Secretary for Administration from the Acting Director of Personnel indicated that reasonable caution should be exercised in assigning Mr. Bowen duties and noted that the potential conflict of interest should be reviewed in detail.

A statement dated May 18, 1973, signed by Mr. Johnson, noted that Mr. Bowen's expertise would aid the Government in developing approaches to the energy problem. The statement pointed out that Mr. Bowen would be on leave of absence from his company, would retain stock interest in his company, and poses a potential conflict of interest problem. The statement indicated that, to the extent possible, Mr. Bowen would be used in studies where such conflicts would not develop. The memorandum noted that Treasury employees with no industry affiliation would have final responsibility for decisions and that Mr. Bowen would work as a professional rather than a policymaker.

A memorandum dated June 13, 1973, from Treasury's General Counsel to Deputy Secretary of the Treasury William Simon discussed conflict of interest considerations in the employment of Mr. Bowen. The memorandum noted that Mr. Bowen had a financial interest in Phillips by virtue of his participation in the Company's thrift and retirement plans and more importantly, by virtue of his continuing and prospective employment with the Company. The memorandum also notes it is necessary to recognize that Phillips has a financial interest in the activities of the Office of the Energy Adviser. The memorandum was accompanied by the previously mentioned memorandum from Mr. Johnson to Mr. Simon concerning Mr. Bowen's duties. In evaluating the accompanying document, General Counsel said the memorandum indicated that Mr. Bowen would work only on technical studies relating to the oil industry in general, not on those relating to individual companies, and that Mr. Bowen would be excluded from considering policy and developing programs which would specifically affect Phillips' financial interests or those of other companies in competition with Phillips.

The memorandum also pointed out that the Energy Adviser intended to insulate Mr. Bowen's services in the course of the year from any official actions affecting his company's financial interests and that, in view of this insulation:

"I believe that you and Mr. Bowen can be assured that he is not participating personally and substantially in the Government consideration of a matter in which he and his company have a financial interest. This conclusion retains its validity for as long as Mr. Bowen's work is confined as outlined by the Energy Adviser."

The memorandum stated that, in view of this conclusion, it was not necessary for Mr. Simon to consider making the determination provided for in 18 U.S.C. 208(b) that Mr. Bowen's and Phillips' financial interests were not so substantial as to be deemed likely to affect the integrity of his services.

The memorandum also indicated that Mr. Bowen had been specifically advised of those provisions of the Department's minimum standards of conduct of which he should be particularly aware, including provisions concerning outside financial interests and the disclosure of confidential information. A copy of the memorandum from General Counsel is included as Appendix IV.

Is the employee a member of the "Kitchen Cabinet" and what is the definition of the "Kitchen Cabinet", does it meet regularly, who are its members, and what is its actual intent, and what is the employee's role in this activity?

According to Mr. Bowen and other FEO officials, Mr. Bowen was not regarded as part of the "kitchen cabinet." According to Mr. Johnson, "kitchen cabinet" was a term used

by Mr. Simon to describe meetings of the Administrator, Deputy Administrator, and assistant administrators of FEO which were held to discuss problems affecting FEO. According to Mr. Johnson, this group originally met at 6 o'clock each week night but eventually the FEO officials lost interest in such meetings. In January the meetings were replaced with "issues meetings" which were held sometime in the afternoon every Tuesday and Friday. According to Mr. Johnson, the meetings were intended to focus on basic problems and were chaired by the FEO Administrator's Executive Assistant. He said the meetings were attended by assistant administrators, deputy assistant administrators, and other members of the FEO staff which had technical expertise on the particular problem being discussed. Mr. Johnson told us that decisions were not reached at the "kitchen cabinet" or "issues meetings"; rather, the meetings provided a forum for debate. Mr. Johnson said that Mr. Bowen attended several "kitchen cabinet" or "issues meetings" at which the issue being discussed was particularly relevant to Mr. Bowen's area of expertise.

Mr. Bowen could recall attending only one such meeting at which he gave a technical presentation on the transportation of residual fuel oil and the possibilities of coal switching. He said he was there for only part of the meeting and that his presentation took about 4 to 5 minutes. Mr. Bowen stated that he had no documentation for his presentation and that he left the meeting after presenting his views.

Has the employee in fact written legislative proposals and/or regulations on energy matters for the Administrator or the FEO and has he participated or written regulations and/or legislative proposals relating to or affecting the propane industry and/or the allocation of propane?

According to Mr. Johnson and Mr. Bowen, Mr. Bowen did not draft any material relating to regulations or legislation. Mr. Bowen on several occasions was asked to comment on such material. According to Mr. Johnson, the Deputy Assistant Administrator for Policy Analysis was responsible for reviewing all comments submitted by Mr. Bowen. Mr. Bowen said that he had not been involved in drafting propane pricing regulations but had seen such regulations after they had been drafted. He said he had seen the draft of the propane allocation regulations and had commented on them. Mr. Johnson said that Mr. Bowen was one of a number of the Office of Policy Analysis staff who provided advice to Mr. Johnson. Mr. Johnson said the Office of Policy Analysis merely comments on proposed policies and regulations or changes thereto. He said that, aside from the Administrator and Deputy Administrator of FEO, the General Counsel, for all practical purposes, has the final authority for determining FEO's final position on proposed regulations or revisions to such regulations. According to Mr. Johnson, the comments of the Office of Policy Analysis had been given little weight in the adoption of FEO's final decisions.

Is there any indication within the file of official correspondence of continuing relationships with former employers and/or any other pattern within official correspondence which would be in conflict with the employee's duties as a public servant?

Only one document in the file of Mr. Bowen indicated correspondence with Phillips. The document was a copy of a letter dated April 5, 1974, from a Washington, D.C., representative of Phillips to Mr. Johnson concerning FEO's proposed propane pricing regulations. Mr. Bowen's personnel files substantiated much of what he had told us. His files contain numerous drafts of regulations and/or position statements and evidenced his handwritten notations on the margins of such papers. Mr. Bowen said that he made most of his recommendations to Mr. Johnson

verbally and that his handwritten notations reflected his comments.

Mr. Bowen's files also contained working paper schedules and summary data. Mr. Bowen told us that he often contacted oil industry personnel by telephone for technical information. He said he was acutely aware of potential conflict of interest problems in his calling Phillips and that he did contact Phillips personnel for strictly technical information on two or three occasions. Mr. Bowen told us that he had talked to Phillips personnel employees on several occasions regarding his thrift plan and positions he might assume when he returns to Phillips in June. He has continued his monthly contributions to the Phillips thrift plan.

Mr. Bowen said that, since coming to FEO, he had been advised of his responsibility to avoid potential conflict of interest situations involving Phillips. Mr. Johnson said that on several occasions Mr. Bowen had refused to perform certain assignments that Mr. Johnson had requested because of Phillips' involvement in the subject area. Mr. Johnson indicated that his reminders to Mr. Bowen about potential conflict of interest situations had been minimal because of Mr. Bowen's awareness of potential conflict of interest situations.

What measures have been or are being taken to assure that the employee or any other is in complete compliance with conflict of interest statutes as regards their work with the Federal Government and the employer from whom they are on leave and/or industry which is affected by their work?

Measures taken by Treasury's Office of General Counsel before Mr. Bowen's original employment have already been described. In addition, in a memorandum dated October 4, 1973, Treasury's General Counsel informed Mr. Johnson that Mr. Bowen's job description had been reviewed and that the description itself created no conflict of interest problems. The memorandum noted that, as long as Mr. Bowen's activities were limited to those set forth in the accompaniment to Treasury's General Counsel's June 13, 1973, memorandum to Mr. Simon, he would not be violating the conflict of interest statutes. Subsequently, on December 4, 1973, Mr. Bowen was detailed to FEO.

According to officials of FEO and Treasury, the employee and his immediate supervisor have primary responsibility for insuring that an employee is not faced with a conflict of interest situation. Treasury's General Counsel stated that Mr. Bowen was advised of his duties and his responsibility to avoid conflict of interest situations at the time of his employment.

According to FEO's General Counsel, FEO implemented its conflict of interest monitoring program in February 1974. On February 6, 1974, FEO employed a career lawyer to implement FEO's conflict of interest program. On February 11, 1974, the FEO Administrator issued a memorandum to all FEO personnel concerning conflict of interest. The memorandum stated that all employees should be aware of and observe the "Standards of Conduct for the Executive Office of the President." In the memorandum, the Administrator designated FEO's General Counsel as the FEO Standards of Conduct Counselor and directed each senior staff member to take certain actions with respect to all employees and applicants within their jurisdictions, including reminding all present employees in grades GS-13 and above to submit Confidential Statements of Employment and Financial Interests through their supervisors. (A copy of the memorandum is included as Appendix V).

According to FEO General Counsel officials, each supervisor was required to review the financial disclosure statements to determine whether the employees' assigned duties presented a conflict of interest situation. In those cases where the employees' supervisor

determined that there was a potential conflict of interest situation or where the General Counsel felt there might be a conflict, despite a supervisor's statement to the contrary, follow-up interviews were held with the individual employees or the supervisors.

According to FEO General Counsel officials, Mr. Bowen was identified as a potential conflict of interest problem some time ago. On April 8, 1974, FEO's General Counsel submitted a memorandum to the Administrator concerning Mr. Bowen's potential conflict of interest situation. The General Counsel's memorandum noted that Mr. Bowen had a financial interest in Phillips by virtue of his participation in the thrift and retirement plans of the company and more importantly because of his continuing and prospective employment with the company. The memorandum noted the previous review of Mr. Bowen's employment by the Treasury's General Counsel but pointed out that the duties of Mr. Bowen's organization had changed materially since FEO was created and that Phillips' interests were now more directly affected by FEO's decisions and actions than they were when Mr. Bowen was at Treasury.

The General Counsel's memorandum contained the following statement with respect to Federal statutes involving conflicts of interest and Mr. Bowen's duties:

"18 USC 208 declares it to be a crime (not a civil offense) for an officer or an employee of the Executive Branch to 'participate personally and substantially as a Government officer or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, in a judicial or other proceeding * * * or other particular matter in which, to his knowledge, he * * * has a financial interest.' The fact that Mr. Bowen might only make recommendations, render advice, or make investigations at the direction of Mr. Johnson would not place him outside the reach of the statute. Quite the contrary, it would place him squarely within the language of the statute * * * ."

"If, indeed, the nature of Mr. Bowen's duties has changed so that he participates in decisions or renders advice on matters which have a direct impact upon Phillips Petroleum, then Mr. Bowen's activities would be outside the guidelines established by Mr. Johnson in June and would violate 18 USC 208. Mr. Johnson, however, as Mr. Bowen's immediate superior, is in the best position to assess the degree to which Mr. Bowen's duties have been altered by virtue of the creation of FEO and the regulatory missions assigned it."

The memorandum pointed out that, if Mr. Bowen's current duties may be determined to involve a conflict under the statute and if nevertheless it was considered in the public interest that he be retained in such duties, the Administrator, FEO, may determine in writing that the financial interest "is not so substantial as to be deemed likely to affect the integrity of the services which the government may expect from such officer or employee." The memorandum recommended certain procedures which should be followed if such a determination were made.

Regarding previous considerations of Mr. Bowen's position, the memorandum contains the following paragraph:

"It is my understanding from several conversations with you, Mr. Johnson and Mr. Parsky dating from early January that you have considered Mr. Bowen's situation and that it was concluded that any conflict was insubstantial. Nonetheless, a written determination would be necessary to formalize such a decision."

Mr. Parsky is an Executive Assistant to the Administrator. According to FEO's General Counsel, Mr. Simon made no such written determination. A copy of the April 8, 1974, memorandum is included as Appendix VI.

On April 24, 1974, FEO's General Counsel

sent a memorandum to the FEO Administrator, John C. Sawhill, concerning Mr. Bowen's potential conflict of interest. The memorandum outlined previous steps that the Treasury and FEO's General Counsel had taken with respect to Mr. Bowen and contained, as an attachment, Mr. Johnson's previously described April 17, 1974, memorandum to Mr. Simon concerning Mr. Bowen's duties at FEO. The FEO General Counsel's memorandum concluded that Mr. Johnson's memorandum:

"* * * clearly suggests that Mr. Bowen deals with technical matters to the exclusion of policy consideration; however, this response seems deficient in two respects from the conflict standpoint. First, and perhaps most important, it lacks the positive assurances that Mr. Bowen is fully insulated from the policy-making process which were contained in the materials prepared for his work in the Treasury Department. Second, item number two could be construed to relate to policy making in the context of our regulatory program.

"From the materials developed to date, I do not believe that the potential conflict problem has been resolved in this case. I therefore recommend that immediate consideration be given to such further action as may be necessary to resolve the matter."

A copy of the memorandum to Mr. Sawhill is included as Appendix VII.

Since the passage of the Petroleum Allocation Act of 1973 and the creation of FEO, the duties of Mr. Bowen and the Office to which he is assigned have changed. FEO's General Counsel has recently expressed particular interest in Mr. Bowen's situation because of his potential impact on FEO regulations relating to petroleum products and has recommended that the FEO Administrator consider appropriate action to resolve the potential conflict of interest problem.

Mr. Bowen's duties and responsibilities in FEO's Office of Policy Analysis, including his involvement in commenting on FEO's policies and regulations as they relate to the oil industry, may possibly be in violation of 18 U.S.C. 208. Since 18 U.S.C. 208 is a criminal statute the determination whether it has been violated in a particular case is not within our jurisdiction, but rather is a matter for consideration by the Department of Justice and the courts. Accordingly, we are forwarding a copy of this report to the Justice Department for such investigation and action as that Department deems warranted.

As agreed, we did not obtain the formal comments of FEO or the Treasury Department on this report, but are advising appropriate officials of both agencies of our actions and furnishing them copies of the report.

We plan to report to you further concerning other FEO employees engaged in the interchange program. We do not plan to distribute this report further unless you agree or publicly disclose its contents.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Comptroller General.

REPRESENTATIVE JACK KEMP TESTIFIES IN SUPPORT OF PROPOSED FLOOD CONTROL AND ENVIRONMENTAL PROTECTION FOR RESIDENTS OF WESTERN NEW YORK

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. KEMP. Mr. Speaker, constructing badly needed works of improvement to control the persistent problem of flooding along the populous areas adjoining Cazenovia Creek, in Erie County,

N.Y., is of vital importance to the general welfare of western New York.

In 1971, and again in 1972, substantial flooding along the creek's banks resulted in severe losses of property—jeopardizing lives, health, and the area's economy.

I have worked hard since I came to Congress to move this important project forward to the stage of actual construction. We are almost at that point.

This date, the Buffalo district office of the Corps of Engineers is holding its "late stage" public hearings on the phase II report on the project.

If all goes well, we will soon be moving toward the construction of the important works proposed in the phase II report. It is for this reason that I am testifying personally at the hearings to support the project—to make sure that the past 4 years of uninterrupted progress toward construction does not go awry.

This testimony will require me to miss part of today's session, but I consider its importance to the people of western New York to be crucial.

The testimony I will give this date follows:

STATEMENT OF REPRESENTATIVE JACK KEMP

I am indeed pleased to be here this evening to voice my strongest support for moving ahead toward the actual construction of flood control and related improvements now being considered for Cazenovia Creek.

We are—as evidenced by this "late stage" public meeting—nearing the end of the laborious planning process which necessarily precedes actual construction.

There are, I am aware, disagreements among our people on which plan is preferable—Alternative 1 or Alternative 2. That is an issue to be addressed by participants in this evening's meeting. We must not lose sight, however, no matter what our position might be, that we are, at last, nearing the end of the planning process.

The recurrent problems of flooding along the Creek have been the subject of Congressional attention since 1956—nearly 20 years.

As your representative, I have been very personally and continuously involved in seeking congressional assistance to help end—once and for all—Cazenovia Creek flooding since taking my seat in Congress in 1971.

With the help of Supervisor Jim Roof and other West Seneca Town officials, Corps of Engineers' Colonels Bob Moore and Bernie Hughes, appropriate members of Congress and their staffs, and many concerned citizens, I have repeatedly testified before the Public Works Committee and the Appropriations Subcommittee for funding authorizations and appropriations to advance the Corps of Engineers' studies and plans toward design and actual construction of Cazenovia Creek flood protection.

The process of planning is crucially important, for spending the taxpayers dollars in the most effective ways is essential. But, during this 20 year period, the Creek has continued to be subject to frequent flooding, with major floods in January of 1959 and March of 1972. That last one is a vivid memory to all of us. It is, therefore, encouraging to know that we are almost at the finish line for planning and at the beginning line for construction.

It is my strongest desire that we do, in fact, move to actual construction at the earliest possible date. I think it would be a most unfortunate situation, if—at this eleventh hour—some new considerations were thrown into our equation for progress. The people who live and work in the Cazenovia Creek flood plain would be the potential victims of any additional delay in construction.

In late February, 1971, I saw, first-hand, flooding in West Seneca. While it left an indelible impression in my mind, it was but a precursor of the more devastating disaster of March 2, 1972, when Cazenovia Creek crested and overflowed twice within two hours, afflicting misery and damage which made all of us more determined to work harder to prevent such community-wide tragedies in the future.

Back in 1971, I pledged the people of this community that I would do everything within my legislative and other authority to expedite construction of flood preventing projects to halt these reoccurring ravages of Cazenovia Creek flooding.

A short time later, in 1971, at about the time it was announced that the Corps would spend \$65,000 of already appropriated money to clear channel obstructions to prevent annual ice jams, I had the opportunity to testify before the House Appropriations Subcommittee on Public Works in behalf of additional funds for a more comprehensive study of critically-needed flood control improvements on Cazenovia.

My regret was approved by the full Appropriations Committee in July 1971, by Congress in September that year.

After considerable local-federal cooperative effort, we were able in the Spring of 1972 to secure the Housing and Urban Development Department's approval of a federally-subsidized flood insurance program for West Seneca residents, businesses and institutions.

You will recall that in order to secure protection against flood losses, West Seneca first had to adopt a land use program. While such measures are necessary, they are not addressed to solving this community's overriding problem, that of preventing floods.

In May of 1972, I was back before the Appropriations Subcommittee testifying for more funds for Cazenovia Creek, to further accelerate Corps efforts. In addition, I appeared and submitted testimony to Public Works and Appropriations Committees last year for money to investigate flood control and waste water management throughout the entire, 450-square-mile Buffalo River Basin which includes the Cazenovia Creek watershed and other flood prone areas.

On June 7, just two weeks ago, the House passed a fiscal 1975 Public Works Appropriations bill which earmarks \$275,000 for this Buffalo Metropolitan Area investigation.

What I am reporting is that, with the fullest possible cooperation of your local government leaders and the Corps, I am working to keep the pledge I made shortly after my election in 1971 to exert my fullest, possible energy and resources to help accelerate flood control protection on Cazenovia Creek.

Congress has been responsive to our requests, even though the legislative machinery for authorizations and appropriations, in my view, grinds at an agonizingly slow slow pace.

Tonight, I am here to reiterate my pledge to the residents along Cazenovia Creek and to all in this community. I promise my full resources in obtaining final approval and authority for actual construction of whatever final plans are agreed upon and are supported by the residents of the area affected. I will do all within my power to insure that construction funds are provided at the earliest possible date.

This is an important—a crucially important—project for this area and for the whole of the Buffalo River Basin.

The principal focus of the plans now pending before us is flood control—as it should be. The tangible and intangible costs of flooding are known to all of us. Homes are jeopardized, damaged or destroyed—homes into which families have put the bulk of their savings into equity and furnishings. Commercial, business, and industrial facilities are threatened or inundated—and that too often means the loss of jobs and take-home pay. Public service facilities and structures

are damaged or destroyed—such as roads, storm and sanitary sewers, and utilities. Important recreational and park areas must be restored at costs to the local taxpayer. Pollution occasioned by silt is worsened. And, because of inadequate Federal assistance and disaster relief coverage in many circumstances—a problem I am also striving to have the Congress overcome—local government is called upon to bear costs far exceeding its normal taxing capacities. And, of course, no price tag can ever be put on the human misery and suffering occasioned by severe floods. When one considers that flood control improvements can stop or greatly reduce these losses, one can understand their importance.

The plan now before us, thankfully, goes beyond providing just flood control relief. It is addressed to the additional problems of providing adequate water supply, maintaining adequate water quality, providing water and land-based recreation, and enhancing fish and wildlife conservation. These too are important considerations, and only through comprehensive planning can they be adequately considered. I think they have been here.

In every flood control and protection project in an area like ours here, a careful balance must be maintained—a balance which protects adequately existing structures and facilities, while also allowing for reasonable growth to be similarly protected. Works must be built and improvements must—and should—be made, but at the same time the environment must be protected, recreational and park areas maintained for our present and future enjoyment. I think the report now before us has maintained these balances.

I am not—and do not hold myself out to be—an "expert" in flood control and related engineering, but during my service in the Congress I have had an opportunity to examine some good planning—and some which was not so good. I think the planning which has gone into the report now before us—embodying such nonstructural measures as floodproofing and flood plain management and such structural measures as a levee system with flood retaining walls, necessary interior drainage facilities, and channel relocation—ranks among the best I have seen. It stands as a tribute to the successes which can be obtained by an effective program of Federal and local mutual cooperation and planning. We would not be on track today, if this cooperative spirit had not pervaded this undertaking.

Again, I am ready, willing, and able to do all which I can—all which we can together—do to see this project brought to the construction stage.

SEX DISCRIMINATION GUIDELINES

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. HANRAHAN. Mr. Speaker, there has always been sex discrimination involved in athletics. The Department of Health, Education, and Welfare has published guidelines which provide equal opportunities for men and women in the field of athletics. I believe this Wall Street Journal article will be of interest to my colleagues:

SEX DISCRIMINATION GUIDELINES

Guidelines published the other day by the Department of Health, Education and Welfare, aimed at ending sex discrimination in the nation's schools and universities, turned out to be much more conciliatory than many

people had expected. Preliminary drafts circulated among interested parties had contained explicit requirements that women's and men's athletic teams be given equal facilities, coaching and travel expenses, and some HEW officials were even hinting about requiring matching dollar expenditures.

None of these earlier requirements appeared in the final version. Instead, the emphasis is on "equal opportunity." But while neither an equal aggregate expenditure nor teams of mixed sexes is required, HEW Secretary Caspar Weinberger explained that a male tennis team can't be flown first class by the institution while a women's team is required to raise its own money in a bake sale.

That seems reasonable enough, given the fact that women have been shortchanged all along the line in athletics. Furthermore, allowing mixed teams in such activities as golf and archery, for example, but not requiring them in football or basketball, strikes us as an acceptable middle-road position.

But somehow we do question whether there's a crying need to substitute the judgment of Washington for the judgment of local school districts on the question of whether boys and girls should be separated during physical education classes. It is now illegal for the school board to decide they should be. On an even more serious level, there are philosophical questions about the application of most of the HEW regulations even to private institutions.

Although even HEW officials were unsure about it, the new law apparently will allow sex education classes to be segregated. Moreover, Girl Scouts and Boy Scouts will be allowed to meet on school premises. But the regulations will bar such apparently sexist practices as allowing only boys to be school crossing guards and to operate movie projection equipment. These rulings may be eminently defensible, perhaps even desirable, but they show the sort of minutiae involved whenever the majesty of government is invoked to cope with social problems.

What much legislation like this comes down to is an admission that individuals haven't the common sense or good will to solve such problems, therefore they have to be led down the path of enlightenment by a federal bureaucracy. It's always possible that official Washington is more sensitive and tolerant than the general public, but personally we wouldn't care to press that proposition too far. The HEW regulations are nowhere near as bad as they could have been, and no doubt will correct some longstanding inequities. But at the expense of further often arbitrary and occasionally ludicrous bureaucratic intrusions into peoples' lives.

KANSAS-BASED FOOD MARKETS SET GOOD EXAMPLE IN GIVING CONSUMER A BREAK ON BEEF

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. SHRIVER. Mr. Speaker, on June 12, 1974, I brought to the attention of the House the growing concern of the livestock industry of Kansas over falling cattle prices and the serious economic consequences which confront this important segment of our economy.

At that time I advised my colleagues of a letter which I wrote to Clarence G. Adamy, president of the National Association of Food Chains, urging that all possible action be taken by the association to encourage its members to pro-

mote beef sales, and to pass on promptly wholesale price decreases.

As a result of my action last week I was pleased to learn that in my own State of Kansas and in my congressional district, the Dillon Stores have been out front in a concerted effort to promote the sale of beef and to give the consumer a break on beef prices.

The Dillon Stores operate 59 supermarkets in Kansas, Oklahoma, and Arkansas, with headquarters in Hutchinson, Kans. Information furnished me by Mr. Everett Snowbarger, president, indicates that Dillon started a beef discount program as early as April 1972.

The Dillon supermarkets have lowered prices on numerous occasions when wholesale costs have gone down. Its average cost on beef is down 7.04 percent from a year ago, its average retail selling price is down 10.72 percent, and its gross profit on beef was 11.92 percent last year, and is now down to 8.30 percent. These figures are based on a comparison of a 10-week period ended June 10, 1973, and June 9, 1974, during which Dillon sold 6,787 sides of beef a year ago and 7,428 sides of beef this year.

I have had an opportunity to examine a series of Dillon advertisements in which lower beef prices are featured—and it is obvious that Kansas consumers are getting a better break on beef than those in other other parts of the country including the Washington, D.C. area.

I would hope that other food chains would follow the example set by Dillon, and we would soon note increased beef consumption by the American consumer as well as improved economic conditions in the livestock industry.

JASPER SES OFFICE WINS HONORS

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BEVILL. Mr. Speaker, the State employment service office in my hometown, Jasper, Ala., has won the first place award as the outstanding office in the Nation in services to veterans.

The Jasper office was selected from some 2,500 local State employment service offices across the Nation.

We are proud of this recognition and the outstanding job the Jasper office is doing for our veterans.

Mr. Speaker, I am placing in the CONGRESSIONAL RECORD a copy of a recent newspaper article describing the fine effort by the Jasper office.

JASPER SES OFFICE WINS TOP VFW SERVICE HONOR

JASPER.—The "outstanding work efforts, ingenuity and motivation" of the Jasper office of the State Employment Service have won for that office the first place award as the outstanding office in the nation in services to veterans.

Commander-in-Chief Ray R. Soden of the Veterans of Foreign Wars commended office manager Paul J. Brignet as "a superior administrator" and congratulated all those who "assisted in attaining a remarkable record in

providing services for veterans during the past year."

The Jasper office was selected as the number one office in the state in veterans' affairs earlier this year.

The office found satisfactory jobs for 52.8 per cent of more than 400 veterans interviewed.

Veterans employment representative T. Wayne Bright credited the office's success to "our fine manager, Mr. Brignet, and the good cooperation of our office staff."

"It's a team effort," Brignet said.

Bright was chosen for special recognition at the state VFW convention in Phenix City May 9-10.

The Jasper office was selected from some 2,600 local State Employment Service offices across the nation.

The office also has an excellent record in the placement of handicapped veterans. Jobs were found for 40 per cent of all available handicapped veterans.

The office manager and the veterans employment representative in Jasper are both active in the American Legion and the Veterans of Foreign Wars. The office has been active in the VFW's Handicapped Poster program for several years and each year a letter is sent out to veterans asking whether the office can be of service to them.

CHAMBER, CATTLEMEN JOIN FORCES

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, the Hastings, Nebr., Chamber of Commerce, in cooperation with local cattlemen, is taking positive action to promote beef by giving it away. Local cattlemen have donated 25 head of choice cattle and local businesses in Hastings have thus far raised over \$13,000 to be used in this promotion. The promotion will begin July 1 and will run through July 13.

The basic problem which has caused the present disastrous situation for our cattlemen is that we have too much supply and not enough demand. In 1973, total production of beef in the United States declined approximately 1.2 billion pounds from the previous year. Beef purchases per capita declined from 116 pounds in 1972 to 109.8 in 1973. This was due to three factors: shortages, high prices, and meat boycotts. This year our supplies have increased, but the demand has remained at a low ebb. To correct this situation, we need beef promotional activity by the chain stores and independent grocers, and projects such as Hastings, Nebr., is beginning on July 1.

I compliment Hastings and its leaders on their initiative in taking this positive action in an attempt to correct the disastrous situation which today exists in the beef industry.

I am inserting below a recent article from the Hastings Daily Tribune on this subject:

BEEF PROMOTION TO BEGIN JULY 1: CHAMBER, CATTLEMEN JOIN FORCES
(By Charles Johnson)

Jolted by the recent unsteadiness in the cattle industry, the Hastings Chamber of Commerce and local cattlemen have joined

in an effort to promote beef by giving it away.

Al Myers, chairman of the Downtown Promotion Council, made the announcement at the annual membership meeting of the Hastings Area Chamber of Commerce Tuesday night in the Hastings Public Library Auditorium. "We have to get out and promote industry in this area," he said.

CREDITS ASPEN

He credited the idea to Pete Aspen and said it became a reality through the work of Aspen, Robert Seigel, executive vice-president of the Chamber of Commerce, and the Hastings Siroloin Club.

The action is designed to help the housewife be more aware of beef and its uses, and to help stimulate the cattle business at the same time.

Instead of holding fat cattle from the market, local cattlemen have donated 25 head of choice cattle to be given away. Local businesses are donating cash to pay for promotional advertising.

Officials said \$13,000 had been donated by Tuesday noon and that more money was expected.

The promotion will begin July 1 and will run through July 13. During the two week span, a quarter of beef will be given away each day, said Myers, plus numerous cash and beef prizes. The other beef will be butchered and packaged. There will be no hamburger, because "everybody buys hamburger," one retailer said. All of the meat will be cut into roasts, steaks and chops.

Winners will be determined by a registration and drawing through participating Hastings merchants, according to Myers.

NATIONAL RECOGNITION

He said the promotion has received or will receive network television coverage by the three major networks. "We feel we have a chance to recognize Hastings on a national level with a local industry that is vital to us," he said.

He cited the total city-wide and county-wide efforts of the agricultural oriented businesses, retail merchants and cattlemen as being essential to the promotion. Local slaughtering houses and all involved are donating their services to the project.

Extensive advertising is planned for the project. "We're working through all the local media because this is a local project," Myers said.

A PRAYER FOR OUR TIMES

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. PETTIS. Mr. Speaker, during a recent trip home, I was asked to speak at a "60-minute forum" luncheon program sponsored by the Redlands, Calif., Chamber of Commerce.

At the meeting, Mr. Carl Doss, a Redlands resident and member of the chamber, delivered an invocation from which I personally gained great inspiration. I feel the words of this prayer address so well the needs we, here in Congress, especially share at this time and I would like to pass this prayer along to you today in the hope that it will be as meaningful for you as it is for me.

Invocation offered by Mr. Carl M. Doss, June 14, 1974, Redlands, Calif.

Almighty God, our heavenly Father, in whose hands are the issues of men and of nations, we bow in humble reverence before you, and with grateful hearts acknowledge

your many blessings to us as a people. Through all the changed and changing circumstances of life, you have made and preserved us as a nation. Where we have been obedient to your will, you have favored us. Where we have pursued our selfish aims you have justly punished us. With chastened humility we confess our vaunted pride, our boasted security and our avowed self dependence. In our conceit we have trusted in our own strength and forgotten that you alone are the source of all peace and abiding happiness.

In time of distress we cry to you, "God be merciful to us, sinners." Give us courage, new hope, a clear vision of our duty to you and our fellow men. Restore to us as a people honorable industry, sound learning and pure manners. Save us from violence and lawlessness, discord and confusion. Provide with the spirit of wisdom, those to whom in your name we entrust the authority of government, that there may be justice and peace at home, and that, through obedience to your law, we may show forth your praise among the nations of the earth. In time of prosperity, fill our hearts with thankfulness and in the day of trouble do not allow our trust in you to fail. Amen.

CONGRESSIONAL ACTION JEOPARDIZES THE PUBLIC HEALTH

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BROWN of California. Mr. Speaker, the recent actions by the Congress in amending the Clean Air Act Amendments of 1970 and the inactions by the Congress on other important legislation have guaranteed that the people who live in southern California and other oxidant-plagued areas will suffer and perhaps die during the time extensions that this body gave to the automobile industry in cleaning up their machines. The automobile, which is supposed to be regulated by this body, is the primary cause of the terrible air pollution that afflicts the motorized areas of this country.

Just last week the South Coast Air Basin went through its seventh straight day of harmful levels of air pollution. In a letter from one of the prominent local physicians in my district, Robert M. Zweig, M.D., I received the following description:

This situation is intolerable. Air quality in various locations in the South Coast Air Basin is deteriorating to the point where it is a real health hazard to your constituents and our patients.

The newspapers in the area described the situation rather thoroughly. I insert the articles from the Riverside Press-Enterprise for June 15 and 16 for the RECORD.

The articles follow:

WARM, STAGNANT AIR MASS KEEPS ARBA SMOG LEVEL HIGH

(By Mark Gladstone)

Stagnant air conditions and warmer than normal temperatures Friday combined to again cause first-stage smog episodes in Riverside County and second-stage episodes in San Bernardino County.

A first-stage episode lasted in the Riverside area for eight hours between 1 and 9 p.m. with the highest hourly average of .34 of a

part of oxidant per million parts of air (ppm) between 4 and 5 p.m. The instantaneous peak for the day was .36 ppm at 4:15 p.m.

Friday was the sixth consecutive day when a first-stage episode was called.

In San Bernardino County, a second-stage episode was called for the second day in a row. The high hourly average in the Fontana area between 4 and 5 p.m. was .55 ppm. The instantaneous peak was .58 at 4:45 p.m. in Fontana.

The San Bernardino County episode also led to the first meeting of a 12-member citizen's emergency action committee. After the second-stage was reached at .40 ppm, the committee requested that:

Driving be reduced.

Businesses and government curtail all but emergency vehicle traffic.

Persons stay indoors.

Motorists from Los Angeles not drive into San Bernardino County because of the heavy concentrations of smog. This request was made by Nancy Smith, chairman of the San Bernardino County Board of Supervisors. Kenneth Hahn, chairman of the Los Angeles Board, made that appeal to Los Angeles County residents.

Zeldin said the stagnant air conditions have occurred on five work days when the heaviest vehicle traffic occurs. He said oxidant levels have accumulated each day.

The National Weather Service also said temperatures have been between four and eight degrees above normal for this time of year.

For today and Sunday, the Riverside County APCD expects oxidant levels to be between .19 ppm and .29 ppm in the Riverside area and the Corona Norco area. All other parts of the county will have oxidant levels below the first-stage level of .20 ppm.

First-stage episodes are called when the hourly average is more than .20 ppm.

A first-stage episode was called in the Corona-Norco area Friday afternoon when a high hourly average for oxidants was .23 ppm between 2 and 3 p.m. The state Air Resources Board in Riverside had a high hourly average of .29 Friday afternoon.

The APCD called a first-stage episode for Banning at 10 p.m. when the previous hour's average was .25 ppm.

First-stage episodes were also called in Orange and Los Angeles Counties. For Orange County, a high hourly average of .29 was recorded in La Habra between noon and 1 p.m. First-stage episodes were also called in the East San Gabriel and Pomona-Walnut valleys of Los Angeles County.

WESTERN COUNTY HAS SEVENTH STRAIGHT SMOG EPISODE DAY (By Darrell Santschi)

The hot, smog-filled air mass that has hung over much of Riverside County the past week was responsible for the western county's seventh straight day of smog episodes. It was the second straight day that Rubidoux's episode lasted eight hours.

First-stage episodes were also called in Corona and Banning. Palm Springs was near an episode Saturday evening.

The Rubidoux episode was called for the Riverside area at 10 a.m., when the average hourly concentration of oxidant at the Air Pollution Control District monitoring station there reached a .20 of a part per million parts of air. Its peak, .35 ppm, was at 2:30 p.m. and the high hourly average there was .32 from 2 to 3 p.m. The episode ended at 6 p.m.

The eight-hour durations of the Rubidoux episodes of Friday and Saturday make them the longest episodes called under the system adopted by the APCD beginning this year.

In previous years, a first-stage alert was called when oxidant reached an instantaneous level of .27 ppm. The longest alert ever called in Riverside County was for the Riverside area on June 29, 1972. It lasted nine hours,

25 minutes and its peak reading was .48 ppm. The alert surpassed a previous record of just under nine hours, set on Sept. 11, 1970.

The longest string of consecutive smog alerts for the Riverside area was 11 days under the old system, in July, 1972.

The length of Saturday's episode was attributed to the absence of wind through most of the day and the high temperature in the Riverside area, 101.

The smog level dropped quickly below episode proportions at 6 p.m., the APCD spokesman said, when a gusty breeze swept through the city. The spokesman said he had expected the episode to last until about 10 p.m., at which time episodes had ended in Rubidoux earlier in the week.

The Corona episode began at noon and ended at 3 p.m. The peak hourly average, .22 ppm, was recorded between 2 and 3 p.m.

In Banning, an episode was declared at 5 p.m. and ended two hours later. Its peak hourly average, .25 ppm, was between 5 and 6 p.m.

When hourly oxidant figures were last available for Palm Springs, at 7 p.m. Saturday, the average was .19 ppm and the APCD was expecting an episode to be cleared for the Coachella Valley.

Parts of San Bernardino County were even smogier than western Riverside County Saturday, as first-stage episode was declared for the entire densely-populated southwest portion at 11 a.m. The episode ended at 8 p.m. Fontana had a second-stage episode from 3 to 5 p.m.

The peak hourly average in San Bernardino was .25 ppm, but the peak hourly average in Fontana was .46 ppm between 3 and 5 p.m. At one point, oxidant measuring devices there recorded a peak of .51 ppm.

A second-stage episode is declared in both San Bernardino and Riverside Counties when oxidant reaches 40 ppm.

During a first-stage episode, persons with respiratory problems are advised to curtail activity and motorists are requested to make no unnecessary trips.

During a second-stage episode the same requests are made and businesses and government agencies are asked to curtail all but emergency vehicle traffic. Residents are asked to stay indoors.

Also, during second-stage episodes, San Bernardino County APCD officials ask that motorists enroute from Los Angeles not enter that county.

Smog is considered inimical to animal and plant life beginning at the .10 ppm level.

If the APCD's forecasts for today are even close, western Riverside County will experience its eighth consecutive episode-level smog day. The Rubidoux station is expected to record a peak hourly average of .34 ppm.

Corona and Perris could have hourly peaks of .29 ppm and Hemet .14 ppm.

Today marks the second anniversary of the first recorded smog alert in the Coachella Valley. That first recorded alert lasted two hours, 15 minutes and featured a peak reading of .33 ppm. The peak oxidant hourly average forecast there today is .19 ppm.

PROJECT FRIEND

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. STUDDS, Mr. Speaker, last April, the Board of Selectmen of Marshfield, Mass., unanimously declared June as "Project Friend Month." As a member of the Board of Advisors of Project Friend, Inc., and as a citizen concerned with the quality of community life in America, I

take pleasure in saluting the admirable goals and activities of this ambitious project.

A nonprofit, community service group, Project Friend, Inc., aims at developing a greater awareness and understanding among all the people of Marshfield by fostering a spirit of community volunteer involvement. Several programs now operating in Marshfield reflect a commitment to these goals. A 24-hour "hotline" provides an information and referral service to those in need of help. Young people can go to an Employment Incentives and Placement Center, run by the Project Friend group, for job and career guidance. A foster family program has been developed as an alternative "family" environment for adolescents with psychosocial development problems. These are but a few of the many community-oriented services offered to Marshfield citizens by Project Friend, Inc.

At a time when all Americans are justifiably concerned with the preservation of a true community spirit, it is refreshing to find the citizens of Marshfield taking positive action through the programs of Project Friend.

FUEL PRICES ARE HIGH DUE TO MONOPOLIES

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. TIERNAN. Mr. Speaker, the following article appeared in the "Bulletin of Atomic Scientists" in October, 1971. Written by Dr. Bruce C. Netschert, a well known energy economist and vice president of National Economic Research Associates, Inc. of Washington, D.C., it accurately presages events which have since transpired in the energy industry. Dr. Netschert documents how competition in the energy markets has been threatened by the emergence of the "energy company." Acquisition by the oil companies across the energy market spectrum, that is, coal, geothermal, uranium, is viewed as "classic, horizontal integration on a scale comparable to the formulation of the 19th century trusts." The result is according to Netschert that:

The energy company has no incentive to reduce any of the fuel prices it is selling.

In these days of spiralling fuel prices and corporation profits, an investigation of possible monopolistic trends in the energy markets, is certainly not an unwarranted measure. Rather, it is based on all too well founded suspicions and of everyone from Dr. Netschert to the average overburdened consumer who pays an increasing share of his income to the energy giants.

THE ENERGY COMPANY: A MONOPOLY TREND IN THE ENERGY MARKETS

(By Bruce C. Netschert)

(NOTE.—Intensification of competition in the energy markets has been threatened by the emergence in the last few years of the energy company. Acquisitions by the oil companies across the energy market spectrum "... may be viewed as classic, horizontal

An indication of the extent to which the oil industry is entering the nuclear fuel business and integrating throughout the various stages of the fuel cycle is given in Table 3. The table lists the companies shown in Table 1 which, according to the Atomic Energy Commission or press accounts, are either presently in stages other than exploration

or reserves holdings or are planning to enter those stages. The table understates the full extent of oil company activity in the nuclear industry in that it does not show the additional capabilities and plans of some of the companies for the production and processing of other nuclear materials such as thorium and plutonium.

country), there is strong upward price pressure in all of the fuels markets. Normally, interfuel competition would be a countervailing force, but the energy company has no incentive to reduce the price of any of the fuels it is selling. On the contrary, a price rise in any one of the fuels is to its advantage in marketing all of its fuel products.

One of the consequences of these circumstances can be an unnecessary and unjustified increase in the cost of electricity. It is all too possible that an electric utility may some day find itself facing the situation of being able to obtain each of its fuels, including uranium, from suppliers selling all of them. Already we have the ominous statement by the chairman of the board of directors of the Tennessee Valley Authority that one oil company with coal holdings told him they had no intention of opening a new mine to supply TVA unless that agency would pay a price that would yield the company the same return on coal it is accustomed to receiving on oil (Hearings of Senate Subcommittee on Flood Control-Rivers and Harbors of the Committee on Public Works, August 14, 1970). The oil industry has always claimed that it is entitled to a higher return than other industries because of the discovery risks it faces; yet there is no such risk in the coal business. As an example of sheer economic rapacity this attitude is difficult to match.

The energy companies have in any event two significant advantages over the electric utilities with which they deal. They are, in the first place, unregulated, except for the regulation by the Federal Power Commission of the price of natural gas sold in interstate commerce for resale. (But with the Commission desperately eager to stimulate the search for new gas reserves, even this regulation is in a parlous state.) In competing with electricity in the end-use markets they thus have greater flexibility in setting prices, in determining where to take profits within their integrated structure and in engaging in competitive practices such as promotional allowances (for example, the participation by refiners in financing heating oil promotion by oil distributors). Second, as suppliers of all the fuels used for electric power generation, the energy companies can significantly influence the cost of fuel to their major competitor.

The development of the energy company thus presages fuel markets dominated at both the supply and the consumer levels by firms of immense size and monopoly power. Historically, the issues this raises have been the preserve of antitrust policy, with a record of stern enforcement against monopoly power deliberately being created. Yet far from being confronted by the limitations on market power—indeed, even dissolution and divestiture—that a sound competition preserving antitrust policy might be expected to decree, the energy companies have been able to grow apace, free of the regulation that governs their utility competitors and unimpeded by the strictures of antitrust policy to which many of their less powerful competitors have frequently been subjected. The Justice Department has, to be sure, stated that it will scrutinize carefully any future moves by a major oil company into the other fuels, and this may account in part for the absence of any such moves by the majors during the past year. (Interestingly, moves by small independent oil companies into the other fuels have continued, although not in any great number.)

There is much talk these days about the establishment of a "National Energy Policy," presumably in the hope that this will help resolve the many problems now facing us in the field of energy. One of the problems that clearly needs to be dealt with is the energy company. It would be ironic if a National Energy Policy were formulated, only to be confronted with a national energy industry.

TABLE 3.—INDICATED PRESENT OR FUTURE CAPABILITY OF OIL COMPANIES, EITHER DIRECTLY OR THROUGH SUBSIDIARIES IN THE NUCLEAR INDUSTRY

Company	Exploration or reserve holdings	Uranium mining and milling	UF conversion	Fuel preparation or fabrication	Fuel reprocessing	Reactors
Standard Oil (New Jersey).....	X	X		X	X	
Gulf.....	X	X		X	X	X
Atlantic Richfield.....	X	X	X	X	X	
Continental.....	X	X		X	X	
Getty.....	X	X		X	X	
Standard Oil (Ohio).....	X	X		X	X	
Kerr-McGee.....	X	X	X	X	X	
Sun.....	X	X		X	X	

Still further indication of the present and potential concentration of the position of the oil industry in the nuclear industry is given by the following. Kerr-McGee is one of two companies in the business of converting concentrates into uranium hexafluoride (UF₆) and will have roughly one-half of the total national capacity now planned. Atlantic Richfield and Gulf (the latter in partnership with Allied Chemical) will be two of three companies with capacity to convert slightly enriched (less than 5 percent U-235) recovered uranium to UF₆, and Atlantic Richfield has the only present capacity for converting highly enriched (greater than 5 percent U-235) recovered uranium to UF₆. Five of the 13 plants processing uranium fuel materials and six of the 17 plants fabricating fuel elements are owned by oil companies or their subsidiaries. Three of the four fuel reprocessing plants in operation or planned are oil companies' ventures and their combined capacity is 93 percent of the total capacity.

It has been proposed that the three Atomic Energy Commission enrichment plants at Oak Ridge, Tenn., Paducah, Ky., and Portsmouth, Ohio, be sold to private industry, ending the governmental monopoly of this stage of the fuel cycle. One study of the proposal concluded that utility consortia would be the most likely buyers. Given the vigorous entry of the oil companies into the nuclear industry, the evident intention of some of them to integrate into most if not all stages of the fuel cycle, their financial resources and their cash flow, it would appear at least equally likely that the buyers would be oil companies.

Now it is only natural for the oil companies to diversify into certain areas. Their move into oil shale and tar sands is a logical hedge against the time when the increasing shortfall of domestic crude oil production relative to demand and the improvements in synthetic fuels production will make the latter a new source of supply for their refineries. Similarly, it is natural for them to regard coal as a future supplemental source for synthetic fuels.

It is also logical for the oil industry to be interested in uranium, since the search for it is in many ways similar to the search for oil and gas, being founded on geology and geophysics, in which the industry already has high technical capability. On the other hand, the move by an oil company into coal production and marketing for all of coal's conventional uses, whether by the acquisition of an existing company or by the acquisition of reserves and formation of a new coal company, bears no such logical relation to oil company activities. Similarly, the move into the subsequent stages of uranium production and marketing, from milling through

fuel fabrication or fuel reprocessing, takes the oil company into activities even more remote from oil technology and know-how.

Given the increasingly direct competition between fuels and electricity described above, the acquisitions by the oil companies across the energy market spectrum take on special significance. They may be viewed as classic horizontal integration on a scale comparable to the formation of the trusts in the latter decades of the nineteenth century. In short, the oil companies, themselves portraying their activities as efforts at diversification, are in fact systematically acquiring their competition. In the face of clear judicial condemnation of horizontal acquisitions, the apparent policy of neglect toward the acquisitions that have already occurred is surprising.

One further point is relevant. The oil companies that have made these acquisitions are mostly the major and large independent firms. They tend to be dominant in their own submarkets and to bring substantial market power to each of the new fuel submarkets they are entering. The result is a tendency toward concentration and entrenched dominance.

This is not to suggest that the entry of large firms into new industries is itself a matter which antitrust policy should disapprove. It is quite possible that such entry could, in certain circumstances, actually benefit competition through the injection of new management vitality by noncompetitors into a tradition-bound industry. Such circumstances do not obtain here, however.

The application of antitrust policy, therefore, raises serious questions about these moves. How can the public be sure, for example, that the emergence of the synthetic fuels industries will occur at the pace which the economic circumstances would, under free market forces, dictate? It could well be that the self-interest of certain companies with dominant positions, if not of the industry as a whole, would call for delaying the inauguration of a synthetic fuels industry in order to protect existing investments in crude oil and natural gas. Of even greater concern is the fact that the energy company (and it should be borne in mind that there are already at least five major oil companies with across-the-board positions in all of the domestic fuel resources—oil, gas, coal, oil shale and uranium) straddles a situation which until now has been one of intense interfuel competition. On the face of it, therefore, the entry of an oil company into the marketing of the other fuels constitutes a lessening of interfuel competition.

But this is not all. For one reason or another (including the imposition of stringent limitations on the sulfur content of fuels in most of the metropolitan districts of the

XEROX ACCEPTS FOR "MISS JANE"

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. McKINNEY. Mr. Speaker, television programing in the United States was once characterized as a "vast wasteland" and perhaps, in part, that is still so. However, from time to time, a few hours are presented which are nothing less than a moving experience. The recent CBS presentation of "The Autobiography of Miss Jane Pittman" was undoubtedly one of those instances, for as we watched Miss Cicely Tyson bring us through the life of "Miss Jane," we, in fact, were watching the development and growth of our country.

Recently, the Ohio State House of Representatives commended the Xerox Corp. for its sponsorship of this award-winning program. In my view, this commendation was wisely motivated and well deserved.

As you know, Mr. Speaker, the Xerox corporate headquarters is located in Connecticut's Fourth Congressional District which I represent and accepting the award in Ohio was one of my constituents, Xerox President Archie B. McCardell. I believe Mr. McCardell's remarks to be a fitting postscript to a truly remarkable presentation and that they be included in the RECORD at this point so that I may share them with my colleagues:

XEROX ACCEPTS FOR "MISS JANE"

Mr. Speaker, Members of the House, ladies and gentlemen: As president of Xerox Corporation, I accept your commendation with pride and with great pleasure.

All such honors, when examined closely, prove to have in reality many givers and many recipients. So with today's, which derives not alone from this distinguished legislative body.

I choose to believe that it comes, as well, from the memory of U.S. Representative Joshua Giddings of Ohio, who, 130 years ago, publicly declared his support of the right of slaves to escape to freedom. For this, he was censured by his fellow Congressmen.

He resigned and returned home, but his Ohio constituents immediately re-elected him and returned him to Washington for another term.

This commendation also comes from Jane Lewis of New Lebanon, a black worker on the underground railroad, who night after night rowed fugitives across the Ohio River to freedom.

Also, I like to think this honor comes from Corporal Brown of the Ohio Guard—the trooper, you will recall from the program, who gave a 10-year-old Jane Pittman her name—as well as a vision and a purpose.

Young Jane was never able to walk to Corporal Brown's Ohio, but her attempt to do so was the first in her lifetime of heroic journeys—ending in that unforgettable work for the dignity of a simple drink of water.

If your commendation has many givers, it also has many recipients. Obviously, there are the creative artists, especially Ernest J. Gaines, the author of "The Autobiography of Miss Jane Pittman," and that great actress, Cicely Tyson. There are all those who won the Emmy Awards, and those who didn't.

But there is another, larger group you honor today. And that group is American

business. Over the last decade, business has come under increasing attack as cold, heartless and irresponsible. Nothing could be further from the truth. Xerox is only one of the thousands of American companies that is determined to put something back into the society that has given them so much. This determination takes many forms.

One form—the sponsorship of mind-stretching television—has always been very important to us at Xerox. We feel it helps to reflect our own tradition of worldwide civic and social responsibility. As you know, television has enormous impact and we have been blessed with great visibility through our association with it. But this is only the tip of the iceberg. Quietly and without fanfare American companies have initiated hundreds of programs that attest to their deep sense of responsibility: programs such as community involvement, job training, social service leaves, aid to education, environmental protection—programs of the kind to be found more frequently every day throughout American business.

The realization is growing everywhere, I believe, that long-term profits and responsible citizenship are inextricably linked together.

So let us say, then, that in a larger sense, this commendation comes from an Ohio with a long and honorable tradition of human freedom. And that it goes, as well, to a business community whose vision extends to the human community.

HUD ACT OF 1974

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. YOUNG of Georgia. Mr. Speaker, now that the House has acted on the Housing and Urban Development Act of 1974, we can expect a difficult and protracted House-Senate conference. The differences between the House and Senate housing bills are legion, reflecting fundamental differences in a Federal approach to meeting our responsibilities in providing all Americans with decent and sanitary housing. Both bills have valuable features, so the task which now faces the conferees is one wrought with great opportunity—the opportunity to incorporate the best of each approach into a truly comprehensive and effective Federal commitment to our people.

It is this hope that led me to support passage of H.R. 15361, despite some very serious reservations about its provisions. Indeed, looking at the House bill, one must stop and ponder just what direction we are taking in this country with regard to where and how our citizens are going to live. Unfortunately, we legislated yesterday not to the needs of this country and its citizens, but to the whims and threats of the executive branch.

Title I of this bill, which consolidates a number of categorical programs into a single block grant program similar to revenue sharing, will effectively cripple many model cities programs. Next summer, Atlanta will lose almost one-third of the Federal funds it now receives to carry out the many vital functions of this valuable program. That can only be characterized as punitive, and Atlanta

is being punished for having shown the initiative and energy to undertake important community development efforts several years ago. The model cities programs were never intended to operate for 5 years and then abruptly terminate, but were seen as a means to generate permanent community development programs and secure permanent funding sources for the valuable efforts begun with model cities funds. Instead, most model cities programs have been short-funded these past 2 years, and now this measure seeks to penalize the communities which have made great progress. The Senate bill, S. 3066, does not contain this punitive and exclusionary provision, and I urge my colleagues on the conference committee to incorporate the Senate "hold harmless" provisions on model cities programs.

Title II of the House bill, while consolidating all existing housing subsidy programs into a single program, virtually eliminates the section 235 and 236 programs which have been so successful over the years. The new housing assistance provisions in this bill fall far short of meeting the needs of poor people who have been priced out of the private housing market. What is this Congress telling the 12.2 million families in this country who are eligible for subsidized housing, whose annual incomes are less than \$4,000 but for whom no subsidized housing is available?

Moreover, if we are going to move to this administration's "new federalism" approach in meeting our housing responsibilities, we must provide for more construction and greater operating subsidies than this House-passed bill envisages. While some inequities and omissions were corrected by amendment, and while there is promise of reviving a Federal housing commitment which had been virtually ruined by this administration's moratorium for 18 months, H.R. 15361 will not meaningfully affect the increasing numbers of unhoused urban poor in this country.

I can only hope that the conferees will seize the opportunity to work out a much better measure and return to this Chamber with a Federal housing program which is decent and meaningful.

PERSONAL EXPLANATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. LEHMAN. Mr. Speaker, on June 6, I was necessarily absent for the votes on the deepwater ports legislation, as I had a previous commitment to be in Miami for a meeting to help arrange for the bringing of some exhibits from the New York Metropolitan Museum to Miami.

Had I been present, I would have voted for the Eckhardt amendment to include provisions for no-fault liability for oil spills in favor of the Sullivan substitute bill, and for final passage of the legislation.

EL SOL SHINES IN TEXAS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. COLLINS of Texas. Mr. Speaker, one of the great success stories in Texas has been the growth and development of El Sol newspaper. It reflects the drive and determination of J. C. and Sara Gutierrez, who publish it.

This Spanish weekly has grown in 8 years to a circulation of 100,000. It has been a great progressive influence for all of our neighbors of Mexican-American heritage.

El Sol is dynamic and speaks with the enthusiasm of Gutierrez, who works 20 hours a day. Hard work, sincerity and strong news stories have built a solid following. Texas salutes El Sol and the Gutierrez', who brought the message to Texas.

In the June 16th Dallas Morning News there was an excellent article by Doug Domeier on El Sol. Will you join in sharing my pride in this great and successful newspaper as you read some of the news comments:

When Jesus Gutierrez and his wife Sara arrived in Dallas in 1966, they knew almost nothing about the city but soon learned there was no Spanish-language newspaper here.

Quitting jobs in a Mexican restaurant, they went to work in an office with one desk and three chairs.

With energy and approximately \$3,000 in savings, they produced 2,000 8-page copies of the first edition of the weekly El Sol de Texas (The Texas Sun), all in Spanish.

But Spanish-speaking people failed to buy the paper in large numbers and Gutierrez was out of money.

Braced for chilly November weather, and accompanied by his chief writer and city editor, G. L. Duarte, Gutierrez and his wife stood with newspapers outside three large Catholic churches.

As Spanish-speaking people entered and left for Mass, "We sold hundreds," Gutierrez recalled in an interview. Money went to buy food "because everything had gone to the paper."

Gutierrez is no longer confined to one room.

On a short, quiet street in Oak Cliff, just below the Trinity River levee, El Sol de Texas recently moved into a roomy 1-story plant (under a \$450,000 expansion program).

Because "it was too small, nobody wanted to print it," Gutierrez said of the paper in its earlier years. He also claimed: "I never borrowed money from anybody" and never failed to meet a deadline.

His wife, who formerly was a reporter in Buenos Aires, works on layout and Duarte covers large Dallas stories.

But they no longer have to "do everything." Sixteen employees publish El Sol (at 1802 Spann), and there are correspondents in Houston, San Antonio and Waco.

Sold at a quarter a copy, the state weekly has just jumped from a circulation of 42,000 to 100,000, thanks to new offset presses capable of turning out 20,000 papers an hour. The paper reportedly sells best in Houston and San Antonio.

Now 46 years old and a native of Mexico, Gutierrez obviously finds it easy to smile these days.

El Sol follows an overall policy of general

news in Spanish, with generous use of pictures and occasional Page 1 crusades on social issues.

News briefs are from such cities as Saigon and Los Angeles, as well as Tijuana, and there are separate features for bulletins from Mexico and Latin America. Pictures in the May 31, 1974, issue came from such points as Belfast, Damascus, the Golan Heights, Hong Kong, New York and London (Gutierrez uses Spanish-language United Press International wire and UPI telephotos).

Formerly breaking even, El Sol started earning profits three years ago, Gutierrez reported. Thirty-five per cent of a list of 10,000 subscribers have English last names.

Duarte noted that people sometimes write letters looking for bilingual secretaries or other help, thinking the letters will be run free. "Where they get the idea we don't need money to exist, I don't know," he said.

The tone of El Sol stories is sometimes emotional on events which have had tremendous impact on the Spanish-speaking community.

"How much is a Mexican-American's life worth in Dallas?" began the July 27, 1973, lead story after the Santos Rodriguez shooting.

But Rene Martinez, a Mexican-American community relations worker, noted that non-Latin people do not understand the emotional quality of Latin papers. "Our community is emotional," he said.

Asked to appraise El Sol Martinez said the paper is diversified, has expanded "with sophistication" and makes the community aware of key issues. "The man has done a tremendous job," he said of Gutierrez.

ERVIN, RODINO ET AL.: HOW ABOUT IT?

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ZWACH. Mr. Speaker, I noticed in a recent issue of Christian Science Monitor an editorial comment by Roscoe Drummond on Secretary of State Kissinger's Salzburg press conference on security wiretap leaks and innuendos.

I share the concern expressed by both Mr. Kissinger and Mr. Drummond. If we are to expose and punish those responsible for the crimes of Watergate, we must first put a stop to all these illegal leaks and faceless rumors. Evidence is what counts in a court of law, not rumors. All men are innocent until proven guilty through proof, and that includes the President and the Secretary of State.

Mr. Speaker, I would like to include into the RECORD a copy of Mr. Drummond's "Point of View." It follows:

[From the Christian Science Monitor]

POINT OF VIEW—ERVIN, RODINO ET AL.:
HOW ABOUT IT?

(By Roscoe Drummond)

WASHINGTON.—There is a far more important issue in the Henry Kissinger affair than whether he understated his role in the security wiretaps.

The crucial issue is the faceless, improper, unethical, unfair, and sometimes illegal tactic of accusing the Secretary of State by leak and innuendo.

Former Watergate prosecutor Archibald Cox brands this as the same tactic used by Sen. Joseph McCarthy in the '50's and asks with quiet but devastating logic:

"Should not the same objections be raised when the staff or possibly some member of the Ervin committee leaks the result of incomplete investigation, gives out accusatory interferences it draws from secret testimony, and even releases proposed findings of guilt...?"

The answer is yes, but they are being purposefully and piously overlooked by most. And worse, nothing is being done to stop it.

House Judiciary Committee chairman Peter Rodino Jr. "deplores" the leaks and says that the committee will lose "public confidence in its work" unless it protects the "confidentiality of sensitive materials."

But at this writing the committee has not and is not protecting against such purposeful leaks. And worse, shows no sign of doing anything about them.

Sen. Barry Goldwater condemns what is happening as "acts of treason," but he does no more than hope somebody else will do something about them.

Nothing yet is being done to stop them. No wonder Secretary Kissinger is speaking out. I reject the theory that if he weren't so tired and distraught he would not have said what he did in his Salzburg press conference.

He knew what he was saying and he knew that the same FBI documents on the wiretaps, summaries of which the Senate Foreign Relations Committee had examined and discussed with him before voting overwhelmingly for his confirmation, had been put into the hands of the House Judiciary Committee, whereupon there was a rush to leak the accusatory parts.

Dr. Kissinger knew what he was doing and it was about time for somebody with prestige and authority who was a target of the tactic of leak and innuendo openly to confront his accusers and their accusations.

"Simple fairness," he said (and if he was indignant there is power in righteous indignation), "requires that either there be an exoneration or there be a public accounting of those who engage in this defamation of character. . . . Those who leak documents should step forward and explain what they are doing and why they are doing it."

There is no reason to expect that they will. Needed exposure is not getting support in the media which, though many spoke out bravely against McCarthyism, are today mostly silent about its repetition under another guise.

If chairman Ervin expects to restore confidence in the Watergate investigation, if chairman Rodino expects to retain confidence in his operation, if Congress expects to command confidence in its impeachment proceedings, then these gentlemen and the whole Congress must do something more than deplore resort to the tactic of leak and innuendo by their own members and their staffs.

A full-scale congressional investigation, fairly and competently manned, is the first step. It ought to be forthcoming without delay.

There is plenty to investigate.

The Senate Watergate committee has permitted the accusatory results of incomplete investigations to be made public—and nothing was done about it.

The House Judiciary Committee has done the same thing, the latest in a long series being the attacks on Dr. Kissinger. And nothing was done about it but deplore it.

Justice Department prosecutors leaked partial evidence against Vice-President Agnew before he had been accused—and nothing was done about it.

The secret proceedings of the Watergate grand jury were illegally leaked and illegally published—and nothing was done about it.

The crimes of Watergate have polluted our political system and they must be exposed

and punished. That is now taking place. But something else is taking place at the same time. Offenses are being committed in the name of exposing the offenses of Watergate.

They, too, must be exposed and punished and this is why Secretary Kissinger has done the right thing at the right time to alert the nation to this new-style McCarthyism.

Which members of Congress will be first to call for the crucially needed congressional investigation? Senator Ervin? Representative Rodino? How about it?

DISSENTING VIEWS OF COMMISSIONER O'NEAL IN EX PARTE 305—NATIONWIDE INCREASE OF 10 PERCENT IN FREIGHT RATES

HON. BROCK ADAMS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ADAMS. Mr. Speaker, I would like to place in the RECORD for the information of my colleagues the dissenting views of Commissioner A. Daniel O'Neal opposing the nationwide 10 percent rate increase granted to the railroads. The Commission voted 8-2 to permit the rate increase, but to require that the railroads improve service by spending the increased revenues on capital improvements, deferred maintenance and for increased costs of fuel and supplies. Due to some quirk of ICC procedure, the majority of the Commission was able to state its reasons for granting the increase in the body of the order, but the dissenting views of Commissioner O'Neal were not published. It is ironic that a regulatory system which is based on a system of published rates and tariffs somehow does not permit the publication of the comments of a dissenting member of the rate-making agency. While I do not agree with all that Commissioner O'Neal has to say, he raises some cogent questions about the majority decision, and I think his views should be widely available.

The Commission is right to place emphasis on the need for railroads to invest in their fixed plant to cure deferred maintenance, but I share Commissioner O'Neal's views as to whether the reporting requirements of the Commission order will be effective in accomplishing this end.

I continue to be concerned about the tendency toward flat across-the-board percentage freight rate increases for railroads. Flat percentage increases tend to reduce competition between the modes and these nationwide percentage increases have a much greater dollar cost for the shipper on the long hauls from the Pacific Northwest and tend to distort existing port relationships even further. They overlook the fact that while some railroads and some areas of the country may need sharp rate increases, others may not. I am hopeful that we will be able to change the regulatory system so that railroads will return to setting rates on individual commodities rather than using across-the-board percentage increases.

The present regulatory structure may

prevent railroads from fine tuning their price structure or it may be reluctance by railroad management to do what they are already allowed to do. I am hopeful that in acting on the Surface Transportation Act (H.R. 5385) now pending before the Transportation Subcommittee in the Committee on Interstate and Foreign Commerce, we will be able to establish a regulatory system which will permit needed price flexibility while preventing predatory or anti-competitive actions.

I am attaching a copy of Commissioner O'Neal's dissenting views.

VIEWS OF COMMISSIONER O'NEAL ON EX PARTE No. 305—NATIONWIDE INCREASE OF 10 PERCENT IN FREIGHT RATES AND CHARGES, 1974

The June 3 order in effect allows the railroads to take the full ten percent surcharge which they seek, despite the fact that our own staff analysis indicates that no more than three percent is justified on the basis of increases in costs since the Commission authorized the latest general rate increase of four percent on an interim basis.

By August 19 we are requiring the railroads to provide an "estimate" of the cost of deferred plant and equipment maintenance. This data requirement is quite loose. Only an estimate is required, and what constitutes "deferred" maintenance is neither clearly defined nor subject to exact measurement. Most railroads have an optimum goal of a high level of maintenance of their facilities, although in fact they may be able to operate efficiently at a level of maintenance far short of that. The gap between present maintenance performance and whatever level of maintenance the carrier wishes to posit can be used to define the area of "deferred" maintenance, and this area may be arbitrarily expanded or contracted depending on the level of maintenance the carrier assigns itself as a goal. Thus the "cost" attributed to deferred maintenance can be varied almost at will.

No evidence is required by the Commission as to the second major non-cost related justification behind the ten percent increase, the need to attract capital.

The Commission's economists are of the view that there are several railroads financially able to make capital expenditures and capable of raising funds in the private capital market. The problem is accentuated because of the financial plight of certain marginal and bankrupt roads. Yet the financial data which they believe should be produced regarding the need and ability of the various railroads to attract capital is not required by the June 3 order.

With reference to this increase the Commission's own staff experts believe the Commission should require each railroad to provide a detailed explanation of revenue need and a plan for applying revenues derived from rate increases based on that need before authorizing additional increases.

The June 3 order puts the cart before the horse. It authorizes the increases and requires evidence later. The level of data required is not as detailed or extensive as it should be. The railroads should be required to justify increases before they get them, not afterward. Vague, general allegations as to need for additional revenue do not constitute adequate justification.

The June 3 order does provide a sanction for carriers who take the increase and do not apply it for the purpose for which it was granted. Such increases may be canceled and refunds may be ordered. However, given the interrelated nature of an ex parte general rate increase, it will be extremely difficult to cancel part of the increase once granted. Therefore the sanction appears to be unwieldy and potentially unworkable. The re-

sult is that what teeth appear to exist in the order may prove to be false.

The order provides a compliance monitoring device by providing that the revenues generated by the increases should be expended for deferred capital improvements and maintenance of plant and equipment, and requires that records be kept. However, no provision is made to assure that other revenues now being expended or projected for maintenance and capital improvements will not be diverted to other spending. If a net increase in expenditures for the designated purpose does not result, all the reporting and compliance machinery are a waste of everyone's time and energy.

In addition, the railroads did not comply with a number of the requirements laid down in prior general increase proceedings. They did not show how much of prior authorized increases they have actually taken, as required by the Commission in Ex Parte No. 295. They only partially complied with the interim guidelines set forth in Ex Parte No. 281, for the submission of cost and revenue data. And they did not provide detailed background material and work papers in this proceeding.

I would have approved a 2 percent interim increase and would have required the railroads to submit detailed plans as a condition precedent to receiving any increases above 2 percent. We would thereby have taken advantage of this opportunity to foster giant strides toward improved rail service. The order I would have approved would hopefully be self-executing in nature, and assigned to make achievement of the goal of improved service more certain.

Since 1967 the Commission has allowed rail across-the-board increases totalling more than 60 percent (excluding such special increases as those for mechanical protection service and the 10% grain increase authorized this year). In each of those cases the Commission has admonished the carriers to improve service. However, the carrier's service reports to the Commission have been practically useless and, not surprisingly, rail service has gone steadily downhill. The time to begin changing the picture is now. We cannot expect carrier compliance with any of our admonitions without developing the necessary incentives or fashioning effective sanctions.

THE 34TH ANNIVERSARY OF FORCIBLE INCORPORATION OF BALTIC STATES INTO THE SOVIET UNION

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. HUBER. Mr. Speaker, it is indeed appropriate to note that on the 15th of this month, there occurred the 34th anniversary of the forcible incorporation of the Baltic States into the Soviet Union.

What is even more important to note today, with President Nixon preparing to depart for Moscow, is that the United States and other nations, such as Canada, Great Britain, France, Italy, and the Vatican, do not recognize this forcible incorporation of the Baltic nations into the Soviet Union. This should continue to be the policy of the United States. In support of this policy Assistant Secretary of State for European Affairs, Walter J. Stoessel, in a letter dated May 18, 1973, to the leaders of a Latvian organization, wrote:

Although the Conference (in Helsinki) may reaffirm the generally accepted principle that frontiers should not be changed by force, we do not foresee any agreement which would alter our policy of not recognizing the annexation of the Baltic States by the USSR.

We should, in my view reaffirm that position with the U.S.S.R. In fact, they should not be allowed to forget it at any time.

The history of this aggression should not be lost or obscured. The U.S. Congress Select Committee to Investigate Communist Aggression and the forcible incorporation of the Baltic States into the U.S.S.R. put the matter as follows:

I. The evidence is overwhelming and conclusive that Estonia, Latvia and Lithuania were forcibly occupied and illegally annexed by the USSR. Any claims by the USSR that resolutions adopted by the parliaments petitioning for recognition as a Soviet Republic were legal, are false and without foundation in fact.

CAPITAL GAINS TAX REFORM

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ARCHER. Mr. Speaker, there has been much discussion in this Congress on the need for tax reform. One of the major areas in which we need reform is a liberalization of the tax laws on long-term capital gains in order to encourage investment in the stock market. If our economy is going to grow and prosper, we need to raise the necessary capital for investment and expansion.

I have introduced H.R. 14467 and H.R. 15016—with cosponsors—to provide that investors could exclude the first \$1,000 of their income each year from the sale of securities. This measure is designed to encourage small investors to enter or re-enter the stock market to provide the necessary equity capital for our industries. This Small Investors Act would be an important step in that direction.

The essential need for new capital for our industries was very effectively made in an editorial which appeared in the Chicago Tribune on June 3, 1974. I commend it to the attention of my colleagues:

CAPITAL GAINS TAX REFORM

American industry will need about \$1.4 trillion in new capital by 1980 and \$4 trillion by 1985 to finance industrial expansion, create new jobs, and meet future energy needs from new sources.

Unless the U. S. tax laws—particularly the tax on long term capital gains—are liberalized to encourage investments, the nation could fall short of its capital requirements. The penalty for this failure would be a lower standard of living for all Americans.

Capital gains taxes are paid on the increase in the value of an asset, such as stock or real estate, between the time it is purchased and when it is sold. At the present time, short term capital gains—on investments held for six months or less—are taxed at the same rate as ordinary income. Long term gains, those held more than six months, are taxed at half the ordinary rate up to a maximum of 35 per cent.

Investment capital traditionally has come from the savings that individuals invest in

American business by buying securities. Because of low stock prices, unstable economic conditions, government crises, and high yields on savings and other fixed-income investments, investors—large or small—are staying out of the stock market, and corporations are finding it difficult to raise the money they need.

The Securities Industry Association, made up of investment bankers and stock brokers, cites what it terms a "capital drought." The number of new stock issues has dropped from 1,460 in 1972 to 440 last year. The number of new bond issues slipped from 470 to 248 in the same period.

Moreover, hundreds of billions of dollars in capital are "locked in" because stock holders are reluctant to sell them and thus become liable for the capital gains tax. The Treasury Department believes that between \$233 and \$558 billion in long term investments are thus immobilized. This, in turn, reduces federal revenue because investors would rather hold onto their securities than face a tax that could amount to more than one-third of their profit.

There have been a number of suggestions for liberalizing the capital gains tax. One has caught the attention of some members of Congress and is being pushed by Chairman Wilbur Mills of the House Ways and Means Committee. It calls for a sliding scale: The longer an investment was held, the lower the tax rate would be.

Mr. Mills has offered no specific figures. The Securities Industry Association, however, has suggested a scale ranging from 100 per cent when assets had been held for three months to 10 per cent for assets held 20 years or more.

S.I.A. estimates that for every billion dollars in securities unlocked by the sliding scale, the treasury would realize \$200 million in additional tax revenues. More important, however, the lower tax rates would encourage investors to shift their assets, thus making money available to new industries.

Inflation has made the present capital gains tax confiscatory. It devoured 27 per cent of any profit acquired over a period of 10 years and nearly 50 per cent of the profit earned on an investment held for 25 years. Add the tax and there is very little left. Many family businesses have to be sold when the owner dies merely to pay the capital gains tax.

Some self-styled reformers would do away with the capital gains tax entirely, and tax investment profits at the higher rate applied to ordinary income. This, they contend, would enable government to redistribute the nation's wealth from the haves to the have-nots.

This is the sort of nonsense that appeals to economic illiterates. Such a tax would destroy any incentive to invest risk capital. It would invite industrial stagnation, jeopardize our standard of living, and inevitably lead toward socialism.

The sliding-scale proposal for capital gains is the most promising we've seen. We also like a proposal by Mr. Mills to exempt from taxation the first \$10,000 in capital gains earned over a taxpayer's lifetime. This, we believe, would encourage lower income groups such as wage earners to participate in the free enterprise system and help provide the capital that will be needed in the years ahead.

PEACE IN THE MIDDLE EAST?

HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ZWACH. Mr. Speaker, the motors of President Nixon's Air Force One had not yet cooled, by the time Israel had

resumed its warplane raids on guerrilla hideouts in Lebanon.

If we are to ever have a viable, working peace in the Middle East we must have the cooperation of all parties involved. Great strides have been made by Dr. Kissinger and President Nixon in laying groundwork for a lasting peaceful settlement. The Mideast trip by the President was unprecedented and solidified the desire of this country for peace.

However, we do not appear to be getting through to the Israelis. After top level talks with the President and the Secretary of State, the Israelis resumed the bombing, using American made supplies. It appears that the only way to stop the bombing is to stop the bombs.

Peace in the Middle East is possible, in fact it is near, but the Israeli must also be willing to live in peace with its neighbors. Continued bombing is not the answer.

DEDICATION OF VETERANS' ADMINISTRATION OUTPATIENT CLINIC IN EL PASO, TEX.

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. WHITE. Mr. Speaker, a project my office has worked on diligently for the past several years became a reality on June 14 as a Veterans' Administration outpatient clinic was dedicated in El Paso to serve the medical needs of some 80,000 veterans resident in far west Texas, southern New Mexico, and northern Mexico. We are proud of this new facility to serve the veterans of our area, and we are thankful to the Veterans' Administration for recognizing our needs and providing us with the clinic. It is my pleasure to submit for the RECORD the remarks made at the dedication ceremony by Mr. Richard L. Roudebush, Deputy Administrator of Veterans' Affairs for the Veterans' Administration:

SPEECH OF RICHARD L. ROUDEBUSH, DEPUTY ADMINISTRATOR OF VETERANS AFFAIRS

It is always a pleasant and significant occasion when the Veterans Administration opens a new facility . . . and I am honored to be a participant in this dedication.

In activating this clinic we affirm the devotion the American people feel for those who stood in their nation's defense.

We reassert the desire of the American people to provide as needed for these past defenders.

And we reemphasize the determination of the people's government to carry out this desire to the fullest measure possible.

Today we take steps toward providing better and more convenient medical care in the El Paso area, an area that has a population of some 80,000 veterans.

These are men and women who live in two states and two nations, who are residents of fourteen counties in Texas and New Mexico and of Juarez and your neighboring areas to the south.

They are men and women to whom the right to care has long been compromised because of their place of residence and a lack of facilities.

In recent years the Veterans Administration has made great progress in improving the ways it delivers health care. We have developed medical regions that associate our

hospitals in such a way as to give all regions access to the best and most sophisticated treatment.

We have expanded our working arrangements with medical schools so that we benefit from their expertise and their excellent personnel.

And we have increased, improved and upgraded the importance of outpatient treatment so that veterans are not inconvenienced by hospitalization when it can be avoided.

The opening of a clinic in this most important population center is a natural development of these and other improvements and is consistent with the VA desire for not only good treatment and to provide it in the proper places and with the least difficulty or disruption to those receiving it.

We are glad to be in El Paso. We are grateful for the use of this location while we plan for a permanent site. We are proud of our affiliation with the great Texas Tech University Medical School . . . and gratified at the cooperation being developed with other medical and health institutions and personnel throughout the clinic's area of service.

This will be a clinic of considerable size and capability . . . a facility that will serve a great many patients in a great many ways.

It is predicted that by next fiscal year there will be 68 full-time people on the clinic staff . . . although the number will not be that large in the immediate future.

It is also predicted that there will be more than 14,000 medical visits to the clinic during Fiscal Year 1975 . . . and that another 2,500 visits to private doctors will be administered by the clinic.

These will rise to 24,000 clinic visits and 8,400 visits to private physicians during the 1976 Fiscal Year . . . by which time there will be some 80 persons on the staff.

Also in 1976, there will be some 3,600 dental examinations, 400 dental treatment visits and 1,000 visits to private dentists.

Next year's expenditures will be some \$1.2 million. This will grow to more than \$1.8 million in 1976.

All these figures are just estimates, of course. VA is ready to spend . . . to hire . . . and to treat . . . in whatever amounts are necessary to provide the attention and care needed.

One service that will be greatly facilitated by this clinic is the providing of prescription drugs for veterans in the area. Many prescriptions now filled at Lubbock will be filled here . . . and long mail delays will be avoided.

We are proud of the fact that this will be a training as well as a treating clinic . . . and, as I said earlier, proud of the medical school affiliation under which this training will be administered and conducted.

VA provides training for a large percentage of the nation's health and medical personnel . . . and training and teaching possibilities and opportunities are always stressed in planning new facilities.

We are thus able to serve needs of the general public indirectly while giving direct service to veterans.

Of equal or greater importance, the treatment is better when training is included because VA staffing must be stronger . . . and because we get the benefit of staffing from some of the country's leading medical schools.

I am confident that this will be the case here. The activities of a dean's committee and supervisory functions provided by Texas Tech will give this clinic an uncommon potential for skilled service.

VA now has 212 outpatient clinics open or planned. Next year we expect some 15 million visits to these clinics, an increase of eight million in just six years.

Emphasis on outpatient treatment has complemented the growth of VA facilities for inpatient treatment . . . a situation that provides a balanced care program unequalled

in VA history and unapproached by any other health care system in the nation.

I think it is appropriate that our veterans have the best system . . . although all Americans deserve the best medical care possible.

The obligation we have to those who were in uniform is unique and overriding. It is an obligation that has been recognized by the American people and those who represent them in the government. And it is an obligation that will be with us for a long time to come.

The number of Vietnam Era veterans has just passed the 7 million mark. It might be noted that this is some two and a half million more veterans than served in World War I . . . the Great War, as it was called.

The vast majority of these young men and women ask nothing from their government except some readjustment help and the opportunity to make a living and lead their own lives.

But their service entitles them to help here and at other VA medical facilities. So does the service of their comrades of four other wars.

Thus . . . we illustrate the magnitude of the VA medical mission . . . a mission that has as potential patients nearly 30 million veterans.

The size . . . and the recent growth . . . of this mission is nothing new to most of you. Many of you have been leaders in helping VA grow to meet its obligations . . . and to change and improve when change and improvement are called for.

I salute you for this whether you were acting within government as representatives of the people . . . as members of veterans groups . . . or in some other capacity.

I think it is appropriate that I . . . as an official of VA . . . state to you that we will always do our best to live up to our obligations to veterans which you recognize and work to help us meet.

To all who have had a special role in the development of the El Paso Clinic, I offer my hearty congratulations on what you have accomplished. We hope you will continue to be interested and that you will help us do the job that is here to be done.

To Mr. Orr and members of the clinic staff, I offer the best wishes of your colleagues in VA Central Office. We will help you. We will support you . . . and we know you will do well.

To the veterans for whom this clinic is put into operation, I bid you welcome to it . . . and I wish you comfort and improved health.

To all of you here . . . I thank you for your interest and for your hospitality.

OUTLOOK 76—NEW HORIZONS FOR MARION

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BROWN of Ohio. Mr. Speaker, while many communities, individuals, and institutions of America are pretending that the problems of the present will vanish only if ignored and that the future is to be feared, the community of Marion, Ohio, a city which I am proud to represent, will soon inaugurate a bicentennial project which recognizes the nobility of Marion's and our Nation's heritage, ceases the challenges of the present and shouts a resounding yes to our Nation's future.

Only July 4, 1974, the mayor of Marion will officially proclaim the beautification and redevelopment of downtown Marion as that city's project in honor of our Nation's Bicentennial. The mayor's proclamation is an outgrowth of months of dedicated efforts on the part of Marion citizens in industry, business, communications, civic organizations and government. The name and theme for the project which is expected to run even beyond 1976, is called Outlook 76—New Horizons For Marion.

Our Nation was made great by men and women who dared to dream of better communities and a better America. The people of Marion can be proud that they continue these dreams and are taking positive steps to turn their dreams into realities for future generations.

REVENUE SHARING

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. PREYER. Mr. Speaker, in view of some of the criticism about the manner in which cities have used revenue sharing, I think my colleagues would be interested in the report on how one city of over 150,000 people has handled very effectively the revenue sharing funds. This city is Greensboro, N.C., which is my hometown and the affairs of the city have been ably handled by Mayor James E. Melvin.

Before becoming mayor of Greensboro in May of 1971, Jim Melvin served as mayor pro tempore for a period of 2 years and he also has the distinction of serving as president of the Greensboro Jaycees at a time when it was selected twice in a row as the world's best Jaycee club.

Jim has done an outstanding job for the city of Greensboro in his several capacities and I believe his report conveys the value of revenue sharing and is excellent support for the continuation of this program. Mayor Melvin's report follows:

GREENSBORO, N.C.,
June 10, 1974.

HON. RICHARDSON PREYER,
U.S. Congressman,
Federal Building, Greensboro, N.C.

DEAR RICH: It has been brought to my attention that there is concern among several Congressional members about the effectiveness and success of the General Revenue Sharing Program. It may be that misinformation has led to unwarranted criticism of the program. Therefore, I would like to present to you the facts concerning Greensboro's approach to General Revenue Sharing.

Citizen participation in decisions on the budgeting of these funds has been at a very high level in Greensboro. Approximately 200 individuals appeared at our first public hearing before the Planning Board in early 1973 to consider and discuss the expenditure of revenue sharing funds. Subsequent to the Board meeting, the City Council also held one public hearing and two other regular Council meetings at which the budgeting of these funds was discussed. General Revenue Sharing funds have been folded into our regular Capital Improvements Program

and Annual Budget process. At least two public hearings are held on each of these budgets by the Planning Board and/or City Council.

Greensboro has made General Revenue Sharing Funds a part of its regular budgeting process. This is for the express purpose of budgeting such funds in line with the City's regularly planned program for community development and related activities. These funds have not been expended on frivolous or unnecessary activities but have been utilized to accelerate needed projects in our regular ten year Capital Improvements Program and to support various complimentary activities, as necessary, through the Annual Budget. The attachment presents a summary of expenditures for the first four entitlements. As you can see, the City has been fairly successful at equitably distributing these funds among the areas for which it can legally expend such funds.

General Revenue Sharing funds have served all segments of Greensboro's population and many expenditures have been for innovative programs. For example, the Warnersville and Peeler swimming pools and Yanceyville Recreation Center serve areas of low income and racial minorities concentration. Several of the parkland acquisitions and renovations are in areas with similar characteristics. In a very positive way, these funds have helped to upgrade the quality of life for many of Greensboro's disadvantaged. A list of innovative programs would include the new police district concept which has improved efficiency of operation and response time, a roving recreation leader who can assist citizens in successful recreation and leisure time pursuits, a community relations training program and Crime and Loss Division within the Police Department, continuation of the branch library system through opening of two new branches, a bicycle and walking trail, and improvements at the Coliseum to accommodate the special needs of handicapped individuals.

As you will note, the most money (about 25%) has been expended for parks. This has involved the acquisition of substantial acreage of land which will add to the open space already owned by the City and means that open space that might otherwise be developed before the City could afford to acquire it, will be permanently preserved.

These are just examples of the ways in which the City of Greensboro has, through the use of General Revenue Sharing funds, developed innovative programs and accelerated previously planned programs to serve all socio-economic segments of its population. Our proposed FY 1975 Budget, in addition to continuing funding for some of the above programs, includes expenditures in support of the local Youth Services Bureau, a housing rehabilitation program, and a multi-purpose band shell at a City park to accommodate a full range of cultural and recreational activities. Again, these represent the City's concern in all areas of community life and illustrate that we are not holding to the "status quo" but rather are utilizing such funds for the purpose of stimulating innovation and change in local government's approach to meeting the needs of its citizens.

Any influx of new revenue sources will have an impact on the property tax rate in a community. Because of several local factors, Greensboro experienced a slight reduction in its tax rate during the first year that General Revenue Sharing was included in the City Budget. The proposed FY 1975 Budget calls for a stabilized effective tax rate. Any reduction in, or loss of, General Revenue Sharing funds would certainly affect our present stable situation. Its withdrawal would seriously affect our program of needed community services and cause, at least temporarily, an unstable property tax rate picture in Greensboro.

Although there has been a normal amount

of bureaucratic red tape associated with this program, it has not, in our opinion, been excessive nor more than is needed effectively to evaluate the program. It is our hope that the level of reporting and accounting for expenditures of these funds will remain the same throughout the duration of the program.

I have tried very briefly to convey to you the importance of the General Revenue Sharing Program to the City of Greensboro. I have also given you some factual information concerning the way in which the program has been applied to innovative efforts and in a conscious program to meet the needs of all Greensboro citizens. The Planning Board and City Council, through increased citizen involvement, desire to expand this effort each succeeding year. We request your continued support of the General Revenue Sharing Program and encourage you to carry this position into the 1974 Congressional campaign.

Sincerely,

JIM MELVIN,
Mayor.

MANAGING THE BUDGET ON CAPITOL HILL

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. HANRAHAN. Mr. Speaker, I have always felt government spending should be held to a minimum. Budget reform has been urgently needed for quite some time. The editorial from the Washington Post gives a favorable view of the congressional budget control legislation. I think this will be of interest to my colleagues.

The article follows:

MANAGING THE BUDGET ON CAPITOL HILL

The congressional budget control legislation now on the verge of enactment is a remarkable accomplishment. The aim—recapturing effective legislative power over the federal purse—is easy to state and endorse. But working out the mechanisms and accommodating all of the congressional committees, interests and personalities involved is something else. So there is reason for the self-congratulations now being heard on Capitol Hill. President Nixon also deserves substantial credit, though of a backhanded sort, for without his vetoes of appropriations bills and his imperious impoundment policies, the Congress might never have been spurred to make such vast and systematic changes in the way its fiscal work is done.

Under this ambitious reform, new House and Senate budget committees will be created to review each year's budget proposals as a whole and to recommend overall levels of spending, revenues and public debt, and the amount of budgetary surplus or deficit which seems appropriate. Congress would be required to adopt these tentative targets by May 15, before taking up any individual appropriations bills. In September, after all money bills had been passed, Congress would review its budgetary goals, make adjustments reflecting economic changes since the spring, and bring outlays into accord, if necessary, through a final reconciliation bill before the start of each new fiscal year Oct. 1.

This system demands a great deal of congressional self-discipline. The timetables are tight. Appropriations panels will be subject to some new constraints. Authorizing committees, too, will be called on to work more expeditiously and to propose their

spending programs farther in advance. Nor will the legislative panels keep their current option of avoiding appropriations fights by resorting to backdoor spending, such as contract authority, or by providing automatic entitlements for benefits. All such devices are to undergo appropriations review. Finally, dallying will be discouraged. If the reforms really take hold, there should be no more of those tedious Christmas Eve snarls over foreign aid or education assistance for the fiscal year already under way.

The new system should bring substantial changes in legislative-executive relationships. For one thing, the reform act would deny Presidents the broad impoundment power which President Nixon has claimed. Under the act, the Congress would have final say on whether appropriated funds could be withheld. Either house of Congress could override an executive decision to defer spending for a particular program, while programs could be terminated or overall spending levels reduced only with the consent of both the House and the Senate. Thus the chief executive would have far less leeway to ignore the legislative will—but he should also have less reason or excuse for doing so, as Congress becomes more capable of making tough budget choices itself.

In economic terms, the impact of budget reform should not be overstated. The new procedures could produce either expansionary or restrictive congressional policies—and Congress could carry out all of the prescribed studies and reviews, on time, and come up with a carefully crafted budget which turned out to be very wrong. The new act won't prevent mistakes. But it ought to reduce the likelihood of inflation by inattention, and should curb the confusion and delays which have been so damaging to the economy, to the image of Congress, and to the agencies and individuals dependent on the timely, orderly flow of federal funds.

BUDGET REFORM IS THE KEY TO CONTROLLING GOVERNMENT SPENDING

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. HEINZ. Mr. Speaker, as most of us are painfully aware, inflation is one of the major problems now facing this country. Since 1968, this Nation's cost of living has increased by 25 percent, an alarming inflationary rate caused chiefly by excessive and reckless Government spending. Over the past 40 years, the Federal budget has grown from less than \$5 billion to more than \$268 billion—a growing burden which American taxpayers find increasingly difficult to bear. And those of us in Congress have found that our power over the pursestrings has been steadily eroding, and that we have become over-dependent upon the budget recommendations of the executive branch. If an individual, family, or businessman permitted this kind of disorder in his or her financial affairs, they would go bankrupt very quickly. When a Nation permits this kind of disorder, it has rampant inflation.

For this reason, both Houses of Congress are considering major budget reform legislation to establish a new procedure for handling the overblown Federal budget. This legislation, recently re-

ported out by a House-Senate conference committee and approved overwhelmingly by the House membership, would reassert congressional power of the purse, and will hopefully prevent irresponsible and unnecessary Government spending.

Fiscal responsibility of this type is overdue and absolutely necessary. To permit the current inflationary spiral to continue will give us the economy of a Banana Republic.

Because so many constituents have expressed concern on these matters, I am today inserting in the RECORD part 1 of an excellent and timely review from the National Journal analyzing this badly needed legislation. Part 1 of this article follows:

CONGRESS REPORT/BUDGET REFORM LEGISLATION CALLS FOR MAJOR PROCEDURAL CHANGE
(By Joel Havemann)

After 200 years of spending taxpayers' money by bits and pieces, Congress is about to approve new procedures that just might turn its annual wrestling match with the budget into a logical, coherent process.

By overwhelming majorities, the House and the Senate have passed bills to reform the congressional budget making role. A conference committee of House and Senate Members soon will resolve the differences between the two bills.

The budget reform legislation, according to Sen. Charles H. Percy, R-Ill., one of its chief sponsors, "represents one of these historic turning points in the evolution of our institution, a reversal of the accelerating erosion of the congressional power of the purse, a reassertion of our correct role in the American plan of government."

But the legislation alone, with its elaborate budget making procedures, will not revolutionize Congress. The 535 Members of the legislative branch are going to have to apply the hard work and discipline that will be necessary to make the new procedures work.

MAKING THE BUDGET

The budget reform legislation is the product of 18 months of work by one joint committee, one House committee, two Senate Committees and one Senate subcommittee. Despite the legislation's tortuous route through Congress, the Senate and House passed remarkably similar bills (S 1541 and HR 7130).

New procedures

No matter how the conference committee resolves the remaining differences between the two bills, a number of things are sure to happen:

Budget committees will be established in the House and Senate, with responsibility for coordinating congressional spending and revenue policy.

A new congressional staff organization of as many as 100 persons will provide Congress with something of the budgetary expertise that the Office of Management and Budget (OMB) provides to the executive branch.

The 1976 fiscal year will be 15 months long, and fiscal 1977 will begin on Oct. 1, 1976.

Beginning in 1976, Congress in the spring will set spending targets for all broad areas of federal activity for the coming fiscal year. It also will estimate revenue and choose an appropriate surplus or deficit.

In the fall, if individual spending bills exceed their targets, Congress will cut back on spending plans, raise taxes or increase the budget deficit.

Backdoor spending will be curtailed and the Appropriations Committees will have broader jurisdiction.

The President's freedom to impound funds appropriated by Congress will be limited.

Coherence

The new procedures—if the Members make them work—will enable Congress for the first time to take coherent action on the federal budget.

"The fact of the matter is that there is no congressional budget process, only an agglomeration of separate actions and decisions for the House Rules Committee in reporting its budget reform bill.

Every year Congress passes at least 13 appropriations bills. It passes a number of "backdoor" spending bills which mandate spending without any action in appropriations bills. It passes a number of revenue measures. And pays little attention to the relationships among all these actions.

"Congress never decides how much total expenditures should be, nor does it go on record as to whether the budget should have a surplus or deficit," said Sen. Sam J. Ervin Jr., D-N.C. "The total seems to just happen, without anyone being responsible for it, or knowing with much confidence what it will be."

Percy said Congress, lacking procedures of its own, has become too dependent on the annual budget message of the President, which he said "hits Congress each year like a tidal wave."

"Congress has seen its control over the federal purse strings ebb away over the past 50 years because of its inability to get a grip on the overall budget, while the Office of Management and Budget in the executive branch has increased its power and influence," said Sen. Edmund S. Muskie, D-Maine.

Spending controls

At the beginning of its 18-month evolution, the budget reform bill would have placed tight clamps on federal spending.

The Joint Study Committee on Budget Control, established in October 1972, drafted the first budget reform bill. It would have required new budget committees to set rigid spending ceilings four or five months before the beginning of each fiscal year. The budget committees would have been dominated by current members of appropriations and taxing committees, who tend to favor tight federal spending.

Congressional advocates of federal spending programs—especially the chairmen of the legislative committees—rallied against the restrictions proposed by the joint study committee. In both chambers they succeeded in modifying the bill so that Congress may continue to expand its spending plans up to and beyond the beginning of each fiscal year. Congress still begins planning the budget months in advance, but instead of ceilings it sets spending targets that it may decide later to breach.

Muskie said in an interview that social programs will not suffer under the new procedures—so long as their sponsors understand how the new procedures work. "All of us are going to have to be piped in to this process," he said.

Despite the dilution of the joint study committee's recommendations, proponents of tight spending hope the new procedures will make it more difficult for Members of Congress to let spending run away from them.

Rep. James L. Whitten, D-Miss., a co-chairman of the joint study committee, said Congress will look foolish in the fall if it exceeds by great sums the spending targets it set for itself in the spring. "If we're irresponsible," he said, "everybody's going to know it."

Others worry that Members will be afraid to vote in the fall to cut programs already approved by Congress. Sen. William V. Roth, Jr., R-DeL., said Members will worry about making enemies of the beneficiaries of the programs they are asked to cut. Roth told the Senate that the spring vote on spending targets will "only be a token gesture for economy."

Sen. Harry F. Byrd, Jr., Ind.-Va., proposed two amendments on the Senate floor to require a balanced budget. His effort to require Congress to raise enough revenue to cover all spending failed 35-52, and his amendment requiring the President to submit a balanced budget to Congress was defeated 29-57.

Broad support

The budget reform bill is remarkable for the broad support it has gained within Congress. Few Members have been willing to go on record against the principle of responsible budget making.

The 32-member joint study committee was unanimous in its recommendations to Congress. After four more unanimous votes in congressional committees, budget reform was approved in the House by 386-23, and in the Senate by 80-0.

Most of the slight opposition in the House came from Democrats. Rep. Robert F. Drinan, D-Mass., said the bill will place too many spending programs under the control of the Appropriations Committee. "I am opposed to the Appropriations Committee's having the ultimate say as to how the House will spend the money which it authorizes," Drinan said.

Rep. Michael J. Harrington, D-Mass., said the procedures laid out in the budget reform bill are too complicated to work. "We cannot hope to impose an arbitrary formula upon a very complex system and expect it to work, for it will not," Harrington said.

The unanimous vote in the Senate was largely the work of Sen. Robert C. Byrd, D-W. Va., who undertook to rewrite the bill in the Rules and Administration Committee after the Government Operations Committee reported a bill with a tight over-all spending ceiling. Byrd, chairman of the Subcommittee on the Standing Rules of the Senate, assigned the job of drafting a consensus bill to a group of 45 Senate Staff aides representing all interested Senators and committees.

Everyone participated fully except the staff of Sen. John L. McClellan, D-Ark., chairman of the Senate Appropriations Committee. Gary B. Sellers, a committee staff member, attended most meetings, but he primarily answered questions and made few suggestions about what should go into the bill.

On the Senate floor, only McClellan expressed reservations about the new budget making procedures in the final bill. He said he was voting for the bill reluctantly because he felt the procedures were too cumbersome and confusing.

"I am convinced that this bill in its present form will fall far short of the goals it professes to achieve," he said. "Possibly the greatest virtue of this particular legislation is that it may serve as a vehicle for trial and error."

A year earlier, McClellan had been a member of the joint study committee that unanimously recommended much more complicated budget making procedures. Despite the great changes that Congress made in those recommendations, the committee's co-chairmen, Whitten and Rep. Al Ullman, D-Ore., support budget reform legislation in its current form.

"I think we have a tough bill. I think we have a good bill," Ullman said in an interview. "We still have procedures to face up to annual budgeting. Before the beginning of the fiscal year we still lock in on spending levels."

Conference committee

Among the key Senators on the conference committee for the budget reform bill are Ervin, Byrd, Muskie and Percy. The key House Members are Rep. Richard Bolling of Missouri, the third-ranking Democrat on the House Rules Committee, and Rep. Dave Martin, R-Neb., the committee's ranking Republican.

The committee has met only once, on April 9. A subsequent meeting was postponed because Bolling was preoccupied with his effort to reform House committee structure.

(The House Democratic Caucus delayed Bolling's committee reform plan on May 9 by referring it to one of its own subcommittees.)

Meanwhile, Senate and House staff members have been trying to resolve all but the most controversial issues before the conferees. They hope to have a nearly complete bill to submit for the conference committee's consideration the next time the conferees meet.

The key Senate aides are Alvin From, staff director of the Government Operations Subcommittee on Intergovernmental Relations, representing Muskie; William P. Goodwin, staff member of the Government Operations Committee, representing Ervin; Herbert N. Jasper, research director of the Labor and Public Welfare Committee; and J. Robert Vastine Jr., minority counsel to the Government Operations Committee, representing Percy.

From the House side are Milton B. Meredith, staff member of the Appropriations Committee; Eugene B. Wilhelm, former staff director of the joint study committee; and John E. Barriere, executive director of the House Democratic Steering and Policy Committee.

Allen Schick, senior specialist with the Congressional Research Service, also has been very active.

LOBBYING

The budget reform bill is an effort at internal reform, and it has attracted little interest from lobby groups outside Congress.

"The bill affects us all, but it's awfully complicated, and it's not the sexiest issue that's come along," said Richard D. Warden, assistant legislative director of the United Auto Workers (UAW) and perhaps their most active lobbyist on the bill.

The UAW, along with other groups, such as the Americans for Democratic Action and the Coalition on Human Needs and Budget

Priorities, was concerned about the tight budget ceiling of the early drafts of the bill.

"We felt the imposition of any kind of early ceilings on the appropriation subcommittees would not be in the interests of funding social programs," Warden said.

President Nixon has expressed his support for the principle of congressional budget reform, but the White House has not lobbied for the bill.

BUDGET COMMITTEES

The establishment of budget committees in the House and Senate, with responsibility for overseeing the budget making process, has been central to plans for congressional budget reform from the beginning.

The joint budget committee recommended a 21-member House committee and a 15-member Senate committee, with one-third of the members of each committee drawn from each chamber's Appropriations Committee, one-third from the House Ways and Means Committee or the Senate Finance Committee, and one-third from the legislative committees.

That recommendation ran into immediate trouble from the legislative committees, and the bills approved by the House and Senate changed it considerably.

THE WALL STREET JOURNAL'S TAXPAYER SUBSIDY

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. GROSS. Mr. Speaker, in its news story yesterday reporting on House passage of S. 411, the Wall Street Journal

was more than a little exercised about my statement on the House floor that the Journal's taxpayer subsidy would increase from its present \$23.3 million to \$38.7 under the bill.

Dow Jones' Vice President John J. McCarthy accused me of being "badly misinformed" and said my figures "are the product of accounting legerdemain." Mr. McCarthy was then quoted as contending that the Journal "pays well over 184 percent of the cost of handling its mail."

I had not intended to pursue this matter much further, but Mr. McCarthy's accusations now afford me the opportunity to present a more detailed record of the large subsidies and most favored treatment enjoyed by this publication.

I include at this point in the RECORD a table showing the specific taxpayer subsidies, for each appropriate fiscal year, now enjoyed by the Wall Street Journal and the additional yearly subsidies it will receive under S. 411. The table shows amounts under the current permanent rates which are pending before the Rate Commission and which are in effect on a temporary basis.

The table was prepared from data that was submitted by Dow Jones Co., Inc., to the Postal Rate Commission in PRC Docket R 74-1.

Now, I would emphasize that these amounts of subsidy represent postage that the Wall Street Journal should be paying but which the taxpayers are instead paying because the Wall Street Journal has been given 5 years under existing law, and 8 years under S. 411, to start paying the postage rates that have been set for this class of mail:

WALL STREET JOURNAL

ESTIMATED APPROPRIATIONS—CURRENT AND PROPOSED (S. 411) PHASED RATES¹

[In thousands of dollars]

Fiscal year	Phasing year	Current authorization (Public Law 91-375)			Additional appropriations (S. 411) ²			Total proposed appropriations		
		Current rates ³	Proposed rates ⁴	Total	Current rates ³	Proposed rates ⁴	Total	Current rates ³	Proposed rates ⁴	Total
1973	1	6,612		6,612				6,612		6,612
1974	2	5,033	1,299	6,332				5,033	1,299	6,332
1975	3	3,203	3,524	6,727	890	859	1,749	4,093	4,383	8,476
1976	4	1,623	2,079	3,702	1,791	1,446	3,237	3,414	3,525	6,939
1977	5				2,475	2,614	5,089	2,475	2,614	5,089
1978	6				1,606	1,814	3,420	1,606	1,814	3,420
1979	7				940	904	1,844	940	904	1,844
Total		16,741	6,902	23,373	7,702	7,637	15,339	24,173	14,539	38,712

¹ Estimates based on calendar year 1973 data supplied by Dow Jones & Co., Inc. in PRC docket R74-1. Does not include any estimates of volume changes.

² Assumes 8-year phasing in lieu of 5-year phasing of rate increases.

³ Current rates column indicates amounts attributable to current permanent rates. Fiscal year 1972 amounts (temporary rates) are not included.

⁴ Proposed rates column indicates amounts associated with USPS rate proposals in PRC docket R74-1.

As to Mr. McCarthy's contention that the Journal pays over 184 percent of its postal costs, the facts simply do not support him. First of all, he enjoys relatively low postage rates to begin with. This is because second class has always enjoyed relatively low postage rates. The Postal Rate Commission in its last rate decision actually reduced the rate request submitted by the Postal Service. It pointed out that:

The recommended rates preserved the favored status that second-class mail has historically enjoyed . . . and the rates recommended for second-class mail are on the lower side of the range of reasonableness . . . and will not impose undue hardship on second-class mailers.

Also, as Mr. McCarthy must know, these rates are also kept low in recognition of the fact that the mailer does perform certain postal functions, such as presorting, that are not legally required of first-class mailers, even though most of the large mailers do so voluntarily.

It should also be pointed out that under the present permanent postal rate structure, second-class mail does not even pay the costs that are directly attributable to that class of mail. It currently only pays 93 percent of its direct costs and obviously makes no contribution at all to overhead or institutional costs. In contrast, first class not only pays all of its direct costs but makes

more than a 100-percent contribution to overhead costs. Paying a second-class postage rate simply does not produce, under any accounting system, a 184-percent cost coverage.

The Wall Street Journal, like most news-value publications, receives so-called red-tag treatment from the postal services which generally assures overnight delivery. In essence, it gets first class—or better—treatment at second-class subsidized rates. Under rates now in effect, the Wall Street Journal pays slightly over 3½ cents to send an 8-ounce copy containing 50-percent advertising from New York and Washington. If first-class postage were paid, it

would cost the Journal 80 cents. And when you compare the 3½ cents paid by the Journal to the 12-cents-per-minute cost of the worktime of a letter carrier, it becomes even more difficult to follow Mr. McCarthy's reasoning that the Journal pays 184 percent of its postal costs.

Mr. Speaker, I did not mean to belabor this point, but I do feel the record should be made abundantly clear. The big beneficiaries of S. 411 are the big, profitable publishers, and the taxpayers are, as usual, left holding the bag.

FED FOLLIES

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. RARICK. Mr. Speaker, the average American who is aware that something is wrong with our fiscal responsibilities may find some answers to the misuse of his Nation's credit in the morning paper. We learn that the Federal Reserve Bank has now bailed out the Franklin National Bank of New York City to the tune of \$1 billion and the financial establishment of Italy to the tune of \$3 billion.

The New York City bailout is said to be necessary because of embezzlement and loss in foreign exchange trade, while the Italian shoring up is to help subsidize the Socialist power structure in that country.

The time is coming when the people of America are going to require a code of ethics for bankers as well as a public disclosure of their outside investments and activities. The time has passed when the Fed can rationalize these bailouts in order to save the investors from the political and criminal acts of irresponsible members of the banking community. In fact, it would seem that the banking community itself would start demanding some restraints on the Fed in order to protect their responsibility to their customers.

I ask that related newsclippings follow:

[From the Washington Post, June 21, 1974]

FRANKLIN BANK LISTS HUGE LOSSES

(By Jack Egan)

NEW YORK, June 20.— Franklin National Bank, the nation's 20th largest, revealed today it lost more than \$60 million in the first five months of the year, primarily due to unauthorized foreign exchange trading. Its chairman resigned as a result.

The losses were the largest since the bank failures of the 1930s, but Franklin reiterated statements by the comptroller of the currency that it remains solvent.

Franklin's chairman and chief executive officer, Harold V. Gleason, resigned after release of the new statement of the bank's financial condition. Although most of the losses took place without his knowledge, Gleason said, "The buck stops at the top."

Gleason will be replaced by Joseph W. Barr, who was head of American Security & Trust Co., Washington's second largest bank, until he was recently forced out in a power struggle. Gleason will remain as a vice chairman and director of Franklin.

In another development, a former Franklin employee and a stockbroker pleaded gull-

ty Wednesday in New York to embezzling nearly \$1 million from the bank from July, 1973, to February 1974.

According to the indictment, which was filed in March, the two illegally invested more than \$2 million in bank funds in the stock market but ended up losing \$983,000. A bank spokesman said the embezzlement would be covered in large part by Franklin's blanket fraud insurance.

A series of both unauthorized and authorized speculations involving funds of Franklin have come to light in recent weeks.

Resulting losses, especially in foreign exchange, jeopardized the bank, and only a timely injection of an estimated \$1 billion from the Federal Reserve Board has allowed Franklin to continue to meet its obligations.

According to today's lengthy financial restatement, Franklin lost \$40.4 million in the first quarter of 1974, or \$8.75 per share of common stock. Of this, \$26.7 million was attributed to the unauthorized trading in the bank's foreign exchange department.

The bank originally had reported earnings of \$526,000 before preferred dividends during this period and \$79,000 after dividends.

Since March 31, the bank says it has suffered an additional \$19.1 million loss in foreign exchange—though this might be eased if currency markets change before some contracts are liquidated. There were an additional \$4.1 million in losses from other operations in April and May.

Franklin said some transactions were falsified. One foreign exchange trader, Donald Emrich, has been fired and is under investigation by the FBI, comptroller of the currency and the Securities and Exchange Commission to see whether deliberate fraud was involved. The head foreign exchange trader and the executive vice chairman for this area of Franklin's operations have resigned.

Foreign exchange transactions are basically speculations on whether a currency will decline or appreciate in value. Hundreds of millions of dollars can be placed on a currency in hopes that a move of as little as a fraction of a cent will yield substantial profits.

In 1973 Franklin earned \$7.75 million in the foreign exchange area, or about 60 per cent of the bank's total profits for the year. This was up from \$348,000 earned in the previous year.

Franklin had been relatively inactive in foreign exchange until the advent of Michele Sindona, the mysterious Italian financier who purchased about 21 per cent of Franklin's stock in 1972 through his personal holding company, Fasco International, and proceeded to build up both Franklin's foreign business and its foreign exchange operations.

Sindona placed on the board of Franklin New York Corp. holding company for the bank, a man named Carlo Bordon, who is an internationally known foreign exchange trader.

There has been widespread conjecture that heavy emphasis was placed on foreign exchange this year to compensate for problems the bank was having with its loan portfolio and government securities investments.

"The foreign exchange area was carrying the bank on its shoulders," according to one source.

It was learned earlier this week that one mayor New York City bank threatened to discontinue doing business with Franklin unless it moderated its foreign exchange activities.

Franklin in its statement noted that it has insurance coverage of \$14.9 million per fraudulent event and that the insurance companies might consider that more than one single incident was involved.

"However since the ultimate outcome cannot be predicted, we have taken the most conservative position and are reporting all of these losses now in their totality without regard to any amounts we may later recover

from our insurers," Gleason said in the statement.

Franklin had originally projected its foreign exchange losses would come to \$39 million at the outside. The actual \$45.8 million total was due to "additional unrecorded contracts" as well as normal foreign exchange operations after the May 12 announcement that unauthorized trading had taken place.

Part of the first-quarter loss reflects a \$5.6 million restatement of the value of Franklin holdings in U.S. Treasury and other government securities. Accounting devices allow banks to freeze the value of securities at their value when placed in a portfolio, even though they may subsequently decline in price.

Franklin is known to have purchased about \$200 million in these government securities during the first part of the year in anticipation that interest rates would turn down and they would appreciate in value. When interest rates turned up instead, these securities were presumably switched into the long-term investment portfolio to hide the decline in price of the securities.

Today's restatement seems to indicate that Franklin played loosely with the accounting rule during the first quarter to prevent its income statement from sinking into the red. This is presently under investigation by the comptroller and the SEC.

Affecting Franklin's earnings in a positive way is the still undisclosed amount of money the Fed—with collateral—has lent to Franklin to counteract deposit outflows. Franklin reported that because of the lower cost of money borrowed from the Fed, compared with what it would normally borrow in the money markets, it benefited by \$1.7 million in May, basically a taxpayer subsidy to the bank.

Franklin for the first time revealed that it has suffered a deposit outflow of \$806 million, as of June 12, since news of its financial woes were first revealed in May, when the bank said it would pay no dividend for the first quarter.

Besides the Fed loans, the statement explains an arrangement with large New York City banks to provide up to \$200 million in overnight loans to help Franklin meet its immediate cash needs, with the possibility of another \$50 million coming from other banks.

"The effect of this arrangement would be to substitute borrowing from the participating banks for a portion of the present borrowings by Franklin from the Federal Reserve Bank of New York," Gleason said. The money would be more expensive to borrow at present rates than what is available from the Fed.

While Franklin, as a bank, may be out of the trouble because of the Federal Reserve Board umbrella, the parent holding company could potentially default on \$65 million in debts it has outstanding because it is no longer receiving any dividends from its Franklin Bank stock, virtually the only income it has. This would put the holding company, but not the bank, in bankruptcy.

However, sources indicated it was likely that Manufacturers Hanover and Trust, with a \$30 million note outstanding, and another creditor with \$35 million due in 1979 would attempt to foreclose and thus compound Franklin's troubles.

The holding company has taken preliminary action to raise \$50 million through two stock offerings in the next 15 months to ease its liquidity position. Sindona, already the major shareholder, has agreed to buy all shares that are not bought by the public.

The revised financial statement is being distributed to all shareholders, and the SEC, which supervised its drafting to insure maximum disclosure of Franklin's current financial situation, once again extended a ban on trading of the bank's stock for

another 10 days until July 3 to allow the report to be digested.

[From the Washington Post, June 21, 1974]

ITALY TO SEEK \$3 BILLION IN LOANS
(By Bernard D. Nossiter)

ROME, June 20.—Armed with plans for tough new taxes, Italy's crisis-ridden government will now seek \$3 billion in foreign loans to help erase the red ink in its balance of payments, Budget Minister Antonio Giolitti said today.

Giolitti said in an interview that he is counting on the United States for the lion's share of the new credits with the rest coming from Italy's Common Market partners.

The \$3 billion figure, Giolitti said, is "an achievable objective." Preliminary talks to obtain the credits have already begun.

Under an agreement reached in Washington earlier this month, Italy is now free to back its debts with the full market value of its gold reserves. This gives Rome collateral worth \$12 billion compared to the \$2.8 billion at which Italy's gold is worth at the official price.

Giolitti said that Italy is looking to Washington for the bulk of its aid in the belief that the largest share of the huge earnings of oil-exporting nations is flowing to banks in New York. Thus, the United States should be in the best position to recycle the funds spent by Italy and other oil-importing nations.

Among their Common Market partners, the Italians expect West Germany to pick up the largest portion of the remaining emergency help.

The government here hopes that its new agreement on domestic taxes will impress lenders that Rome is tackling its grave economic problems in a forceful and purposeful fashion. Ten days ago, Prime Minister Mariano Rumor handed in his resignation because the coalition partners in his center-left government could not agree on how to deal with the crisis.

But Rumor and his Christian Democrats were persuaded to go back to the drawing board and make another try with their Socialist and Social Democratic partners in the government.

Last night, they succeeded in reaching an accord. On paper at least, it imposes a wide array of stiff tax increases that will hit every Italian consumer.

According to Giolitti, the new levies will soak up about \$4.5 billion. This is the equivalent of a \$45 billion tax increase in the United States.

The new Italian tax burden falls on nearly every family. One-third of the total will be raised through higher electricity rates and another one-quarter from the value added tax, a sales tax on consumer goods.

While this program cannot be described as progressive, Giolitti said the coalition's main goal was to design a package that would depress demand swiftly and effectively.

A big question mark is whether the coalition can get its package through Parliament without confronting union demands for offsetting relief through inflationary welfare measures.

The severity of the program reflects the gravity of the Italian economic situation. The \$3 billion in new loans will cover little more than half the deficit that Italy expects in its foreign accounts this year. A wild domestic inflation, the quadrupled price of imported oil and sharp increases in the prices of the other raw materials that Italy buys had threatened to saddle the country with an \$8.5 billion deficit in foreign payments this year.

Italy can now draw on \$1.2 billion from the International Monetary Fund, a \$3 billion currency swap arrangement with the U.S. Federal Reserve system and \$750 million from other banks. If Rome succeeds in gaining the \$3 billion in fresh loans, the total would cover the expected deficit.

Some Italian authorities outside the government are hoping that Washington and Bonn will not provide the emergency help until the government here translates its plans into action. Huge deficits have been piled up in the budgets of government agencies, and consumer prices are increasing at more than 20 per cent a year. The government argues that its tax proposals are evidence of a new discipline that entitles Italy to assistance.

CONGRESSMAN GARNER SHRIVER ANNOUNCES FINAL TABULATIONS IN 1974 KANSAS FOURTH DISTRICT OPINION POLL

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. SHRIVER. Mr. Speaker, final tabulations now have been completed in my annual Kansas 4th District opinion poll. I wish to share the thinking of my Kansas constituents with my colleagues in the House on some of the important foreign and domestic issues confronting our Nation today.

In April of this year, approximately 90,000 questionnaires were mailed to households in the Kansas 4th District with the help of many volunteers who took the time to address envelopes from telephone directories. It has been encouraging to me to note the heavy response and sincere interest on the part of my constituents.

Tabulations have been made on 19,800 ballots—a return of 22 percent which is a record response for this yearly poll. The tabulations were made by my staff in my congressional office in Washington and in my district congressional offices in Hutchinson and Wichita.

Mr. Speaker, I know that many Members of the House on both sides of the aisle send a questionnaire into their congressional districts. It is very helpful to me in determining the views of a broad cross section of citizens on the issues. As in previous years, this year's questionnaire provided an opportunity for more than one constituent to participate, and at least two-thirds of the ballots contained two votes each.

Many people wrote additional comments to further outline their thinking, as well as to discuss their opinions on issues not included on the questionnaire.

I want to include with this report a sampling of some of the interesting comments taken from the questionnaires. However, in reading the views of my constituents as well as studying the results of the questionnaire certain observations can be made. For example, inflation, high prices, and shortages appear to be of greater concern than the Watergate affair. Many people question whether or not last winter's energy crunch was real or the creation of the big oil companies. The 55-mile-per-hour speed limit and year-round daylight saving time are not popular with some of my Kansas constituents. While a bare majority expressed dissatisfaction with the performance of the President, a greater majority does

not want to see the President impeached. Many, on both sides, want to see the matter resolved as soon as possible.

Following is a selection of comments which generally reflect some of the views of my constituents:

SELECTION OF COMMENTS

BIG GOVERNMENT

Reduce government interference with our lives. We don't want you to protect us, feed us, or worry about our welfare. Minimum government is best.

I would like to see federal government leave business and private citizens alone to run their own business. Too much big brother!

TAXES

Stop tax loop holes. The tax structure is an extreme burden on the middle class people . . . The middle class will not put up with tax structure much longer . . .

Please see that the House bill disallowing church contributions as a deduction on income tax does not pass.

ECONOMY

Inflation is my biggest concern. It has to be stopped! Government is the place to start—with less foreign aid and welfare type programs.

Inflation is rampant without wage/price controls. It seems like every time I buy something it has gone up 5-10% . . .

THE PRESIDENCY

If you don't get President Nixon impeached and the loop holes closed for the rich, you are not going to get my vote.

Yes, I thank God every morning that a man like Richard Nixon is the President of the United States. He is a good man and a good President.

Our concern is that you and each of your peers in the House make your individual assessment of the facts as you have them and proceed as the Constitution provides. Please give the President the opportunity for a proper trial. Do not let the political implications of Watergate keep you from doing your job.

GENERAL

Thank you for at least asking for my opinion, even tho I sometimes disagree with the way you vote at least you ask. . . .

I urge you to oppose anti-gun legislation and support legislation to impose harsh penalties for criminal use of firearms instead.

You will note with interest the vote of my 7th, 8th, and 9th grade kids. They disagreed with me somewhat on issues of the President they believe we should pray and support him as long as he is President. . . .

How about finally getting the GI bill increases tied up in legislation out to the veterans?

FINAL TABULATIONS—1974 KANSAS FOURTH DISTRICT OPINION POLL

[Figures in percent]

THE ENERGY CRISIS

1. If gasoline becomes shorter in supply, would you favor legislation that mandates rationing?

Yes ----- 48.1
No ----- 47.7
Abstain ----- 4.2

2. Should anti-pollution restrictions (such as auto emission controls) be eased temporarily to help solve our energy problems?

Yes ----- 63.4
No ----- 32.2
Abstain ----- 4.4

3. Would you favor a system of federal chartering of major oil companies?

Yes ----- 41.7
No ----- 42.3
Abstain ----- 16.0

4. Do you favor year-round daylight saving time as an energy-saving measure?

Yes ----- 32.9
 No ----- 64.7
 Abstain ----- 2.4

THE ECONOMY

5. Have wage-price controls helped your family budget during the past 12 months?

Yes ----- 20.3
 No ----- 73.5
 Abstain ----- 6.2

6. Do you believe that wage and price control authority should be allowed to expire?

Yes ----- 57.1
 No ----- 34.4
 Abstain ----- 8.5

7. Do you support the President's right to withhold (impound) funds appropriated by Congress?

Yes ----- 30.6
 No ----- 62.0
 Abstain ----- 7.4

GENERAL GOVERNMENT

8. Do you favor enacting a Constitutional amendment outlawing abortion except in cases of possible harm to the mother, either mental or physical?

Yes ----- 38.3
 No ----- 57.3
 Abstain ----- 4.4

9. Should the United States adopt a policy of granting conditional amnesty to deserters and draft dodgers of the Vietnam War?

Yes ----- 36.5
 No ----- 59.7
 Abstain ----- 3.8

10. Should Congress restore the death penalty for the most severe crimes?

Yes ----- 77.5
 No ----- 18.7
 Abstain ----- 3.8

11. Do you favor a national health insurance program?

Yes ----- 51.8
 No ----- 40.5
 Abstain ----- 7.7

THE PRESIDENCY

12. In your opinion is President Nixon presently performing his duties to your satisfaction?

Yes ----- 45.8
 No ----- 50.7
 Abstain ----- 3.5

13. Based on facts now available to you, do you believe the President should be impeached?

Yes ----- 37.7
 No ----- 58.5
 Abstain ----- 3.8

ELECTION REFORM

14. Would you favor a constitutional amendment to limit the Presidency to a single 6-year term?

Yes ----- 39.6
 No ----- 56.5
 Abstain ----- 3.9

15. Should members of the U.S. House of Representatives be elected to 4-year terms, rather than the current 2-year term?

Yes ----- 59.2
 No ----- 37.0
 Abstain ----- 3.8

16. Would you favor a system of matching public and private financing of campaigns for Federal offices including the Presidency, the Senate and House of Representatives?

Yes ----- 32.3
 No ----- 54.7
 Abstain ----- 13.0

FOREIGN POLICY

17. Do you favor increased trade with the Soviet Union and China?

Yes ----- 57.5
 No ----- 35.7
 Abstain ----- 7.1

18. Do you believe the U.S. should continue to provide economic and military aid to support South Vietnam?

Yes ----- 24.5
 No ----- 67.1
 Abstain ----- 8.4

Total of 19,800 questionnaires returned.

TRIBUTE TO ALVIN L. AUBINOE, WASHINGTON ARCHITECT

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. HOGAN. Mr. Speaker, I know that many of my colleagues in the Congress, and thousands more in the Washington metropolitan area, join me in mourning the passing of Alvin L. Aubinoe on Thursday.

As my colleagues know, Alvin Aubinoe was one of the Washington area's most prominent and successful builders and architects, and many beautiful buildings stand today as lasting testaments to his talent and his industry.

Those of us fortunate enough to know him in a more personal way know that his legacy will far surpass the architectural triumphs for which he was noted. His devotion to his fine family and his work in religious, civic, and political activities all demonstrate the fact that Alvin Aubinoe was a man of commitment and a symbol of success in all the varied aspects of his rich, full life.

To his wife Dorothy and their children, we offer the condolences and the sympathy of this body, and I acknowledge my own personal sense of loss and of sorrow at the death of a good friend and a good man, Alvin Aubinoe.

An article outlining Mr. Aubinoe's many achievements appears in today's Washington Post, and I insert the text of that article in the RECORD at this time:

[From the Washington Post, June 21, 1974]
 ALVIN L. AUBINOE, BUILDER, ARCHITECT, DIES AT 71

Alvin L. Aubinoe, 71, a prominent builder and architect in the Washington area, died yesterday of cancer at Suburban Hospital in Bethesda.

During his long career he had built such structures as the Washington and Lee Apartments in Arlington, 4801 Connecticut Ave. NW, the Congressional Hotel, the Commonwealth Office Building, the National Radio Institute, the Majestic Apartments and Carillon House.

He also was the builder of Otis and Ogden Garden Homes, 1725 Massachusetts Ave. NW, 1600 16th Street NW, the Parkside Apartments, the Wildwood Manor subdivision, the Wildwood Medical Center and the Wildwood Manor Shopping Center in Bethesda.

Mr. Aubinoe had received architectural awards for the building of the Dupont Plaza Hotel, the Wire Office Building and the Abingdon Apartments in Alexandria.

He had designed and built The Banyan House in Delray Beach, Fla., and an apartment hotel in the Belgian Congo for which

he received an award from the Belgian government.

At the time of his death, he owned the Washington and Lee Apartments, 4801 Connecticut Ave. NW, the Wildwood Medical Center and Parkside Apartments.

Born in Washington, Mr. Aubinoe attended the University of Maryland and later served as a member of its board of regents.

He entered the field of engineering, building and architecture in 1923, when he joined the Rust Engineering Co. While with them, he was an engineer of the Dam, Filtration and Water Works of Patton, Pa., and designed their Pittsburgh office.

He then worked for the Washington Railway and Electric Co., was an engineer with the Cafritz Construction Co., and in the early 1930s went into business for himself.

Mr. Aubinoe returned to Cafritz in 1932 as manager of construction and architect before establishing his own business in 1938.

Over the years, he served in many building industry and with civic organizations.

He was a past president and director of the Home Builders Association of Metropolitan Washington, past director of the National Association of Home Builders and past director of the National Metropolitan Bank of Washington.

Mr. Aubinoe also had been a member of the American Institute of Architects, the Washington Building Congress and the Washington Board of Realtors.

He had served as a director of the Washington Real Estate Board and as chairman of its appraisal and zoning committees.

His other affiliations included the Building Owners and Managers Association of Metropolitan Washington, the Washington Chapter of the Producers Council, the Construction Contractors Council, the Associated Builders and Contractors of Maryland and the Suburban Maryland Home Builders Association.

Mr. Aubinoe had been a member of the D.C. Building Code Advisory Committee, the Commissioners Zoning Advisory Committee, the Washington Urban Redevelopment Corporation and head of a group of builders who submitted proposals for the Southwest Redevelopment Land Agency.

He was a former trustee of Suburban Hospital, past director of the Federal City Council and of the Washington Board of Trade and a director of the American Security and Trust Co.

He had been active for many years in the Republican Party of Montgomery County.

Mr. Aubinoe also was a former trustee of United Community Services of Washington and past president of the board of deacons of Bethesda Presbyterian Church.

He is survived by his wife, Dorothy, of the home, 8000 Overhill Rd., Greenwich Forest; a son, Alvin L. Jr., of Bethesda; a daughter, Dorothy Griffith, of Greenwich Forest, and eight grandchildren.

FEDERALIZATION OF WORKMEN'S COMPENSATION

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ABDNOR. Mr. Speaker, a great deal of discussion has been given to federalizing the workmen's compensation laws by the 93d Congress. The main objectives appear to be that of providing adequate compensation where there is need, and uniformity among States. As far as objectives are concerned, almost all Federal programs seek adequacy and uniformity so there is little difference

here than in most Federal programs; however, need is lacking in this instance.

Earlier this month the Greater South Dakota Association, representing the business community in South Dakota presented testimony in regard to S. 2008 at a field hearing in Minneapolis. I would like to share this pertinent discussion of workmen's compensation with my colleagues. The State of South Dakota has broken many frontiers in this area and truly exemplifies the fact that Federal standards in this area should be avoided. The statement is as follows:

GREATER SOUTH DAKOTA ASSOCIATION'S STATEMENT ON WORKMEN'S COMPENSATION

We, the Greater South Dakota Association, South Dakota's State Chamber of Commerce, are submitting this written testimony speaking for the South Dakota business community.

In South Dakota we are opposed to the Williams-Javits Bill, Senate Bill 2008, a bill that will federalize state workmen's compensation programs. We do not wish to become repetitious of other testimony you have heard here and throughout the country, but at the same time, we do feel that there are some important points where we would hope you might consider our viewpoint.

We in South Dakota, the past three legislative sessions, have made tremendous strides in improving our state workmen's compensation programs. This was done to further insure the care of those workers injured on the job, either temporarily or permanently. Simultaneously, we also were aware of the fact that if states did not show some sizable increases in their programs, there was a chance that the program could be federalized. Significant strides have been made in South Dakota, but now after actively supporting ample increases in the area of workmen's compensation, we are still threatened with federalization of the program.

We think workmen's compensation is a very human program, dealing closely with the lives and the livelihood of workers and their families in those times of crisis and need. It represents a close relationship between employer and employee. We believe it is a coordinated delivery of the multitude of post injury benefits and services to speed recovery and obtain the quickest return to work with the least possible residual disability. As such, it cannot be remote; it cannot be impersonal; and it cannot be effectively run from Washington, D.C.

We of the Greater South Dakota Association believe that workmen's compensation programs must have local control and local flexibility. It is our belief that our legislative officials have shown great strides in this area over the years. It is frustrating that despite these accomplishments, once again Congress is threatening us with federalization of the program.

We think South Dakota is one of those states on the move. We also believe that South Dakota, along with many other states, will have met enough of the major recommendations of the National Commission's recommendations by 1975 to dispel the need for such drastic action on a federal level. Perhaps the members of this committee will agree that if the federal government ever gets involved in the states' workmen's compensation programs, it will never get out. Rather, it will steadily get further involved, leading ultimately to total absorption of state systems.

It is difficult for us in South Dakota, being one of the smaller populated states in this great country, to understand how people in Washington, D.C. can administer such programs as this that need a very personal

employer-employee relationship, such as one finds in most businesses in South Dakota.

We wish to relate a few pieces of legislation enacted in the past four years in South Dakota. For instance, in 1971 our state legislators raised the maximum allowable hospital expense for an injured employee from \$75,000 to \$175,000. They increased the burial expenses from \$750 to \$1000 maximum. They upped the workmen's comp weekly benefits from 55 percent to 66 2/3 percent of the employee's earnings. They drastically revised the occupational disease statutes. They increased the workmen's compensation death benefits to dependents from a maximum of \$5000 to \$10,000 and maximum of \$15,000 to \$25,000. The total compensation payable for death benefits and child dependents was increased from \$20,000 to \$50,000.

In 1972, the legislature provided that the seven day waiting period in workmen's compensation cases be identified as calendar days instead of working days. In 1973, we are proud to report that the South Dakota legislature made great steps forward in the workmen's compensation benefits for the South Dakota working men and women. During that year South Dakota changed the computation formula for figuring workmen's compensation from a straight dollar figure to a percentage of the state average weekly wage. Another piece of legislation repealed the \$175,000 limit for medical expenses to an unlimited payment for medical services for the injured employee. Another bill deleted the 30 year limitation on payments for a completely disabled employee.

Finally, in 1974, legislation passed in the area of workmen's compensation called for the defining of and putting into the law "domestic servants." Also, another bill would allow workmen's compensation benefits for incapacitating injury to be computed from the date of injury instead of seven calendar days later, with benefits retroactive to date of injury.

There are numerous other pieces of legislation that the business community of South Dakota has seen fit to support. The business community has done its part in supporting sizeable increases in the area of workmen's compensation in the state of South Dakota. We do not and can not believe that any good will come of federalization of our workmen's compensation program.

We respectfully request that Senate Bill 2008 be defeated, as it should be. We believe that if all states are as conscientious as South Dakota, they too will upgrade their programs.

For all of these reasons, the Greater South Dakota Association will vigorously oppose federal standards and will continue to work for improvements in workmen's compensation laws at the state level. We believe that states can and will make the necessary improvements, using the recommendations of the National Commission on State Workmen's Compensation Laws as a blueprint for action.

FLUE GAS DESULFURIZATION IS NECESSARY TO PREVENT THE EMISSION OF TOXIC SULFUR OXIDES

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BINGHAM. Mr. Speaker, the so-called energy crisis has inspired an unfortunate mood in the Nation and the Congress. Environmental quality is in danger of becoming expendable in the panic over energy supplies. This climate is dangerous if it causes the relaxation

of air quality standards needed to protect public health.

The toxic effects of powerplant emissions, particularly sulfur oxides, is one of the most critical environmental concerns. As low-sulfur coal reserves decline, the use of high-sulfur coal must increase. Without desulfurization, sulfur oxide emissions resulting from combustion of high-sulfur coal will lead to increased disease and death in our cities and towns.

The health effects of these emissions have been documented. For example, the American Public Health Association has warned in a recent report that powerplant conversions to coal would result in widespread harm from additional SO₂ emissions without adequate pollution controls. A general review of scientific findings in this area appeared in the winter, 1974, issue of California Air Environment.

There is now only one technically feasible, commercially available process for the removal of sulfur oxides from high-sulfur coal. This is flue gas desulfurization, or "stack-gas scrubbing." This process offers the only acceptable solution to the health threat of sulfur oxide emissions.

I include herewith the article from California Air Environment and a description of the APHA report which appeared in the June 15 issue of Conservation News:

[From California Air Environment, Winter 1974]

FOSSIL FUEL POLLUTANTS: CURRENT THINKING AND FUTURE NEEDS

(By Bertram W. Carnow, M.D.)*

It is no longer necessary to raise the question of whether sulfur dioxide (SO₂) and particulates affect human health. Animal experiments, human physiological and epidemiological data summarized at the National Academy of Sciences' Conference on "Health Effects of Air Pollutants" (held in October 1973, at the request of the United States Senate), and an in-depth report carried out by the National Institute of Environmental Health Sciences for the Office of Management and Budget have emphasized this. Recent epidemiological studies carried out by the Environmental Protection Agency (CHES Program), as well as multiple studies carried out by the Chicago Air Pollution Study Group, attest to the serious health impact of high SO₂ and particulate levels. Some of the findings from studies we conducted on the health effects of SO₂ and particulate levels, during an air pollution episode, are reviewed here.

A study, carried out on a registry of 561 bronchitics (reported in 1969), found a progressive increase in episodes of acute illness with increases in air pollution in males 55 years of age and over who had advanced bronchitis. There was a greater amount of illness found in patients who were examined 24 hours after exposure to air pollution. During periods with a level of 0.3 ppm of SO₂ (24-hour average), there was a doubling in the percent of person-days of illness, as compared with periods when SO₂ levels were 0.04 ppm.

Multiple regression analyses were carried out to examine the relationship between

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emergency room physician visits (dependent variable) and SO_2 , particulate, temperature, humidity, precipitation, and snow and sleet. During the spring, rainfall was the most significant variable. Rain correlated negatively with visits, suggesting that patients preferred to stay away from the emergency room or physicians' offices when it rained, or that the rain washed out the pollutants (probably the latter). Humidity was significant in the spring, but not as strongly correlated. During the summer season, humidity and particulate appeared to be the culprits, and, in the winter months, SO_2 emerged as the major contributing variable (positive correlation), with particulate and humidity adding to a lesser degree. While ambient air temperature has been found to be significantly correlated with illness in many studies, in no season did we find it significantly related to increased illness rates. In addition to primary or long-term effects of SO_2 and particulates, it would appear that when these pollutants interact with others to form acid sulfates or sulfuric acid (i.e., SO_2 , particulate, and humidity) the risk and the size of the susceptible population appear to be enhanced.

Mortality studies were carried out, and respiratory and cardiac effects were noted in the same group—that is, males 55 years and older. Respiratory deaths from all causes were doubled, and deaths from cardiovascular disease, particularly coronary disease, increased significantly. There appeared to be an average increase of eight deaths per day from this disease (Figure 1) during the 10 days of high SO_2 , as compared to 10 days of low or middle levels of SO_2 , suggesting that in the city during the month under study, some 80 excess cardiac deaths occurred which were significantly related to changes in pollution levels, as indexed by sulfur dioxide. The SO_2 averages shown in Figure 1 are derived from the 24-hour SO_2 readings (ppm), as monitored by the city.

From November 4, through November 12, 1969, Chicago suffered an air inversion, with accompanying low winds and a buildup of SO_2 and particulate. The levels, though high, never reached the "alert" stage. Deaths from all causes which occurred during these nine days throughout specific areas of the city were compared with deaths that occurred in the same areas during the nine days prior to, nine days following, and nine days representative of a three-month average of what might be expected in that season of the year. While levels were generally high—higher than normal—they varied widely in different parts of the city so that areas of high, medium, and low pollution were defined and considered separately as to death rates before and after the episode. The following results were recorded.

1. *Respiratory disease.*—In the high SO_2 areas, the number of deaths from influenza, bronchitis, and pneumonia increased markedly in the white male population, by almost 100% during the episode. There also was a minimal increase in mortality for white females, but not for other population groups. Additional weight was given to this finding, because examination of mortality from this cause in the moderate and low pollution areas did not reveal an increase.

2. *Cardiac disease.*—Mortality was significantly elevated for males. There were 97 deaths during the episode, 83 deaths in the nine-day period preceding the episode, and 77 in the period following it, as compared with 88 expected deaths during this season. The greatest increase in mortality was observed in hypertensive and rheumatic heart disease patients. Since the specific nature of the cardiovascular disease frequently is in doubt, and many patients die from ischemic heart disease or hypertension, classification of cardiovascular disease into separate categories may not be meaningful. Again, signif-

icantly, the increase in cardiac deaths for males during the inversion period was not observed in the moderate and low pollution areas.

Some surprising findings included a marked increase in deaths from ischemic heart disease in nonwhite females, aged 46 to 60 years—ten during the episode compared with three before the episode, and one after. Five deaths would normally have been expected in this group in a nine-day period at that time of the year. A striking finding was the sharp drop in accidental deaths—from 64 before, and 62 after, to only 42 during the episode, approximating a 30% decrease in this category. This appeared to relate to an increased use of public transportation, in response to a public appeal that automobile driving be minimized.

3. *Morbidity.*—Observation of the registry group, which had been followed over a long period of time, found two admitted to the hospital before the episode (during the two highest days of pollution of that period), none following the episode (even though there were some days of high pollution), while six were admitted during the episode. Of the group hospitalized, most were admitted on the two peak days of pollution.

The significant increases in cardiac and respiratory disease and the absence of any increase in other disease categories further support the validity of these studies, since those suffering from cardiac and respiratory difficulties would be expected to be the most affected during high air pollution episodes.

These studies of mortality, hospital admissions, and emergency room visits—which are more objective disease end-points, when compared to patient-reporting of illness—lend strength to the conclusion that SO_2 and particulate pollutants are serious health problems.

The results of these and other studies lead to a number of conclusions.

1. Sulfur dioxide and particulate and, even more, their products—sulfuric acid and acid sulfates—are toxic and may seriously affect the health of significant numbers of humans, even at the levels currently considered to be safe.

2. The major target organs are the heart and lungs; therefore, large numbers of individuals in the population are in a high risk category.

3. These pollutants may act over long periods of time to produce respiratory tract changes in normal individuals.

4. Their major acute, or short-term action appears to be as disease and death accelerators, significantly shortening the lives of those who have poor adaptive capacities.

5. A highly variable dose-response relationship exists between SO_2 and particulate levels and health impact on different populations. In summary, there is no threshold for health effects. The outcome health or disease, living or dying depends upon the number of environmental stressors and the intensity of each, matched against the resistance of the host and the host's adaptive ability.

6. The effects of other pollutants, particularly cigarette smoking and heavy occupational exposure to irritant gases, act synergistically with SO_2 and particulates. The very large population already at risk because of such other factors increases the need for controlled levels of SO_2 and particulate necessary to protect the health of these people.

7. The levels of SO_2 , and perhaps other pollutants which are present in large urban areas, appear to expose significant numbers of people to health risk during conditions of air inversion and air stagnation.

Finally, while energy needs have increased and clean sources of energy are limited, any reduction in standards for SO_2 and particulates that permits increased community emissions and concentrations will certainly result in a significant increase in the num-

bers of people who become ill and die. Since certain energy needs—such as heating, lighting, and the production of essential commodities—are vital to humans, one important approach to the problem is to reduce the energy used for nonessentials, if it produces pollution which acts synergistically and impacts on identical target organs.

[From Conservation News, June 15, 1974]

DESCRIPTION OF THE APHA REPORT

While conservationists generally recognize that increased use of coal presents environmental problems, it is argued that it is not necessary to weaken the Clean Air Act to permit a shift to coal under the present standards.

Through the use of scrubber systems, flue gas given off by burning coal can be cleaned to the moderate levels required under the Clean Air Act.

The Environmental Protection Agency has found that efficient scrubbing systems for controlling sulfur-dioxide emissions are now ready for widespread use despite the reluctance of large utilities to research and develop this technology. EPA recently reported that privately owned utilities spent only 0.4 percent of total revenues from 1969 to 1972 on all research and development, with only a small fraction of that being for scrubber technology. It also reported that only 22 of 300 electric utilities operating some 970 fossil-fuel power plants in the U.S. have installed or plan to install scrubber systems on 44 plants.

Another blow against the relaxation of the present clean air standards is landed in a new \$60,000 Ford Foundation-sponsored study released by the American Public Health Association (APHA). According to the APHA study, conversion of 60 percent of gas-and-oil-fired power plants to coal without adding pollution controls would annually cause "91,000 additional attacks of chronic respiratory disease and approximately 3,800 excess deaths; deaths and disease that could be prevented."

The study assumes that 60 percent of the Nation's power plants would be forced to convert to coal to save fuel under the Federal Government's plan. Also factored into the calculation is the premise that the plants are utilizing the most advanced 1973 anti-pollution technology.

Among the study's other findings:

An "at risk" segment of the nation's population is estimated at 21 million. Within this category, approximately 5,000 die of cardiovascular ailments and 50,000 suffer from respiratory disease each year. The APHA scientific panel estimates that these annual statistics will jump between 20% and 40% if coal conversion occurs on the assumed scale. "At risk" individuals are defined as those who live in communities of 10,000 or more, are exposed to high sulfur dioxide ambient levels (above 100 micrograms per cubic meter of air) and have genetic defects, physical conditions, personal habits or residential surroundings which make them especially vulnerable to air contamination. Included in this category would be the elderly, smokers, pregnant women and victims of chronic bronchitis and emphysema.

For each quadrillion British thermal units (BTU) of electricity consumed in Chicago, an estimated 175,000 attacks of asthma occur.

When concentrations of sulfur dioxide rise from 200 to 300 micrograms per cubic meter of air, the death rate doubles in men and women over 40.

A link has been established between the incidence of lung cancer and the amount of benzo pyrene (a product of fossil fuel combustion) in the air. From this relationship, scientists have projected that a 60 percent decrease in urban air pollution would result in a 20 percent drop in lung cancer deaths.

Reduction of automobile use is vital to

the protection of health from adverse air pollution effects.

This study concludes that there is no pollution threshold which safeguards all segments of the population. Indeed, most clean air standards are set on the basis of what a robust, healthy person could withstand.

METRIC SYSTEM GIVEN SETBACK BY ENGLAND

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, recently the House refused to take action in regard to eventual conversion to the metric system in the United States. I am listing below a recent newspaper article from the Grand Island, Nebr., Daily Independent in regard to the difficulties currently being encountered in England by their conversion to the metric system.

The article follows:

METRIC SYSTEM GIVEN SETBACK BY ENGLAND

LONDON.—British housewives don't like their meat and vegetables being weighed out in those foreign kilograms instead of good old pounds and ounces.

Therefore, British butchers and grocers are refusing to go over to the metric system. And this, says the government's Metrication Board in its annual report, is one reason why Britain's changeover to the metric system is running two years behind schedule.

PRESSURE

The board suggests that the government should name a date when all shoppers will be made to go metric. The target date had been the end of next year, but it would not be achieved until early in 1978, the Board said.

Stores, such as the butchers' and grocers', which weigh out foods in front of the customer, are unlikely to start using metric measures until they are legally required to do so.

The government must remove the remaining legislative obstacles to metric change, the Board says. In particular, it should be made legal to sell in prescribed metric quantities all those goods, like sugar, which at present can only be sold in packages relating to imperial quantities—that's pounds and ounces.

INDUSTRY

On the broader front of industry, commerce and education as a whole, the board says there is a good chance that the change to metrication should be "substantially completed" by 1975—the target date set in 1965.

The momentum in the change to metric measures, which was lost in 1971, has not been regained, the board warns. It says 1973 was a year of "steady but slow progress."

Delay in carrying through the change from pints, yards, and pounds to liters, meters and kilograms will have damaging economic and social consequences, the report emphasizes. Delay weakens Britain's competitive position in international trade and increases cost to industry by requiring dual production and dual inventories.

PROGRESS

The board stresses, however that much progress has already been made toward metrication.

All goods in druggists' stores are now metric, while most new building is metric. In the engineering industry almost all new design work is in metric measurements, and the major freight operators use metric tariffs.

On the consumer front, the board says that changes in textiles and clothing are starting and more and more consumer goods are being retailed with metric markings.

THE NEED FOR A NATIONAL VETERANS CEMETERY IN SOUTH FLORIDA

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. LEHMAN. Mr. Speaker, this Nation's veterans have long been guaranteed the right to a dignified final resting place provided by our country. As Abraham Lincoln said more than 100 years ago, it is the country's responsibility—To care for him who shall have borne the battle and for his widow and his orphan.

But while southern Florida has one of the largest concentrations of veterans of any area in the country it is without a nearby national cemetery to meet their needs. There are 302,900 veterans in Dade and Broward Counties alone, and the senior citizen population of southern Florida continues to grow rapidly. Yet the nearest national cemetery is over 500 miles away in Pensacola.

The 1974 Veterans' Administration study entitled "A Study of the National Cemetery System" shows that veterans whose place of death is far away from a national cemetery seldom have the benefit of being buried amongst their comrades in arms. The report concludes:

The so-called "National Cemetery" has become that in name only. Its utilization is more consistent with that of a local cemetery. The 1961—Department of the Army—study disclosed that 83 percent of those interred in national cemeteries had lived within 50 miles of the cemeteries in which they were buried. Furthermore, 83 percent of all burials in national cemeteries occurred in eleven cemeteries near large cities. These factors demonstrate the dramatic change in the complexion of the National Cemetery System since its inception.

The relatives and survivors of deceased veterans understandably do not want to bear the costs of burying and visiting their loved ones interred in faraway places.

It is therefore the responsibility of the Veterans' Administration—which assumed jurisdiction over national cemeteries from the Department of the Army under the National Cemeteries Act of 1973—to establish cemeteries in close proximity to those areas with large numbers of veterans and which lack such facilities. Only a national cemetery policy which takes into account such major demographic changes as the rapid growth of southern Florida will be truly responsive to the needs of our Nation's veterans.

To meet our country's debt to the veterans of southern Florida I have introduced H.R. 15513, a bill authorizing and directing the Veterans' Administration to establish a national cemetery in the area of Dade County or Broward County, Fla.

The bill follows:

H.R. 15513

A bill to provide for a national cemetery in the area of Broward County or Dade County, Florida

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of the Veterans' Administration is authorized and directed (1) to establish a national cemetery at a location selected by him in Broward County or Dade County in the State of Florida, and (2) to acquire land, by donation, purchase, condemnation, or otherwise, such land as may be required for the establishment of such a cemetery.

SEC. 2. When requested to do so by the Administrator of the Veterans' Administration, the Administrator of the General Services Administration is authorized and directed to transfer to the Veterans' Administration without reimbursement or transfer of funds any Government-owned land in Broward County or Dade County in the State of Florida, which the Administrator of the Veterans' Administration has determined to be suitable for purposes of this statute and which is otherwise surplus to Government needs. In addition, the Administrator of the Veterans' Administration is authorized to utilize when practicable, for the establishment thereon of a national cemetery, such Government-owned lands under the jurisdiction of the Veterans' Administration which are located within the area of Broward County or Dade County in the State of Florida.

SEC. 3. Upon selection by the Administrator of the Veterans' Administration of such land, as provided in section 1 and 2 thereof, he is authorized to establish such a national cemetery and to provide for the care and maintenance thereof.

SEC. 4. The Administrator of the Veterans' Administration is authorized to prescribe such regulations as he may deem necessary for the administration of this Act.

SEC. 5. There are hereby authorized to be appropriated out of money in the Treasury not otherwise appropriated, such sums as may be necessary to carry into effect the purposes of this Act.

RAPE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. STUDDS. Mr. Speaker, the Federal Bureau of Investigation tells us that crimes of violence are on the rise in our country. Pacing this increase is forcible rape. According to the FBI, the incidence of rape has increased 70 percent over the past 5 years. This becomes more appalling when criminologists estimate that only 1 out of 10 rapes is reported.

Without prompt action on this crisis, hundreds of people will be assaulted while the assaulters continue to go virtually free from any threat of conviction. Congress and State legislatures must do their part to control rape this year by setting legal reform regarding sexual assaults as one of their high priorities. Americans must do their part by recognizing the magnitude of the rape crisis.

It is with these goals in mind—and as a cosponsor of legislation to create a National Center for the Prevention and Control of Rape—that I bring to the attention of my colleagues a recent editorial from station WEEI in Boston:

MAY 31, 1974.

ANOTHER CASE OF RAPE—PART III

For the past two days WEEI has been talking about rape in hopes of stimulating further public reaction to this barbaric crime.

Yesterday we urged passage of Massachusetts House Bill 5802 which would replace the Commonwealth's archaic rape statute and offer prison sentences up to life for offenders.

Today WEEI will discuss the National Center for the Prevention and Control of Rape proposed by Kansas Congressman Larry Wynn, Jr., and 66 other House members.

The bill, House Rule 11520 will establish an organization with facilities for studying the effectiveness of existing Federal and local laws dealing with rape as well as the treatment rape victims receive.

After studying the incidence of sexual assault and the effectiveness of programs designed to prevent its occurrence, the National Center would make grants to community mental health agencies, private non-profit organizations and public projects to research rape prevention. The Center would also provide funding to establish programs for counseling rape victims.

The measure is currently being heard before the House Interstate and Foreign Commerce Committee. We urge favorable consideration of House Rule 11520.

BLACK MERCHANTS LISTED IN IMPACT DIRECTORY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. RANGEL. Mr. Speaker, an Impact directory was recently published by a young black businessman in the District of Columbia. For the first time the locations and specialties of many of the black-owned businesses in the Washington, D.C. area are available in one compact publication.

The directory comes at a time when some large corporations are leaving Washington due to the business climate. By illustrating the wide range of services offered by black businessmen the directory may be seen as a highly commendable move toward improving that climate.

The following is an article written by Phillip M. Kadis, a Star-News staff writer, which further discusses the contents and significance of the directory, I commend this article to my colleagues for their further information:

BLACK MERCHANTS LISTED: "IMPACT DIRECTORY"

(By Phillip M. Kadis)

"Impact Directory," the first yellow pages of the black business community in Metropolitan Washington, is off the presses despite some heavy skepticism on the part of black merchants.

The 90-page directory, a small-scale version of C&P's classified telephone directory, is an effort to mobilize an estimated \$2 billion in black purchasing power in the Washington area on behalf of black business and economic development.

It's designed as a convenient guide to goods and services offered by 385 black entrepreneurs from accountants to wig merchants with separate lists of doctors and dentists.

The timeliness of the privately produced

directory was asserted by Robert W. Ewell, president of the D.C. Federation of Civic Associations, Inc., at a news conference yesterday when the publication was unveiled.

"I'm sure you are aware that very large business corporations are leaving Washington, D.C. because of the business climate," said Ewell.

"Giant Foods, Safeway and others have left, and many small businesses are taking over," he said. "Because of this, we have to make the District economically feasible to everybody and the directory is a step toward doing this."

James S. Featherstone Jr., deputy director of the District's Office of Youth Opportunity, said the directory "allows this community to look collectively at some of the black talent available to it and makes youth cognizant of the areas they might pursue as a career."

Felix Lloyd Jr., originator and publisher of the directory, said that some of the funds needed to promote the venture were supplied through contacts in the Catholic Archdiocese supplied by Rev. Carl Fisher, associate pastor of the Church of the Incarnation.

"We all know that how a man is viewed is ultimately how he is treated," said Fisher. "For a long time, blacks have been viewed in negative terms and have been treated negatively. Impact tries to change that image, to show the diversity of interests and services offered by blacks."

"The directory sends the message that black business is here and can compete. It's now up to us to support these businesses."

Lloyd, who began to work on the directory last July, said it still represents only a portion of the black business community because of skepticism among blacks that it would ever be published.

"Now that it's out and we begin to demonstrate how useful it is, I'm confident that the ads will start pouring in," he said. "We already have requests for new entries in the second edition."

Lloyd said Impact would appear twice a year to provide the most recent listings for black business.

A total of 20,000 copies have been printed and an additional 20,000 are scheduled to be printed each succeeding month for a total of 100,000.

FIGHTING INFLATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. LEHMAN. Mr. Speaker, based on numerous meetings and conversations with residents of the 13th Congressional District, it is apparent that inflation is of far greater concern than Watergate or impeachment.

In recent weeks, I have been asked again and again by the people in North Dade and South Broward Counties, What can Congress do to control the rapid rate of price increases?

Inflation, which is worldwide, will be difficult to combat, but there are two ways by which our Government and this Congress can do something that will level off or greatly slow the country's inflationary price spiral without causing either recession or unemployment.

The first step is to stop the administration from relying on unprecedentedly high interest rates as its chief weapon against inflation. High interest is a pass-

through business expense that adds to consumer costs and does not quench, but rather fuels the fires of inflation.

Exorbitant interest rates are a principal factor, not only in the fantastic increases in housing costs, but also in the slowdown in home construction. The falloff in housing starts will affect the quality of life in this country for many years to come.

I suggest that we systematically roll back interest rates at one-half of one percent per month until the prime rate again settles at 6 percent.

The second way we can gain some control in inflation is to curtail the most inflationary of all Federal programs, military procurement, which creates both debt and rubber dollars.

Military procurement spending is rubber dollar spending because although it creates wages and profits for American labor and industry, not much is made that we can wear, eat, drink, drive, or enjoy. Military production mostly goes obsolete or goes boom.

The wages and profits of the military-industrial complex step up consumer demand but do not increase the goods that consumers want. Such an excess of demand over supply is the classic and prime cause of inflation.

Although any Government spending is inflationary, military spending is a special and a double-edged weapon against price stability.

Some of the billions we saved on military procurement could be turned toward urban renewal, environmental protection, and the provision of alternate sources of energy. Development of housing and energy and environmental programs can compensate for any reduction in employment caused by a slowdown in military hardware production.

The prime essential in military and diplomatic security is a strong home base. Inflation and urban decay undermine our strength at home.

HOUSING AND URBAN DEVELOPMENT ACT OF 1974

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. CLAY. Mr. Speaker, for the past 4 years the Congress has been endeavoring to pass much needed legislation in the field of housing and community development. The housing situation within our Nation is in a crisis because the rampant inflation of the last couple of years coupled with high mortgage interest rates effectively prevent the average American family the opportunity of purchasing a new home. The cost of the average new home is in excess of \$33,000, which is way beyond the means of many of the hard-working families of my district. What is even more tragic is that due to the Department of Housing and Urban Development's precipitous suspension of the federally assisted housing programs on January 8, 1973, the low- and moderate-income families of my district, and

throughout all of America, have been denied access to decent homes and suitable living environments as guaranteed by the Housing Act of 1949 and a goal which was reaffirmed by the Housing and Urban Development Act of 1968.

I find it disconcerting that the goal Congress set in 1968 for the construction or rehabilitation by 1978 of 26 million units, 6 million for low and moderate income has been allowed to slip from national attention as a foremost priority. It is important that we reaffirm our national commitment to the job of providing decent housing to the Nation's low- and moderate-income families. A recent study completed by the Joint Center for Urban Studies at Harvard-MIT suggests that the 1968 goals may be too conservative and that as many as 13.1 million low- and moderate-income American families are living in households that are physically unsound, overcrowded, or too expensive.

On Monday of this week, the Department of Commerce announced that the seasonally adjusted annual housing starts rate for May of this year was 1.450 million units. Based on this figure, it is estimated that housing starts this year will be less than 1.5 million units, substantially below the level of 2.057 million units in 1970 and almost 2.4 million units in 1973. This level of production threatens our national economy by jeopardizing the jobs of thousands of skilled craftsmen and workers employed in the building trades and is woefully inadequate if we are to meet our national housing commitment to the goal of a decent home and suitable living for America's families.

H.R. 15061 provides the hope for remedying some of the Nation's housing ills. For moderate-income families, the bill would increase FHA maximum mortgage amounts from \$33,000 to \$45,000 for the regular single family home programs with comparable increases for FHA multifamily programs. Quite significantly, the loan-to-value ratios on FHA insured loans are changed which permits the consumer lower downpayments. Thus, on a \$35,000 home, a new purchaser would be required a downpayment of 5 percent. Additionally, the bill increases GNMA's mortgage purchase limit which should result in more families qualifying for financial assistance under GNMA's special assistance program.

The effect of this bill on meeting the housing needs of low- and moderate-income families is not as apparent. For rural families, the authority of the Farmer's Home Administration is broadened and this should result in a substantial net increase in housing starts in rural America, which for decades has been the stepchild of our national housing and community developments. While I applaud the efforts in this area, my own district does not qualify for such assistance because of its urban nature.

For the low-income families of the First District, I feel that H.R. 15361 does not provide the kind of broad based subsidy programs that are necessary to adequately house the people of my district.

The major deficiency of H.R. 15361, in my opinion, is its exclusive reliance on a revised section 23 leased housing program to meet the housing needs of

low-income families. While section 23 does provide a deep subsidy permitting it to reach the needs of the lowest-income families, there are serious questions in my mind about the attractiveness of this program to private builders and investors who must play a crucial role in the development of these projects.

The housing crisis within my district stems from two basic factors. In the suburban-developing areas, there is scarcity of housing due to high construction costs resulting from inflation and the lack of mortgage financing at reasonable rates. In the central city, this situation is exacerbated by the fact that private investors will not provide financing at any cost because of the prejudice and mistrust which the financial community has historically maintained toward minorities.

Given this condition, I have serious reservations about how financing will come for the section 23 projects. Conventional public housing and the turnkey method of construction which have established track records for the production of housing units for low-income families are apparently being abandoned in H.R. 15361 under coercion from the administration and the Secretary of Housing and Urban Development who have an unabashed bias against the public housing programs. In accepting H.R. 15361, we are also being asked to turn our backs on the section 235 and section 236 subsidized housing programs which, in their brief operation, resulted in the production of more units of low-cost housing than in the prior 30 years of Federal involvement in housing.

In meeting the desperate housing needs of my district, we need all the Federal assistance that can be mustered and for that reason I support H.R. 15361. However, reality also compels me to the view that the ultimate solution of America's housing needs depends on an arsenal of housing techniques such as public housing, section 235, section 236 and section 23. S. 3066, which has already passed the Senate, recognizes this approach. It is my hope that my distinguished colleagues of the Committee on Banking and Currency will take this into consideration in their conference meeting with the Senate's Committee on Banking, Housing and Urban Affairs. What is urgent is that as America moves into the celebration of its bicentennial anniversary that we renew our commitment to the goal of a decent home for all and that we get back to action on working toward fulfillment of the goal.

THE DANGER OF SUBSIDIZING SOVIET INDUSTRY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. CRANE. Mr. Speaker, while the West speaks of "détente," there is little evidence that Soviet goals and purposes in the world have, in any significant sense, been altered.

Only recently, for example, a series of articles appeared in the Austrian magazine *Profil* which caused a considerable sensation both in Austria and Yugoslavia, but have largely been ignored here. They reveal details of the Warsaw Pact strategists' plan for the invasion of Yugoslavia and Austria.

The revelations were made by Maj. Gen. Jan Sejna of the Czechoslovak Army who defected to the United States in 1968. Sejna was hailed at the time by the Western press as "far and away the most important military defector from the Communist bloc."

It has been emphasized by *Profil* and in comments made in the Austrian media that Sejna's revelations were purely paper plans devoid of political content. Yet, the devastating precision with which the takeover of neutral Austria was laid down, such as the lists of individuals in public life including journalists scheduled for arrest, has nothing in common with traditional army maneuvers. There are even details of how Austrian radio and television stations would be suppressed and temporary transmitters set up.

Thus, while the Soviet Union pursues its traditional policies, we pursue a policy of "détente" which assists the Soviet leadership to strengthen its own hand.

Discussing this point, Anthony Harrigan, executive vice president of the U.S. Industrial Council, notes that,

The rewards of détente are very real for the Soviet Union. They are getting American capital and technology in order to bail out their wretched economic system and to strengthen their overall political order. One of the rewards provided by the U.S. government is a \$180 million loan to help finance a gigantic Soviet natural gas and fertilizer complex.

The recent Export-Import loan to the Soviet Union, Mr. Harrigan points out,

Is one of the largest in the 40 year history of the U.S. Export-Import Bank. The Soviets will pay interest at only 6 per cent, barely more than half the prevailing prime or minimum borrowing rate for major borrowers in the United States . . . the U.S. government is offering the Soviets another bargain. The Soviets won't begin to repay the loans until 1979.

Mr. Harrigan concludes that,

The situation is intolerable. Congress should act to curb the Export-Import Bank.

I agree with this assessment and wish to share with my colleagues the column of Anthony Harrigan entitled "Subsidizing Soviet Industry," which was released for publication June 6, 1974, and insert it into the RECORD at this time.

SUBSIDIZING SOVIET INDUSTRY

(By Anthony Harrigan)

The rewards of détente are very real for the Soviet Union. They are getting American capital and technology in order to bail out their wretched economic system and to strengthen their overall political order. One of the rewards provided by the U.S. government is a \$180 million loan to help finance a gigantic Soviet natural gas and fertilizer complex.

The Soviet leadership must be congratulating itself on its cleverness. On May 29, 1972, the USSR signed the Declaration of Basic Principles to Govern the Relations of the United States and the Soviet Union—the chief legal instrument of détente. Since then, the Soviets have continued to proceed with

their drive to gain military superiority over the United States. They have tightened their rule at home, cracking down on democratic dissidents and expelling the symbol of resistance to totalitarianism—Alexander Solzhenitsyn.

Despite these moves contrary to the spirit of détente, the U.S. government continues to offer bountiful rewards to the Soviet regime. Many Americans are both amazed and shocked that their government lavishes favors on a regime that is committed to the extinguishing of freedom.

After the \$180 million loan was announced, I received a letter from an irate taxpayer in Michigan who had written his senator to protest the loan to the Soviet Union. This is what he wrote:

"I was just dozing off last evening when Walter Cronkite was giving the news. When I awakened, I simply thought it was a bad dream that the Export-Import bank was loaning Russia \$180 million at 6% (!) to build fertilizer factories and a pipeline. Also, that U.S. banks were participating.

"Today's newspaper has a brief item that this is true.

"Could you please let me know:

"(1) Where these funds come from:

"(2) Which banks are participating, and are these loans guaranteed by some institution?

"(3) Why an interest rate of only 6%? Is this what the banks charge too?

"(4) What is your opinion on the above, and how do you vote on Export-Import appropriations?

"I might add that the interest rate on my bank note was recently raised to 13%. I don't mind paying the market rate, but I am less than enthused about loaning what I assume are tax dollars at less than half this rate.

"Finally, if someone or some institution will loan me funds at 6% on the same terms given to Russia, I'll be glad to build a fertilizer plant in Michigan, make a profit, and help the unemployment rate."

This Michigan citizen has a right to be outraged. The loan to the Soviet Union is one of the largest in the 40-year history of the U.S. Export-Import Bank. The Soviets will pay interest at only 6 per cent, barely more than half the prevailing prime or minimum borrowing rate for major borrowers in the United States. In other words, the U.S. government is offering the Soviets another bargain. The Soviets won't begin to repay the loans until 1979.

It is interesting to note that the Export-Import Bank recently made a loan to Brazil, a country friendly to the United States. Brazil, however, was charged a higher rate of interest.

Earlier this spring, U.S. Rep. John B. Conlan (R-Ariz.) sought to focus public attention on the operations of the Export-Import Bank, charging that it is "being used by the Nixon administration and the Soviet Union to thwart the will of Congress which has not granted most-favored nation trading status to Russia."

Congressman Conlan pointed out that the bank "has allowed the Soviets to obtain products of American labor, including the world's finest machine tools and computer technology, under U.S. taxpayer-financed credit terms unavailable to most Americans. . . . The bank's capital stock and transaction authority are completely financed by American taxpayers."

It is too bad that the public didn't heed Rep. Conlan in late April when he was citing the hurtful character of the Export-Import Bank aid to the Soviet Union. The fact is the Soviets want America to pay for a new surge in their industrial development. American taxpayers are being compelled to subsidize companies interested in business deals with the USSR.

The situation is intolerable. Congress should act to curb the Export-Import Bank.

As Congressman Conlan has said, Americans should not be forced to benefit the Soviet Union "with American equipment and technology through the Export-Import Bank."

MRS. DOROTHY GLISSON IS NAMED FLORIDA SECRETARY OF STATE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. FUQUA. Mr. Speaker, Mrs. Dorothy Glisson has been appointed by our great Governor to serve as Florida's Secretary of State. She will succeed Dick Stone for the remainder of this term.

I can think of no appointment which has gained such universal approval on the part of the people of the State of Florida. It is interesting to note that Mrs. Glisson has worked with three Florida Secretaries of State in an outstanding career spanning 30 years, and her appointment is a well-deserved tribute for a tremendous record of service.

All of us who have sought public office in Florida have come to know and respect this good lady for her fairness and efficiency. Mrs. Glisson has never been too busy to take the time to give advice and counsel and to be as helpful as she possibly could.

In the time since I first met her, my regard for her ability and integrity has continued to grow.

I know that I speak for all the people of my congressional district when I extend warmest congratulations and best wishes to a truly remarkable lady and public servant.

As an additional measure of congratulations, I would like to have reprinted here an excellent editorial from the June 19th issue of the Florida Times-Union.

The editorial is as follows:

CONGRATULATIONS, DOT GLISSON!

When Mrs. Dorothy Glisson begins service July 9 as Florida Secretary of State it will be a fitting capstone to an outstanding career in public service. Her appointment was most appropriate.

Our congratulations go to Mrs. Glisson upon this recognition of her ability as an executive in the administration of a difficult and complex and often highly controversial part of the state laws, i.e., the election code.

Mrs. Glisson has served the state with competence and dedication for 30 years in the Office of Secretary of State, her principal contribution being that of long-time director of the Division of Elections.

Her even-handed administration of the election laws has won her the respect of legislative committees, before which she has frequently appeared, to assist them in their deliberations concerning proposals dealing with the election code.

She has won the admiration and gratitude of the press for her ever cooperative attitude and her knowledge of the laws, which she shared generously with those who sought to understand them. She has deserved and won the respect of those seeking office—winners and losers alike—for both her assistance and fairness.

Albeit that Mrs. Glisson will serve only as interim Secretary until the time a Secretary of State is elected in November and in-

stalled in office, she will bring to this vital state office and to the Cabinet on which she will serve a high degree of intelligence, ability and integrity.

WHO IS IN CHARGE OF SOLVING THE ENERGY PROBLEM?

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. RARICK. Mr. Speaker, a national effort to make the United States self-sufficient in energy in the 1980's is certainly a desired goal.

However, the composition of the 24-member committee appointed to help draft Project Independence should raise grave questions as to its effectiveness. The members range from businessmen to college professors, to environmentalists, to State and local government officials. But, of the 24, only 3 or 4 could be categorized as having an energy-related background or any expertise insofar as increasing production and knowing how to accomplish the stated goals of the super committee.

If FEO Chief Sawhill and his boys sincerely want to bring about Project Independence it would seem that the committee would have included representation from the sectors of our economy which seek out, find, and produce energy or energy-related products.

I insert a related newsclipping:
[From the Washington Star-News, June 20, 1974]

SAWHILL NAMES 24 TO PANEL

(By Roberta Hornig)

Federal Energy chief John Sawhill today appointed a blue-ribbon, 24-member committee to help draft "Project Independence"—the national goal of making the United States self-sufficient in energy supplies in the 1980s.

The members range from businessmen to academicians to environmentalists to state and local government officials.

Their task, Sawhill said, will be to give advice and expertise on the project blueprint which is to be submitted to President Nixon next November.

The committee will hold its first meeting at Federal Energy Administration offices here July 10. Its members include: Carl Bagge, president, National Coal Association; Bill Baker, president, Bell Telephone Laboratories; Jules Bergman, ABC News; Thornton Bradshaw, president, Atlantic Richfield Oil Co.; Gordon Cory, vice chairman, Commonwealth Edison and John LeDoren, formerly with the National Alliance of Businessmen.

Also, Gov. Daniel Evans of Washington; Alan Greenspan, president, Townsend-Greenspan & Co.; Mayor Maynard Jackson of Atlanta; Reginald Jones, chairman, General Electric; Stuart Lee, Department of Economics and Business Administration at Dartmouth. Also from Dartmouth, Dr. Gordon MacDonald, chairman of environmental studies and formerly a member of the President's council of Environmental Quality.

Others are former Secretary of Defense Robert McNamara, now president of the World Bank; John O'Donnell, president, Airline Pilots Association; William Rosenberg, chairman, Michigan Public Service Commission; Chauncey Starr, president, Electric Power Research Institute, and Richard Sul-

Ivan, formerly chief of New Jersey environmental protection and now a professor at Princeton University.

Finally, Paul Tierney, president, Transportation Association of America; Walter Wriston, chairman, First National City Bank; John O'Connell, president, Bechtel Corp.; James Hayes, county executive of Los Angeles; and Leonard Woodcock, president, United Auto Workers.

"FEO is fortunate to have such distinguished citizens to serve on this committee," Sawhill said. "We are looking forward to their involvement in one of the nation's most ambitious efforts aimed at fulfilling the pledge made by the President to establish national energy independence."

The committee's "expertise and opinion will play a critical role" in developing the Project Independence blueprint, Sawhill said.

The committee, whose members represent widely divergent viewpoints, will be dealing with some sticky issues, as, for example, how many environmental gains are to be traded off to provide more energy.

VILLAGE CREEK STATE PARK: A TRIBUTE TO CITIZEN DETERMINATION AND GOVERNMENT COOPERATION

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ALEXANDER. Mr. Speaker, we Arkansawyers are indeed fortunate to have chosen as our home an area abounding in recreational facilities and opportunities. Village Creek State Park in the First Congressional District is one such recreational bonanza for residents and visitors to the eastern part of our State.

Village Creek Park is a product of local determination and cooperation between local citizens and their representatives combined with the efforts of State and Federal officials since the early sixties. Eastern Arkansawyers have waited a long time for a facility such as this one. This sprawling park will not only provide recreational opportunities, but will also promote the conservation of Crowley's Ridge, which threads its way from the Missouri-Arkansas line south, half the length of the State.

From the time that I first publicly endorsed the Village Creek project in the summer of 1968, I have worked to provide the Federal share of funds for the project. In requests to the House Appropriations Committee, I have been successful in persuading the committee to allocate moneys which have resulted thus far in a Federal share in excess of \$2 million for Village Creek.

I shall continue my efforts to secure ongoing Federal support for speedy completion of Village Creek State Park. I pledge my full cooperation with other Federal, State, and local officials to accelerate progress on this project, one which I believe to be of great value to the people of Arkansas, as well as those who seek out our State for its vast recreational opportunities.

The following is a summary of the funding status of the park. I think the

statistics clearly illustrate the importance of a partnership among the various levels of government in furtherance of this project:

Total estimated project cost----- \$17,146,211

Source of funds:

Federal sources:

Bureau of Outdoor Recreation -----	1,771,373
Federal grant (game and fish) -----	450,000
Total Federal funds provided -----	2,221,373

State sources:

State general revenues-----	3,497,583
Current special session request -----	126,696
	3,624,279

Total funds provided -----	5,845,652
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Balance to be funded-----	11,300,559
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TRIBUTE TO DAN MUNDY

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BELL. Mr. Speaker, my friend Dan Mundy was recently promoted from his position as associate director of the Los Angeles County Committee on Political Education (COPE)—to the post of legislative director of the Building and Trades Department of the AFL-CIO in Washington, D.C.

On Monday, July 1, 1974, at the Hyatt Regency in Los Angeles, Dan's many associates and admirers are sponsoring a dinner, "Salute to Dan," to wish him well on his new assignment.

The event will be sponsored by the Los Angeles Building and Construction Trades Council and the Los Angeles County Federation of Labor. Cochairmen of the testimonial committee are Sigmund Arywitz, John A. Cinquemani, Pete Kurbatoff, William Piercy, Jr., and Ralph "Jerry" Whipple.

A graduate of Mark Keppel High School in Alhambra, Dan Mundy participated in the labor studies program at UCLA. In 1941, he joined Local 230, Plumbers and Pipefitters, San Diego as an apprentice.

In 1945, returning from World War II services in the Navy in the South Pacific he joined Local 289 in Pasadena and turned out as a journeyman plumber. Two years later he joined Local 78 in Los Angeles.

In 1955, Dan Mundy became recording secretary of Local 78 and business agent the following year. In 1964, he became assistant business manager of the same union and in 1965, became business representative with the Building Trades Council.

Dan served as associate director of COPE from 1969 to 1974. He was a vice president of the Los Angeles County Federation of Labor for 8 years and served also as president of the Board of Publishers of the Los Angeles Citizen.

Dan Mundy is nationally known and respected in the field of labor and enjoys a gallery of friends in all walks of life who will be joining together on the evening of July 1 in Los Angeles to show him something of our profound admiration, gratitude, and respect.

SAHEL FAMINE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. STUDDS. Mr. Speaker, over a year ago, six nations in the Sahel region of Africa were struck by the worst drought in 60 years, bringing with it famine, profound social dislocations and serious environmental ramifications.

Due to the unusually light rainfall in the past 5 years, crops have failed, leaving no reserves of grain. Rivers and lakes have dried up or are at very low levels, leaving many communities with dry wells and no access to water.

Vast numbers of people are moving south to escape the deserts, swelling the towns and cities to three times their normal size. Refugee camps are being swamped, and the administrative and other services are being stretched beyond their capacity.

In the last 50 years alone, 250,000 miles of productive land have been lost to the Sahara alone. At the time of widespread concern about world food supplies, with reserves almost entirely depleted, this accelerating process of drying and deforestation in Africa and Asia has alarming implications for the peace and prosperity of the whole world.

America and the rest of the world have a clear obligation to help the people of the Sahel region during their plight.

I should like to share with my colleagues an editorial from WEEI radio in Boston, which calls upon Congress to act on this crisis:

(WEEI Newsrad editorial broadcast, June 11, 1974, 9:24 a.m., 12:24, 3:24, and 8:24 p.m.)

WORLD UNITY TO END SUFFERING

Twenty-five million people are facing death in the Sahel region of Africa. This suffering, not the result of war or of corruption in government, is caused by a devastating famine, following seven years of drought in their land.

The torrential rains that normally fall from May to September have been nearly non-existent during those seven years and the two main food sources of Sahel, livestock and grain, have all but vanished.

Already one million people have perished from starvation and illness; the future of those remaining looks bleak.

The United Nations Food and Agriculture Organization and the United States Aid to International Development, together with the French Government have attempted to aid the famine ridden area, but their help is not enough.

Congressman Thomas Morgan of Pennsylvania has proposed legislation to appropriate \$50 million for the area. The Senate voted in May to amend the Morgan bill to \$85 million, but the House has refused. The bill will now be sent for negotiation to a joint Senate-House conference.

WEEI supports the Senate Amendment and

though \$85 million is not nearly enough to feed Sahel, it is a beginning.

Secretary of State Henry Kissinger has helped to negotiate several hundred million dollars to aid in the rebuilding and the rearmament of the Middle East. It would seem that the spending of a few peaceful dollars to feed the starving could go a long way to ending suffering and to establishing world unity.

"MR. DEMOCRAT"

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. HELSTOSKI. Mr. Speaker, with a great deal of sadness I recently learned of the death of one of New Jersey's leading citizens, William E. Dermody, Sr., of Carlstadt. Mr. Dermody died June 10 at the age of 78. Both professionally and politically, Bill Dermody's life was characterized by uncompromising integrity and perseverance.

Known in the South Bergen area as "Mr. Democrat," he was past president of the Democratic Club, vice chairman of the Bergen County Democratic Committee and municipal chairman of the Democratic Committee.

A life-long resident of Bergen County, Mr. Dermody was born in Rutherford and lived in Carlstadt for 58 years. He was with the First National City Bank for 44 years and retired in 1961.

Mr. Speaker, I would like to extend my deepest sympathy to his wife Alice and to the other members of his family. The people of Bergen County have lost a good friend. I would also like to take this opportunity to share an article with my colleagues that appeared in the Bergen Record June 11, and which highlights the many contributions Mr. Dermody made to the people of Bergen County. The article follows:

WILLIAM E. DERMODY, CALLED MR. DEMOCRAT CARLSTADT.—William E. Dermody, Sr., a former officer of the First National City Bank of New York and borough tax assessor for 20 years, died yesterday in Passaic General Hospital. He was 78.

Mr. Dermody, who was known in the South Bergen area as Mr. Democrat, was past president of the Democratic Club, municipal chairman of the Democratic Committee, and vice chairman of the Bergen County Democratic Committee.

Mr. Dermody was born in Rutherford, and lived in Carlstadt for 58 years.

He retired in 1961 after 44 years with the First National City Bank.

He was former secretary of the Board of Health, and registrar of vital statistics for 23 years. He was a founder of the Free Public Library and served several terms as president.

Mr. Dermody was an organizer and charter member of the Carlstadt Board of Trade, a charter member of the Carlyle Dramatic Club, and a member of the Festivity Club.

Mr. Dermody was a parishioner of St. Joseph's R. C. Church in East Rutherford, and a member of its Holy Name Society. He was a life member of St. Francis of Assisi Council Knights of Columbus.

Surviving are his wife, the former Alice M. Linden; two sons, William Jr., who is mayor of Sparta, and James of Ho-Ho-Kus; a

daughter, Alice D. Savage of Carlstadt, seven grandchildren, and four great-grandchildren.

Mass will be Thursday at 10:30 a.m. in St. Joseph's Church, East Rutherford, with burial in Maryrest Cemetery, Mahwah.

Friends may call tonight from 7 to 9 p.m. and tomorrow from 2 to 4 and 7 to 9 p.m. at Diffily Funeral Home, 41 Ames Ave. Rutherford.

Donations to the memorial fund of the Carlstadt Free Public Library would be appreciated by the family.

GI EDUCATION BILL FOR VIETNAM ERA VETERANS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. WOLFF. Mr. Speaker, this week the Senate passed S. 2784, which provides meaningful improvements in the GI education bill for Vietnam era veterans.

One of the provisions contained in S. 2784 would allow direct tuition payments to veterans. As my colleagues know, the House-passed bill amending the GI program did not contain a similar provision to allow tuition payments; however, I sincerely believe that the majority of the House would stand behind tuition payments to help today's vet afford educational opportunities.

Indeed, over 70 Members of the House cosponsored my bill to provide direct tuition payments, and the House Veterans' Affairs Subcommittee on Education and Training has held comprehensive hearings on this needed improvement. I would hope that all of my colleagues who are concerned over the future of the Vietnam veteran would convey to the House conferees appointed on the education bill their support for the tuition supplement concept.

At this point in the RECORD, Mr. Speaker, I would like to include an article that appeared in the New York Daily News and an editorial aired over WMCA in New York with regard to the need for a direct tuition payment for Vietnam veterans. Along with the Daily News and WMCA, I urge Congress not to short-change today's young veteran but to give him the assistance and recognition he deserves.

The article follows:

[From the New York Daily News]

SHORTCHANGE VIET VETS?

By a 91-0 vote, the Senate on Wednesday OK'd a GI bill to provide college tuition payments for veterans of the Vietnam war. The measure faces strong opposition in the House—opposition that we hope will swiftly evaporate.

This bill may have bugs which should be eliminated before final enactment. But in general, we think it would be a crime to short-change Viet war veterans just because the Viet thing was not the most popular war the United States ever fought.

These men were not to blame for that unpopularity. They did their duty—bravely in most cases. Hence, they deserve every bit as generous treatment as did the veterans of all our other wars, from the Revolution on down the 198 years of our independence.

TUITION SUPPLEMENTS FOR VIETNAM VETS—
WMCA EDITORIAL

No matter how you felt about the Vietnam war, you have to be outraged at the way this country's been short-changing its Vietnam veterans—especially when it comes to educational benefits under the Vietnam veterans G.I. bill.

For unlike the benefits given to veterans of prior wars, the men and women who served in southeast Asia do not receive tuition grants—nor do they receive money for their other educational expenses. As a result, in states like New York, where even in a public university tuition can run as high as nine hundred dollars a year, a lot of Vietnam veterans have an impossible time going to school and eating at the same time.

Well, thanks to legislators like Congressman Lester Wolf of Nassau, during the next two weeks on Capitol Hill they'll be studying a bill that would provide for "tuition supplements" to give Vietnam veterans extra money specifically for their tuition needs.

WMCA heartily endorses "tuition supplements," and during the next two weeks we hope that people in the tri-state area will express their support of "tuition supplements" for Vietnam veterans, by writing to: The House Veterans' Affairs Committee, Washington, D.C. 20215.

GILMAN PROPOSES PROPERTY TAX RELIEF FOR SENIOR CITIZENS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. GILMAN. Mr. Speaker, today I am introducing the Senior Citizens Property Tax Relief Act of 1974, legislation seeking to ease the excessive burden that rapidly rising real property taxes have placed on our older Americans.

Over 70 percent of our Nation's citizens over the age of 62 own their own homes. Many of the millions of these citizens live on fixed incomes which cannot keep pace with the spiraling cost of living, providing little more than subsistence. Those with static incomes, caught up in the inflationary spiral, are becoming increasingly unable to bear the added burden of climbing property taxes.

In 1970, the Advisory Commission on Intergovernmental Relations estimated that the average homeowner in the United States used approximately 3.4 percent of his household income for property taxes. Senior citizen homeowners, on the other hand, paid an average of 8.1 percent of their annual income for property taxes. Since 1969, property taxes have risen by well over 35 percent.

As a result, many of our older Americans are being forced to sell their homes—to relinquish their homestead in their golden years at a time when the comfort and security of familiar surroundings are so important.

In preparation of this legislation, a sufficient degree of flexibility is offered to the States in determining which approach to take in providing property tax relief.

This proposal does mandate specific provisions for a circuit breaker scale, if that plan is opted for by any State. Un-

der the circuit breaker, an automatic limit on real property tax becomes effective when the property tax exceeds a fixed percentage of the homeowner's or renter's income. For example, if the yearly income of a senior citizen were \$44,000, under this bill he would be entitled to relief for any property taxes in excess of 4 percent of his income; that is, any taxes in excess of \$160.

The specific manner in which this relief would be provided is left to the discretion of the States—by way of a tax credit, tax refund, cash payments, or other reimbursement.

Mr. Speaker, I offer this legislation not as the definitive solution to the problems of relieving the tax burdens of the elderly, but as an option which might be considered as a viable plan. There is a growing recognition of the necessity to provide relief from the regressive property tax, but recognition alone is not enough when the homes of our elderly are being swept from under them. Accordingly, I urge my colleagues to join with me in working assiduously for the adoption of a property tax plan which will provide needed relief to our senior citizens who are desperately trying to make ends meet in our increasingly expensive society.

The bill I am introducing today is designed to encourage the States to provide substantial relief from property taxes to those homeowners and renters who are over the age of 62. While some States have already taken some initiative in this area, it is generally agreed that the States' responses to the needs of the senior citizens have not sufficed. Accordingly, my bill provides a necessary incentive to the States by offering one-half Federal funding for any State adopting a senior citizen property tax relief measure corresponding to guidelines of this bill.

**MILTON TEACHER REWARDED
AGAIN**

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, it is indeed a pleasure for me to call to the attention of my colleagues the notable accomplishment of a truly dedicated teacher, Miss Helen M. Cummings, of Milton, Mass. Once again this year, one of her pupils, Ms. Doris Yee, at the Girls Latin School in Boston, has been awarded a month of study in France for accomplishment in the French language. Miss Cummings has tutored other winners in this difficult competition sponsored by the American Association of Teachers of French and the French Government. This year over 38,000 entrants competed, and for teacher and student this international award is a great honor that richly deserves our hearty congratulations. The following brief description summarizes this outstanding achievement:

**BOSTON GIRL OF CHINESE PARENTAGE WINS
THE NATIONAL CONTEST FOR STUDENTS OF
FRENCH**

While the Concorde hits the headlines with its supersonic speed of three hours from Boston to Paris, France itself knows that the best communication between peoples is the down-to-earth knowledge of the language—the facility of Americans with the French tongue perfected in a mastery of the grammar, the culture and history of France and an awareness of current events in this dramatic point of time.

The French government recognizes this with a super-award in an annual contest sponsored by the American Association of Teachers of French.

This year's competition included students from the United States, Canada and five other countries—lands whose students have had four years of French study.

38,000 students competed this year—and the winner?

The winner is a senior at the Girls Latin School in Boston—a girl whose parents, now resident in Boston, are natives of China.

She is Miss Doris Yee of 21 A Village Court in the City of Boston.

My extra interest in this international affair is that Miss Yee's French teacher is a constituent of mine—Miss Helen M. Cummings of 17 Byrne Road in my home town of Milton. Miss Cummings is the head of the Modern Foreign Languages Department of Girls Latin School.

Neither Miss Yee nor Miss Cummings are newcomers to the winner's circle in this French competition. In 1972, pupil and teacher placed first in the national contest for pupils with two years of French preparation. Miss Yee was thus the first Boston pupil ever to attain this honor.

To all the prizes, books and certificates that go to the 1974 winner is the announcement from the French Embassy in New York of the award to Miss Yee of a study trip to France for the month of July.

Jean-Pierre Guerin, the Cultural Attache of the Embassy has alerted Air France and the French officials involved to ensure a most enjoyable month of July for Miss Yee.

Doris will fly to Paris on July 1st—enroute to the City of Tours where she will be resident with a French family, sharing their cuisine and their companionship—and will attend the "Institut de Touraine" until her return on July 30.

In the fall, Doris will enter Radcliffe.

In all this good news there is a measure of congratulation due the parents, Mr. and Mrs. Sheong Yee. They have been the inspiration for their youngest daughter—an outstanding student in all her studies, achieving the honor of graduating first in her class in Girls Latin as well as first in this international competition in French.

**GILMAN QUESTIONS NUCLEAR AS-
SISTANCE FOR THE MIDDLE EAST**

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. GILMAN. Mr. Speaker, the President's recent proposed nuclear assistance in the Middle East raises a number of critical questions which should be fully resolved prior to any final commitment by our Nation.

Most assuredly, we should provide technological assistance to both Israel

and Egypt in helping them to meet their growing energy demands, but the delicate relationships in that part of the world, combined with the danger of the development of nuclear power for military purposes, poses a serious threat not only to the tenuous peace in the Middle East but also to the rest of the world.

India's recent test of a nuclear device underscores the necessity to more closely examine the questions of "peaceful" nuclear development. Assisting in the proliferation of nuclear power throughout the world, without any assurances of adequate safeguards is not the wisest course for any nation to follow.

Before giving a "carte blanche" approval for nuclear reactors for the Middle East, let us first be assured that reasonable, essential safeguards will be met—including onsite inspections.

In order to fully resolve some of the questions concerning the type and size of the reactors, the terms of funding and the safeguards, these proposals should come before the Congress for consideration and approval.

The Congress is an appropriate forum for airing and resolving these unanswered questions before rendering final approval of any pledge of nuclear assistance to that part of the world. If, indeed, congressional approval is not presently mandated by law, it is incumbent upon the Joint Committee on Atomic Energy to come forward with legislation to provide for congressional oversight.

Accordingly, I urge my colleagues to join in assuring that the approval for nuclear assistance to foreign nations is adequately considered by the most appropriate forum for such debate, the Congress of the United States.

THE FALSE GOD OF GROWTH

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BROWN of California. Mr. Speaker, frequent reference is made by the leaders of industry and Government to the demands of growth. The assumption behind the majority of those references is that growth in quantity; of population, of consumption, of waste, and so forth, is natural, inevitable, and good. Occasionally the speakers make a distant reference to limits for certain kinds of growth, but seldom do the speakers indicate that policies must be changed now to avoid reaching those limits.

The problems of growth are not entirely ignored, and there is a growing sense of awareness that the exponential growth curves of materials, energy and population must be drastically altered soon. The focus on population growth in the last several years has resulted in a distinct reduction in population increases in the United States. The reduced population growth will indirectly reduce other projected growths, and pre-

sumably prove the projections of future trends inaccurate. Progress can be obtained in reducing other growth curves, such as those of energy usage, if serious efforts are made to accomplish this.

The experiences of southern California since World War II have demonstrated the best and the worst effects of growth. The people have decided, through their various actions, both personal and political, that it is time to pause and adjust to a slower, steadier kind of growth.

An editorial from the San Bernardino Sun-Telegram describes this situation quite succinctly. I do not think the experiences of southern California are unique to that part of the country, and I recommend this editorial to my colleagues. The editorial follows:

FALSE GOD OF GROWTH

For a quarter of a century after World War II California, and Southern California in particular, worshiped the false god of growth.

All growth was good. More population. More cars. More highways. More industries. Bigger cities. Broader suburbs. More houses. More shopping centers. More of everything.

The rest of the country obliged. Thousands after thousands immigrated to California. So there were more people and more of the rest the god of growth bestowed.

It was welcomed. It brought prosperity and the promise of the good life for all California and Californians. That growth could slow was inconceivable.

In 1947 the Stanford Research Institute, for example, forecast population growth in the 1970s would be at a faster rate than in the 1960s.

An annual addition of 570,000 persons to the population was predicted, an annual percentage rate rise of 2.7, and a state population of 24.7 million by 1980.

The fallacy in reasoning that growth for growth's sake is inherently good has been starkly revealed in what California's growth has brought with it.

It has brought poisoned, polluted air; poverty pockets and ghettos in cities; clogged highways and freeways; polluted rivers and streams and coastline; uncontrolled urban sprawl; mountains of litter; a bruised environment; overused recreational areas; economic strains and displacements; threat of power shortage.

One has only to go up and down the state to become aware of what unrestrained and unplanned growth has done to the land once called golden.

But a change for the better is taking place. Population growth has slowed. The forecasts of 1947 are not proving accurate.

Last year population grew by 1.2 per cent, not 2.7. There were 211,000 new Californians, not 570,000.

San Bernardino County gained only 5,600 people, 694,100 to 699,700, a growth of 0.8 per cent. Some of its cities grew in population by percentages above the overall county and state rates; some lost population.

There are healthy implications in the slowing down of growth.

For along with it, California, San Bernardino County and other counties, and the state's cities have set for themselves fresh objectives to repair the damage brought by unprecedented growth.

The coastline is being protected. Attention is being concentrated on the proper use of precious land and the preservation of green and open areas. The impact of any sort of development upon the environment is being made a consideration before development can proceed.

Recreational areas and parks are being improved and new ones created as fast as land and money is available.

The problem of pollution of air and streams and underground water sources is being attacked. Unhappily, immediate results are not apparent, but over the long run the problem will be solved. It will be solved for the simple reason that it must.

All of these far-reaching efforts are at last being pursued with vigor in the wisdom and conviction that, despite the fact that they should have started as state growth started to swell, it is better late than never.

The social consciousness of California and its people has been aroused to its responsibility to this generation and those to follow.

This is why the pause in growth is so necessary. It brings to governments at all levels relief to some degree from the ever rising costs of providing services for sharply rising numbers of people.

So, while population growth slows, it provides invaluable time to plan the destiny of the people of the state, from the quality of their lives to the economy which will support them to the environment surrounding them.

LOMA LINDA, CALIF., VA HOSPITAL GROUNDBREAKING CEREMONIES

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. PETTIS. Mr. Speaker, last Sunday, June 16, I had the honor to participate in the official groundbreaking ceremonies for the new Veterans' Administration hospital that will be built in Loma Linda, Calif., in my congressional district.

This new 500-bed facility, scheduled for completion in early 1977, will be one of the finest hospitals in the Nation. Construction of the Loma Linda Hospital culminates almost 50 years of effort to have such a facility located in the inland portion of southern California where hundreds of thousands of veterans make their homes.

My good friend and our former colleague, Deputy VA Administrator Richard L. Roudebush was the keynote speaker at the groundbreaking and I would like to call to your attention his excellent remarks on that occasion.

REMARKS OF RICHARD L. ROUDEBUSH, DEPUTY ADMINISTRATOR OF VETERANS' AFFAIRS, AT THE LOMA LINDA VA HOSPITAL GROUNDBREAKING, JUNE 16, 1974

Just two days ago it was my privilege to participate in the opening of a new outpatient clinic in El Paso, a Veterans Administration facility that will serve veterans living in a large area of Texas, New Mexico and northern Mexico.

I said then that, in opening the clinic, we reaffirmed the devotion the American people feel for those who stood in their nation's defense . . . that we reasserted the desire of the American people to provide as needed for these past defenders . . . and that we reemphasized the determination of the people's government to implement this desire to the fullest extent possible.

Certainly we do these same things today. I am honored to be with you as we take an important step toward providing better

health care for a large region of California where a great number of veterans reside.

The Loma Linda VA Hospital will be among the finest hospitals not only in the VA system . . . but among all hospitals in the United States. I am sure that we will all look back on this day as one of significance. I am sure that our part in this procedure will be cause for personal pride.

The number of veterans with service during the Vietnam Era now exceeds seven million . . . and more are still returning to civilian life. The great majority of these young men and women need nothing from their government other than some readjustment help . . . and a chance to make a living and to lead their own lives.

But they are entitled to health care if it is required. So are the rest of America's 29 million veterans, valiant citizens who served in other conflicts over the last three-quarters of a century.

This hospital . . . located in a thriving and growing area . . . will be an important resource in our providing that care.

We know it will be a busy place. We know it will be a facility that VA will be proud of. We know that it will be embraced and supported by the entire community and this fine university.

Because of the growth in the veteran population . . . and because of the national commitment to medical care for veterans . . . there has been an upsurge in VA hospital construction . . . and, of course, there is major evidence of this not too far from here in southern California.

In the last four and one-half years nine new or replacement hospitals have been added to the VA system and more are under construction or planned. Construction expenditures for Fiscal Year 1975 will be \$276 million, the highest in VA history.

The budget for all VA medical care activities for Fiscal Year 1975 . . . starting just two weeks from now . . . is \$3.2 billion.

This is a great deal of money . . . astronomical, really. It is too much for the average person to fully comprehend, even though reports of high government expenditures are commonplace.

There must be ample justification for expenditures such as this . . . hard-earned money from American taxpayers.

The justification for medical expenses for veterans, is of course, the fact that they have served their nation well and that the nation has a debt for them that can never be fully repaid.

This is justification enough, I think . . . and I am sure that most Americans will agree that there can be no argument with money spent to care for sick or wounded veterans.

Fortunately, the American people get extra dividends for the money they spend on VA medical programs.

Some of the most important medical research being conducted today takes place within VA hospitals.

VA trains a large percentage of those persons who work in health professions . . . with more than half of all American doctors receiving some or all of their clinical training from VA.

VA is constantly working on new ways to deliver health care and medical services. Hospitals have been organized into regions so that facilities and personnel may benefit the greatest number of patients. Outpatient care has been expanded. Nursing home and domiciliary care have been expanded.

All of these things have impact far beyond our main mission of caring for veterans. They have meaning for all persons and institutions involved in medical care . . . meaning for all Americans.

I am sure that VA service to the nation as a whole, as well to veterans, will be ex-

panded significantly because of the Loma Linda VA hospital.

This is especially true because the hospital will be affiliated with such a remarkable institution of teaching and healing.

You are proud of the Loma Linda University Medical School. We are proud to be its future neighbors and associates. We know that this affiliation will be one of the most beneficial in the entire VA system . . . and VA has long affiliated with top medical schools.

This affiliation will do more than give VA national impact. The overseas medical activities of Loma Linda University and its graduates . . . activities that save lives and reduce suffering in many parts of the world . . . will enhance the importance of VA medicine internationally.

I am sure that the community and the Veterans Administration will both be proud of the appearance of this hospital and of the atmosphere it creates.

Certainly it will be a far departure from the bleak and foreboding structures that were at one time standard for government institutions.

The setting . . . parklike and pleasant . . . and the building will blend in an inviting way. The design of the building will not just make it harmonize with the environment, however. It will also be the best and most modern from a utilitarian standpoint.

Medicine and architecture have combined with other sciences and disciplines to produce a hospital that will be attractive, practical, safe and serviceable . . . a place where the best work may be done and where the best results may be obtained . . . a place that will be comfortable and convenient for those who must use its services.

Further, this will be a hospital that can change as the demands of treatment change. It is a hospital that is architecturally capable of conforming when new specialties and modes of dealing with injury and disease come into being.

I think the thought and care that have gone into its planning and development are evidence that government has the heart and will to produce something out of the ordinary . . . for I am convinced that is what this hospital will be . . . something to bring a feeling of pride and worth to its citizens.

I think the structure we break ground for today will also be a tribute to organizations of government working together . . . for VA has had the help of other agencies at the federal, state, and local levels . . . and of government working with organizations and individuals outside of government.

These observations have limited significance however. The main thing is that this hospital has started on its way to reality and that today we act to give formal recognition to this fact.

It will be an institution dedicated to healing and to the relief of suffering . . . and it will be among the best.

To all who have had a part in bringing this project to its present stage, I convey our congratulations.

To all who will play a future part, we express our best wishes for your success.

To all who have joined in this observance today, we thank you for your interest in the hospital, for your attendance and for your kind attention.

THIRTY YEARS AFTER D-DAY

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BYRON. Mr. Speaker, 30 years ago, this month, 250,000 soldiers landed on a

40-mile stretch of French coastline known as Normandy. It was D-Day and that day will never be forgotten, especially by those who were part of it. Ray Spurrier of Frederick, Md., was a participant in that invasion and recently returned to Normandy Beach to see what the area was like—in peacetime, 30 years later. A Frederick Post newspaper account of this fascinating return follows:

THIRTY YEARS AFTER D-DAY—RAY SPURRIER RETURNS TO NORMANDY BEACH

(By Neil Sandler)

By the time Ray Spurrier's landing craft hit Normandy Beach on D-Day, 30 years ago, the mutilated bodies of American soldiers were strewn across the sands as far as his eyes could see.

One "God forsaken gun" was still spewing red-hot flames from inside the belly of a moss-covered concrete pillbox, from which the Germans dominated that stretch of Omaha Beach.

Ever since that D-Day invasion, Ray Spurrier has wanted to return to France to see those grounds during peacetime.

When he finally did return two weeks ago, Spurrier was shocked to find that on the very same beach, where sunbathers now romp, the cement fortress still stands with its gun pointing down to the waterfront.

"It was kind of amazing to think it was still there," Spurrier says, "but we did silence it in our fight for peace . . . and that's what counts."

Spurrier was one of several Fredericktonians who returned to France for the thirtieth anniversary reunion of the men who participated in the greatest land-and-sea invasion in history.

Several thousand of the 250,000 soldiers who landed on the 40 mile stretch of French coastline on June 6, 1944, returned to the place where American and Allied forces first began to tear at the Nazi war machine.

For two weeks, Spurrier toured the war route he trudged over thirty years earlier.

"Most of it hasn't changed a bit. I'd say every town we visited had buildings or homes that were still in rubbles from the invasion. Whole sections of London were still damaged from the bombs.

"On the French coast, homes are built in the mine areas and some of the old pillboxes are being used as homes. It makes you realize that you don't know what war is unless you've been through the destruction or at least seen the damage."

Spurrier delights in talking about the reception the French people gave the returning American and British soldiers. "They smiled and waved to us. They'd stand around our bus waving the V for victory . . . as pleased as they were years ago.

"But the most emotional part of the whole trip was visiting the cemeteries," Spurrier says. "You can look down rows and rows of crosses, which stretch as far as you can see. They're kept in beautiful shape but it's not a happy place."

The Normandy Cemetery (also known as the Saint Laurent Cemetery) holds the bodies of 9,386 soldiers who were killed on Normandy Beach.

Choking as he went on, Spurrier says he saw the graves of some Frederick soldiers, who died at his side. "It's right depressing but I know there's no way I could ever forget the way it happened."

He recalls the way it was:

"I believe it was the second of June when we were loaded on the boats . . . like canned sardines." Spurrier was one of nearly 250 soldiers crammed onto a Landing Craft Infantry barge (LCI).

"The invasion was supposed to take place on the fourth (of June) but bad weather set in. We ended up sitting out the heavy rains and rough seas in Southampton Harbor."

"On the evening of the fifth we were told that we'd be getting our last meal at 2400 hours (midnight)." Then the 4,000 boats in the invasion began moving silently across the channel.

"At 8 a.m. on D Day (June 6) our captain asked for volunteers to unlash the rest of our rations from the floor of the LCI. This was to lighten the ship so we wouldn't get stuck on a sandbar . . . I volunteered.

"As we were throwing the rations overboard I could see the beach being shelled. There were planes and ships everywhere." Spurrier recalls seeing a huge amphibious vehicle slide off one barge and into the ocean.

As his LCI neared the shore, Spurrier saw soldiers in the first beach wave scrambling from the heavy gunfire. "They were dropping over everywhere," he recalls.

At 9 p.m. Spurrier's craft hit the beach. "The bullets hitting the side of our boat sounded like the keys of a typewriter. I was too scared to even try to see where they were coming from."

Sprinting and crawling through the wet sand, sliding on his belly at times, Spurrier recalls moving up the beach to within a hundred yards of the German pillbox. "We could see flashes of fire from it and gunfire was hitting everywhere."

But Spurrier was one of the lucky ones. He made it up the beach, through the barbed wire coils, through the mine fields and onward to take their objective of Saint Lo, 25 miles away.

When Spurrier's division arrived at Saint Lo, 46 days later, he was one of 46 soldiers alive of the original 196.

He was later wounded as his group marched toward Holland behind the forces of General George Patton. Spurrier was evacuated by sea and eventually returned to the United States in March, 1945.

Spurrier met and married the former Francis S. Smith, who was a surgical technician with the Woman's Army at Valley Forge General Hospital in Pennsylvania.

The couple now live on the 400 block of Delaware Road and Spurrier is in his 28th year as an employe at Renn Pontiac.

FISHERIES AND WILDLIFE CONSERVATION AND THE ENVIRONMENT SUBCOMMITTEE HEARINGS SCHEDULED ON GAO INVESTIGATION OF FEDERAL COMPLIANCE WITH FISH AND WILDLIFE COORDINATION ACT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. DINGELL. Mr. Speaker, I wish to announce that hearings have been scheduled for June 26 and 27 before my Subcommittee on Fisheries and Wildlife Conservation and the Environment of the House Committee on Merchant Marine and Fisheries. My subcommittee will consider the results of a General Accounting Office investigation into Federal agency compliance with the Fish and Wildlife Coordination Act requirements that wildlife conservation receive equal consideration and be coordinated with other features of federally funded or licensed water resource developments.

The GAO report—B-118370—entitled "Improved Federal Efforts Needed to Equally Consider Wildlife Conservation with other Features of Water Resource

Developments," was delivered to my subcommittee on March 8, 1974. The GAO review covered the Corps of Engineers—civil functions—the Bureau of Reclamation, the Bureau of Sport Fisheries and Wildlife, the Federal Power Commission, the Soil Conservation Service, and the National Marine Fisheries Service. The report concludes that generally "wildlife conservation had not been considered equally with other features of the 28 water resource developments—which GAO reviewed—and the need for equal consideration was demonstrated in each of the river basins covered by GAO's review," and that "water resource development and wildlife agencies need to improve their efforts to equally consider wildlife conservation with other features of water resource developments."

The report also notes that:

Adequate implementation of the coordination process requires close working relationships not only between wildlife and development agencies but also among wildlife agencies themselves.

While the Fish and Wildlife Coordination Act recognized this, functions of the Fish and Wildlife Service were split in 1970 into two agencies now located in two separate departments. GAO has found that these agencies' roles have not been clearly defined and that agreement on their coordination roles and responsibilities is still needed.

Another finding of the report is that:

Wildlife officials frequently cited inadequate funding and staffing as reasons for breakdowns in the coordination process. Funding and staffing, therefore, are matters which the Secretaries of Commerce and the Interior should consider for improving implementation of the act.

These hearings will also consider a number of bills now pending before my subcommittee. The bills are H.R. 10651, by Mr. REUSS and Mr. VANDER JAGT; H.R. 14527, by Mr. BLATNIK; H.R. 42, by Mr. BLACKBURN; and H.R. 2285, H.R. 2288, H.R. 2291, and H.R. 2292, all of which were introduced by a number of my colleagues and myself. These bills would amend the Fish and Wildlife Coordination Act to further strengthen its requirements for fact-finding and coordination in support of full and equal consideration of wildlife conservation interests in water development projects. These bills also address the need for and means of actually doing something about mitigating damage to, and enhancing the welfare of, wildlife impacted by water resource developments.

High-level representatives of the Departments of Commerce, Justice, and the Interior and of the Atomic Energy Commission, the Soil Conservation Service, the Tennessee Valley Authority, the Corps of Engineers, the Environmental Protection Agency, the Council on Environmental Quality, and the Office of Management and Budget have been invited to testify on the findings and recommendations of the GAO report and the bills.

I invite any of my colleagues in the House who wish to attend, to testify, or to submit statements for these hearings to do so. We want to hear from all quar-

ters including private individuals and organizations, and I invite anyone wishing to testify to contact subcommittee counsel indicating the nature of his desired participation. I anticipate continuing these hearings after the Independence Day holidays and everyone will have an opportunity to be heard.

I have had a long and continuing interest in the welfare of our wildlife and fisheries resources, as my colleagues are well aware. I have been increasingly concerned that even after 16 years, the Fish and Wildlife Coordination Act was not being followed adequately and that is why I ordered the General Accounting Office review. I am pleased that these hearings will permit a fresh assessment of the situation and an examination of possible legislative and executive remedial action. I am sensitive to the workload yet facing the Congress this year and to the desire of Members to complete its work and to spend more time in their districts. I will do all I can to insure that these hearings move as expeditiously as possible.

A TRIBUTE TO THE REVEREND ANTHONY A. PUCCI—ON HIS SILVER ANNIVERSARY AS A PRIEST

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BIAGGI. Mr. Speaker, I would like to take this opportunity to pay a special tribute to the Reverend Anthony A. Pucci of Our Lady of Mt. Carmel Church in the Bronx, who recently celebrated his silver anniversary in service to our Lord as a priest. It was a privilege to join with Father Pucci's many friends and parishioners in taking part in the festivities surrounding this important event in his life.

Father Anthony A. Pucci was born in Nutley, N.J., on June 11, 1922, but has spent most of his life as a resident of Yonkers, New York. He received his education in Yonkers, and began his study for the priesthood in 1937 at Cathedral College, where he graduated in 1943. From there, he matriculated further in his studies at the prestigious St. Joseph's Seminary. The culmination of his studies occurred with his ordination to the priesthood on June 4, 1949, by the late Francis Cardinal Spellman. Father Pucci celebrated his first solemn mass the following day at Our Lady of Mt. Carmel Church in Yonkers.

His first assignment was at St. Roch's Church in Staten Island, which was followed by assignments at the Santa Maria Church in the Bronx, St. Mary's Church in Yonkers, and St. Dominic's Church in the Bronx. It was during these early years, that Father Pucci gained the maturity and wisdom which were to aid him in his succeeding years. At each parish where he served, he gained the lasting respect and acclaim of his parishioners for his tireless and dedicated service on their behalf.

Father Pucci has served with equal distinction at his present location, Our Lady of Mount Carmel Church in the Bronx. On the occasion of his silver anniversary mass a great outpouring of affection and respect was afforded to Father Pucci by the hundreds of parishioners and friends who have known and worked with him through the years.

In addition to his time-consuming duties at Mount Carmel, Father Pucci has found time to donate his time and services to numerous civic organizations. He serves on the Yonkers Chapter Cancer Committee, he is chaplain of the Amvets of New York State, as well as for the Frank A. Rea Post, and is a lifetime member of the Yonkers Rotary Club.

Throughout the years, Father Pucci has maintained a warm and compassionate personality. He is a man who I am honored to call a friend. He is equally well liked by the young and old members of his parish, for he has been able to blend a sense of tradition with a realization of what the world is today, and the challenges it poses.

Twenty-five years in any profession represents a real achievement, yet for a priest, it can be even more significant, because it is a vocation which has the added asset of being a constantly rewarding and meaningful life.

Mr. Speaker, on an occasion such as this, it is only fitting that we his friends, and parishioners take time to reflect on the many accomplishments of Father Pucci in his quarter century of service as a priest. I offer him my sincerest and warmest congratulations on reaching this apex in his life, and I wish him at least an additional 25 years of good health and happiness.

On this occasion many tributes and praises were offered to Father Pucci, and I would like to insert one of them which was given by the archbishop of New York, Terrance Cardinal Cooke.

May it be for you a day of priestly renewal and of happy memories, as you recall the many blessings which have filled these twenty-five years since your ordination. My prayer is that God may continue to bless you abundantly for many years in His service.

WON PAT SALUTES HONOR AMERICA CELEBRATION

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. WON PAT. Mr. Speaker, on June 13, 1974, the House unanimously voted to support House Concurrent Resolution 537, which declares the period from June 14, 1974, to July 4, 1974, as a period to honor our great country.

On behalf of the American citizens of Guam, I am proud to add my support to the "Honor America" plan and urge all of my fellow countrymen to use this period of time to reflect on what our Nation means to us and where we are heading.

In recent months, there have been numerous occasions to warrant serious

doubt as to whether our system of government could survive the almost daily attacks on our sensibilities. From across our land, voices of doom arose to predict the end of our way of life.

I, for one, doubt that these prophecies will ever come true. Despite the many problems we have in this country, problems that are by no means minor ones, the foundation upon which our Government rests is strong enough to withstand the shock of wrongdoings of a few in high places.

Furthermore, I believe that most Americans want to pursue the great goals of liberty and equality which our Founding Fathers set down in their great wisdom almost 200 years ago.

During this period designated, I urge my fellow Americans to take stock of the ills of our society and to examine their most inner feelings about our country. If we are to survive our problems, then we must unite in a sound effort to rid ourselves of the evils of our society, while at the same time do our utmost to protect the overwhelming number of good things that make America one of the greatest and most admired countries in the world.

As the congressional delegate from the most distant territory of our Nation, I speak from first-hand knowledge about the success of our democratic system. By taking full advantage of the opportunities built into our system of government, the people of Guam have risen from an undefined political status with this country to now playing an important role in our Nation's affairs. While it is true that much remains to be done to improve Guam's status within the Federal Government, nevertheless, when one realizes that a short 25 years ago Guamanians lacked almost any rights, citizenship, representation in Congress, and a host of other privileges and protections shared by other Americans, the Guam of 1974 can only be viewed with wonder.

Today, the residents of this far-flung territory are proud Americans who enjoy a vastly improved status within the Federal Government, and are looking forward to making even more and better changes in our island's relations with Washington—changes which could never have come about except for the strength of our democratic system of government which offers every citizen the right of appeal from unjust laws.

And so it goes for other Americans who have sought a greater and more just share of participation in their country's affairs. No matter where one looks, much has been done in recent years to improve the way of life for the millions of members of so-called minority ethnic groups in the United States. Mexican-Americans are actively improving their lot, and the success of the drive by America's blacks to achieve economic and political strength has certainly proven effective.

If the ability of the poor, the underprivileged, the downtrodden to use the system to improve their way of life is any indication of a viable form of government, then it can truly be said that America is living up to her promise.

I am, therefore, proud and honored to join with my fellow Americans in observing this period as "Honor America Days."

THE ALTERNATIVE: A MAGAZINE AND VOICE FOR THE FUTURE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. KEMP. Mr. Speaker, we have become accustomed over the past years to intermittent eulogizing upon the deaths of prestigious journals. Life, Look, and a myriad more have succumbed, we are told, to rising production and postal costs.

I think—in the main—that decreasing demand has had more to do with those demises than rising costs, for the free market system of supply and demand will keep alive—at virtually any cost—that which is adequately demanded by the purchasing public.

Amidst all this, there has come to the fore of the American literary and intellectual communities—they are not always synonymous—a new journal of advocacy, the Alternative. And, its circulation continues to spiral—upward.

Why? Because—I believe—it has a message for which people yearn. For while those other pubs which banter about amongst themselves the mediocrity of an age too often characterized by intellectual irrelevancy—not adequately perceiving in their editorial offices that they have contributed mightily to that which they decry—the Alternative carries a message tapped by the beat of a different drummer.

The Alternative's contributing authors, editors, and staff—and readers—listen not to the stale voices of despair, not the public and printed acts of contrition which abound in those other, sinking pubs. Rather, they seek a rebirth of a golden age of political and economic freedom and attendant moral ascendancy which can come only—I repeat, only—through a reassertion of the primacy of individual worth and dignity. To this end, the Alternative is dedicated. That should be praised. And, I, so do.

So, too, has William Rusher, counsellor of laws, publisher of National Review, and a voice of guiding conscience to those conservatives and libertarians to which the restoration of a renewed age of enlightenment in America—characterized by a rebirth of the Spirit of '76—is an end worthy of achievement and is their goal.

Here are his words on this magnificent journal, the Alternative:

VOICE FROM THE FUTURE

(By William A. Rusher)

Easily the oldest rhetorical device in the bag that every writer totes around is that of commenting upon one's topic (whether it be a concept, a trend, an activity, or a fellow human being) from implicitly higher moral or intellectual ground. The essence of the technique is to suggest, by appropriate historical allusions, humorous asides or other appropriate put-downs, that the writer has a keener appreciation of the relevant realities than whatever institution or individual he is discussing, and quite likely keener than the reader's as well.

There is nothing in the least improper about this, and the rewards of doing it convincingly can be great indeed. Mencken and Nathan, for example, achieved an immense reputation for themselves and their "Ameri-

can Mercury" in the 1920's by poking irresistible fun at politicians of almost every imaginable hue, as well as temperance leaders, fundamentalist religion, jingoism and similar targets. During the 1930's Henry Luce became the ranking master of this particular black art, and incidentally one of the world's most powerful men, by persuading many millions of people to accept his pithy know-it-all assessments of public figures and public events as irrefutable. The "New Yorker", and more recently the "New York Review of Books", have played an almost equally influential role, especially in shaping intellectual trends, by means of essentially the same technique. It follows that spotting such arbiters of taste on their way up, so to speak, is one of the sports of kings; for we may thereby perceive our future in the making.

With that rather lengthy prologue, permit me to introduce "The Alternative", a 24-to-36-page butcher-paper journal published monthly from October to June by a brilliant, madcap bunch of ex-grad students and other types from the University of Indiana, still clustered in and around Bloomington. Nowhere in America today is our reigning liberal establishment being subjected to a more merciless, hilarious—or potentially fatal—spoofing. The consequences are not yet calculable, but they may be enormous. I, for one, devoutly hope so.

"The Alternative's" editor and chief engerumen is a wiry, tousled young man in his late twenties named R. Emmett Tyrrell, Jr. When I visited him and his merry crew in Bloomington some years ago, they were jointly occupying an elderly manse on the edge of town. Each room boasted a plaque over the lintel, naming it after some famous American. The handsome dining-room, as I recall, was "The General Douglas MacArthur Room".

Any given issue of "The Alternative" possesses more goodies than I can possibly describe, let alone excerpt. As one might expect—for Tyrrell, eschewing such sobersided models as Luce, has plainly patterned his style on Mencken—humor is everywhere. Sometimes it is quite apolitical, chuckling noisily at the human condition, as in this evocation of spring from the June issue:

"Spring! and overwhelming love was in the air. Mr. Zadok Nager took for better or worse the hand of Miss France Peretz, in whom he had once planted thirteen machine gun bullets during a lovers' row."

Sometimes it is wickedly political, as in this item from the regular column "Current Wisdom", devoted to leftist inanities:

"Focus on Faith. The simple faith of Mary McCarthy, intellectual: 'It is hard for me to believe that the North Vietnamese leaders (those I have seen anyway) would not find the abuse and degradation of captive men morally repugnant.'—New York Review of Books, March 7, 1974."

But there is also plenty of red meat: In the June issue alone there are thoughtful articles by Irving Kristol on "Utopianism, Ancient and Modern", by Arnold Beichman on "Parties in the Age of Watergate", and by Ben Wattenberg ("A Liberal Looks at Theodore H. White"), as well as trenchant book and film reviews and regular columns.

Long may it publish.

THE HOUNDING OF HENRY KISSINGER

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. CARTER. Mr. Speaker, I include for the RECORD an editorial by one of the foremost writers in our country. In utmost candor, I must agree with Mr. Alsop

that if the hounding of Dr. Henry Kissinger continues our country may suffer the loss of its most outstanding statesman.

The editorial follows:

[From the Washington Post, June 21, 1974]

THE HOUNDING OF HENRY KISSINGER

(By Joseph Alsop)

"Do we really want the responsibility of hounding from office the most admired public servant in the United States?" This is now a serious question, which a good many politicians, thinkers and, above all, key persons in the media ought to begin asking themselves.

It is a serious question, in turn, simply because the eventual resignation of Secretary of State Henry A. Kissinger is a far stronger possibility than anyone seems to imagine. His threat to resign has been called "petulant." He has been accused of being unable to "take it." There has been a lot more nonsense of the same sort.

But it is neither petulant nor oversensitive (although it may be a bit old fashioned) to insist you must resign unless your name is promptly cleared when you have been publicly accused to "dissembling" and even "perjury." These were the accusations levelled at Dr. Kissinger by certain elements in your friendly media—who will have the major responsibility if the United States eventually needs a new Secretary of State.

Also, none of the factors in Dr. Kissinger's personal situation appear to be dimly understood in this sewage-sump of a city. First of all, he is not where he is today from love of power or from desire to make a great name or from other similar motives. If simple ambition had been Dr. Kissinger's guiding star, he would have quit long ago, when the quitting was good.

One of the two men he consulted on the problem in 1973 was David K. E. Bruce, now the leader of our liaison mission in Peking. Ambassador Bruce very strongly urged Dr. Kissinger to leave in the general glow of universal adulation that would then have surrounded him. He was intensely tempted to take this advice, and he came very near to doing so.

The other close friend he consulted gave greater weight to the simple fact—which is still a fact—that the present U.S. government without Dr. Kissinger did not bear thinking about. On this ground, Dr. Kissinger was told it was his plain duty to stay. He has the strong, gratitude-based patriotism that one often finds in refugee-Americans. He stayed, from duty and against his better judgment.

In the present circumstances, Dr. Kissinger cannot expect to depart from Washington in the same glow of general adulation. The hounds are already baying on his traces. But he would be ludicrously modest, if he did not foresee that his departure would be regarded as a major catastrophe by everyone for whom he has the faintest respect. In short, the temptation to quit is still extremely strong.

To these basics, some further factors also need to be added. His beautiful wife, Nancy, much prefers cities that are not sewage sumps; and as her hospitalizations indicates, life in the dregs is not good for her health. Furthermore, only iron will and an iron constitution have thus far saved the Secretary of State himself.

He has a hernia of the diaphragm, which can be exceptionally painful to those who are over-tired and over-weight. He is one of the unlucky million who respond to extreme exhaustion by over-eating; and he has been both over-tired and over-weight for many months on end. Under the circumstances, one has to admire the extreme stoicism that went into Dr. Kissinger's memorable feat of diplomacy in the Mideast.

Besides all this, finally, one must consider one last unknown factor of really decisive significance. As Dr. Kissinger has said, quite frankly, he long ago resolved to resign his

office if he found himself beginning to be dragged into the Watergate quagmire.

The Secretary of State did not take this resolution from vanity, or from apprehensiveness. He took this resolution solely—and quite rightly—because he concluded that he could not continue to do his job at the State Department with the hounds on his traces, and all serious dialogue drowned by the hounds' loud baying.

That is precisely what began to happen at the savage and disgusting homecoming press conference, which was about all the thanks Dr. Kissinger got locally for his great feat in the Mideast. Thus this matter of the Secretary of State's resignation may not end with the review of all the facts by the Foreign Relations Committee.

Above all, there is the role of your friendly media. In the media, the level and character of the public dialogue is determined for good or ill. And that is why the country will mainly have the press to thank if the hounding goes on until Dr. Kissinger leaves office.

THE NEED FOR QUALITY PUBLIC EDUCATION

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. OWENS. Mr. Speaker, the single most important factor working for reduced social inequality and increased technical progress in this country has been the principle of a free public education. The need for Federal aid to education is real, well-documented, and critical in the overall picture of education in the United States. Assistance to the Nation's schools is an area of first priority for Federal leadership.

Our success in solving many of our current social problems will be determined by the quality of education available today. Even in a cold economic sense, the record indicates that investing in people by providing more in the way of education can significantly enhance their economic productivity. The implication is that society should spend more for education to promote growth and to solve social problems.

Education today is a large and costly enterprise. It is extremely important that the financing of education not only be adequate but also secure because the leadtime involved in educating a child from the age of 5 or 6 to 17 means that large sums needed for education must be forthcoming regularly and permanently.

My State of Utah places great emphasis on public education. In 1971 Utah ranked No. 1 in public school enrollment as a percentage of total school enrollment. Utah also ranks among the top five States in State and local government expenditures per capita for education. This priority on education has produced good results. Utah has more high school graduates per capita than any other State and ranks No. 1 in the median school years completed by persons 25 years of age or older.

Nevertheless, Utah's school systems are not without their problems. For example, in 1970 Utah had more pupils per classroom teacher in public elementary and

secondary education schools than any other State. My State also shares the Nationwide problem of developing an effective school financing program.

The States have unfortunately received little encouragement from the present administration. For the last several years, the administration has recommended that no funds be appropriated for the purchase of instructional equipment and materials. States have had to sue for funds appropriated by the Congress and unlawfully impounded by the President. I am pleased that the courts have upheld congressional intent and have released much-needed funds to State and local educational agencies.

Total expenditures for education reached \$81 billion in fiscal year 1973, with the Federal share being well over \$13 billion. It is imperative that the Congress develop sound, meaningful education legislation to assure that future funds are available as needed, and that they are put to best use.

The Elementary and Secondary Education Act of 1965 is the Federal Government's principal instrument for provision of financial assistance to elementary and secondary schools. Since its enactment in 1965, great strides have been made toward the goal of designing and implementing educational programs and projects to meet specific needs of local school systems, particularly assistance of educationally disadvantaged children.

Under ESEA, more than \$1.5 billion is made available annually to school districts enrolling children from low-income families to support compensatory education programs designed to meet the special educational needs of educationally deprived children. Under title II, school libraries in almost every school in the country have been upgraded with the help of \$90 million a year in Federal funds. New libraries have been established in schools which, prior to Federal aid, had not been able to afford to set aside even a corner of a classroom for library purposes.

Title III has provided seed money of \$150 million a year allowing school districts to test innovative solutions for their own educational problems and to disseminate the results of their successes to districts facing similar educational dilemmas.

Under the stimulus of \$35 million last year under title VII, bilingual education programs have sprung up in communities whose students in the past faced staggering difficulties in obtaining an education in a language with which they had little or no familiarity. ESEA also addresses other fundamental needs of education requiring Federal assistance.

On March 27 I was pleased to join with 380 of my colleagues in voting to extend and amend ESEA. In the future ESEA should provide a program of general aid to elementary and secondary education designed to provide assistance which equalizes and improves educational opportunities for all children throughout the country.

Major provisions in the House-passed version include:

Extension of Title I for three years.
Revision of Title I formula to distribute Federal funds for compensatory education

through the states to school districts by counting all children from families below the poverty level as defined by the Orshansky index, two-thirds of the children from families receiving AFDC payments, and children not counted under the above who lived in institutions for delinquent or neglected children.

Extension of impact aid for three years. Establishment of a new matching grant program to assist communities in establishing and expanding community education programs.

Extension of bilingual education program through FY 1977.

Banned bussing for desegregation purposes to any but the school next closest to the student's home.

Authorized nearly \$21 billion through fiscal year 1977 for the education programs contained in the bill.

During consideration of the bill, the House rejected two amendments that would have prevented teachers from striking and that would cut off federal funds to schools which required their employees to belong to a union or a professional organization.

In addition, HR 69 called for studies on the effectiveness of Title I programs, late funding, athletic injuries, crime, and violence in schools. It also authorized a White House Conference on Education in 1975.

The following lists some of the major education votes of the 93d Congress, including votes on ESEA (H.R. 69). I also include my personal vote on each roll-call:

ROLLCALL MEASURE, QUESTION, RESULT, AND OWENS VOTE

No. 32,¹ HR 4278. A bill to amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the budget level for FY ending June 30, 1973, as amended. On motion to suspend rules and pass. 3-5-73. (2/3 required) 352-7. Yes.

No. 139,¹ HR 7447. A bill making supplemental appropriations for FY ending June 30, 1973. On amendment to increase funding of category B impacted aid school assistance from 54% to 68%. 11-178. Yes.

No. 292,¹ HR 8877. Labor-HEW Fiscal Year 1974 Appropriations Bill. On amendment to increase funds for bilingual education programs. Failed, 161-244. Yes.

No. 293,¹ HR 8877. On amendment to reduce by 10% the funds for educationally deprived children. Failed, 190-218. No.

No. 463,² H. Res. 420. A resolution to establish as part of the congressional internship program, an internship program for secondary school teachers of government or social studies in honor of President Lyndon Baines Johnson. On passage to suspend the rules and pass. (2/3 required) 345-64. Yes.

No. 549,¹ HR 3927. A bill to extend the Environmental Education Act for 3 years. On amendment to reduce period from 3 to 1 year. Failed, 14-252. No.

No. 622,¹ HR 8877. Labor-HEW Fiscal Year 1974 Appropriations. On agreeing to conference report. 371-33. Yes.

No. 115,² HR 69. Elementary and Secondary Education Act Amendments. On amendment to prohibit bussing to achieve desegregation to any but the school closest or next closest to a child's home. 293-117. No.

No. 121,² HR 69. On passage. 328-26. Yes.

To complete the record, I also insert for the RECORD some of the major education legislation I have cosponsored during the 93d Congress:

**LEGISLATION SPONSORED OR COSPONSORED
IMPROVE EDUCATION**

Cosponsor, H.R. 6557, to improve education by increasing the freedom of the na-

tion's teachers to change employment across state lines without substantial loss of retirement benefits through establishment of a federal-state program.

EQUAL QUALITY EDUCATION

Cosponsor, H.R. 7237, to assist the states in providing the opportunity for an elementary and secondary education of equal quality to all students throughout each state and in providing for greater equity in the distribution of the burden of school finance.

ADULT EDUCATION

Cosponsor, H.R. 7818, to improve Adult Education Act.

POST SECONDARY EDUCATION

Cosponsor, H.R. 7427, to extend beyond age 22 the period during which an individual may be entitled to child's insurance benefits on the basis of full-time student status where such individual was prevented by reason of health, religious service, or service in the Armed Forces (after attaining age 18) from attending school during one or more months prior to attaining age 22.

EDUCATION OF EXCEPTIONAL CHILDREN

Cosponsor, H.R. 12169, to provide financial assistance to the states for improved educational services for exceptional children and to establish a National Clearing house on exceptional children.

NATIONAL EDUCATION POLICY

Cosponsor, H.J. Res. 662, to establish a National Education Policy.

Despite significant congressional interest in education issues, we still have a long way to go in achieving the goal of high quality public education for every American. And the problem is not limited to elementary and second education. Vocational education, higher education, and continuing education for older Americans are all significant components in national education policy. In addition, serious problems still persist in a wide variety of forms.

For example, there are about 5 million youngsters in schools across the Nation who need bilingual education help and are not getting it. The nightmare of educational neglect that has so long plagued Spanish speaking and other bilingual children in America requires immediate attention.

This problem is only part of the basic fact that equality in educational opportunity is still an elusive goal in this country. One of the great problems facing education throughout America is the unequal system of taxation and funding of schooling. Our tradition of local control over our schools has served well except that it has placed the main burden of finance on small local districts. Quality of education within respective districts depends on the tax wealth of each district. We have rich suburban districts bordering poor urban districts throughout the country. The result is unequal education in a country whose technology and economy require high quality and equal education among all of its citizens.

Because of this inequality some State legislatures have recently addressed themselves to correcting the situation through work on equalization legislation. Two years ago, the Utah State legislature passed one of the most progressive equalization laws in the country.

It is time the Federal Government respond in the same fashion.

Several months ago, therefore, I joined in sponsoring legislation, H.R.

7327. The School Tax Equalization Act, to provide for better equalization of education. This bill would increase the amount of Federal moneys available to local districts, to be distributed according to an incentive program based upon the individual State's per capita financial commitment to education, and the effectiveness of the State's equalization law.

Utah's provisions for education funding already meet the requirements of this legislation. As such, Utah would receive a relatively large portion of the Federal education funds provided for in this measure. Most importantly, the bill would not in any way restrict or define how local districts would spend funds available, and local control of schools would remain.

The controversy surrounding public school financing is far from being resolved. Public schools derive more than half their income from local sources, another 40 percent from the State, and the remainder from the Federal Government. Since the heaviest burden falls on local government and since that burden is financed principally by property taxes that have not generated new funds as fast as the costs of education have risen, the "fiscal squeeze" at the local level has been severe in recent years and is getting worse.

Property taxes are often too poorly administered, too unresponsive to economic growth, and too burdensome on families of modest means to support so important a public service as education. I support this recommendation of the National Education Association and the Utah Education Association to achieve one-third Federal funding for education. The Federal income tax is generally recognized as the fairest and most progressive tax available in the United States, as well as the most elastic.

State taxes, primarily the sales tax, are less productive and less equitable, while the local property tax is the least productive over time, the most regressive, and by far the most disliked. Federal funding of the public schools would assume that the schools are based on a fair tax.

Congress is becoming increasingly involved in the on-going debate of educational accountability. There are those who would hold teachers directly accountable for specific performance criteria before allowing Federal moneys to be spent on education. Research has shown that precise measurement of teaching effectiveness is virtually impossible.

However, strict accountability might force teaching into becoming an over-regulated endeavor. This trend could possibly even lead to accountability being placed on administrators, school boards, or other segments of the community which have an influence on student performance. Although this concept is attractive on the surface, Congress should be very skeptical of adopting any accountability plan unless it is clearly demonstrated to be effective in improving education.

In my discussions with teachers in my district, they point out several problems which are especially important to them. They urge that Congress be more sensi-

¹ 93rd Congress, First Session.

² 93rd Congress, Second Session.

tive to the problem of reducing classroom size to improve teaching effectiveness. They stress that teachers are grossly underpaid, and I strongly agree. Teachers also report that they are burdened with too many administrative tasks that reduce their teaching effectiveness. Funds should be provided to hire aides to handle classroom clerical chores and free teachers to do their job—educating.

I have only touched briefly on some of the critical problems Congress must focus on to be successful in education policymaking. The challenge is clear to us all. I am sure all of my colleagues appreciate the basic importance of education in our society. And I am convinced that quality education for the disadvantaged is the key to the solution of many other social problems.

I will continue to fight for adequate funding for vital education programs because this Nation's priority is the same as that which Benjamin Disraeli advocated for Great Britain in 1874 when he said to the House of Commons:

Upon the education of the people of this country the fate of this country depends.

PERSONAL FINANCIAL DISCLOSURE

HON. WILLIAM R. ROY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ROY. Mr. Speaker, today I submit for the RECORD and to the public my complete personal financial disclosure for the years I have served as a Member of Congress:

WILLIAM R. ROY—SUMMARY OF TAX INFORMATION

1971

(Married taxpayer with six dependent children).

Adjusted gross income, \$69,755.
Congressional salary, \$38,722; settlement of equity from prior medical practice* \$19,000; dividends, \$48; interest on debentures, \$1,200; capital gains (old medical practice) \$9,567; loss on partnership ventures (\$282); State of Kansas tax refund, \$1,583; honoraria ** \$1,970; less moving expenses, (\$2,053).

Total itemized deductions, \$13,036.
Taxes (real estate, local) \$5,324; charitable contributions, \$818; interest expenses, \$1,235; business expenses, \$5,659 (expenses of \$14,370 minus reimbursements of \$8,732).
Total taxes paid, \$24,883.
Federal income taxes paid, \$17,720.
Kansas income taxes paid, \$1,796.
Kansas intangibles tax, \$43.
Real estate and local taxes, \$5,324.

1972

(Married taxpayer with 6 dependent children).

Adjusted gross income, \$64,590.
Congressional Salary, \$42,500; Settlement of equity from prior medical practice * \$12,-

*Congressman Roy has not practiced medicine since entering Congress in January of 1971, nor has he derived any income for services rendered while a Member of Congress.

**Itemized accounting of all honoraria have been filed with the Committee on Standards of Official Conduct, House of Representatives, Washington, D.C., and are public documents.

000; dividends, \$79; interest on debentures and savings, \$1,210; capital gains, \$26; Honoraria, \$8,775.**

Total itemized deductions, \$19,909.
Taxes (real estate, local) \$3,240; charitable contributions, \$981; interest expenses, \$822; business expenses, \$14,716 (expenses of \$21,273 minus reimbursements of \$6,557); medical expenses, \$150.

Total taxes paid, \$16,208.
Federal income tax paid, \$11,546.
Kansas income tax paid, \$1,377.
Kansas intangible tax, \$45.
Real estate and local taxes, \$3,240.

1973

(Married taxpayer with four dependent children).

Adjusted gross income, \$74,256.
Congressional Salary, \$42,500; Settlement of equity from prior medical practice,* \$12,000; dividends, \$77; interest on debentures and savings, \$1,805; capital gains, \$24; Honoraria, \$17,850.**

Total itemized deductions, \$22,617.
Taxes (real estate and local), \$6,037; charitable contributions, \$1,031; interest expenses, \$4,461; business expenses, \$10,938 (expenses of \$27,053 minus reimbursements of \$16,115); medical expenses, \$150.

Total taxes paid, \$23,499.
Federal income tax paid, \$15,595.
Kansas income tax paid, \$1,805.
Kansas intangible tax, \$62.
Real estate and local taxes, \$6,037.

ASSETS

Home, Topeka, Kansas.....	\$60,000
Home, Washington, D.C.....	60,000
Lot, Shawnee County, Kansas.....	6,000
Cash value, life insurance.....	35,000
Contributions to Civil Service Retirement Fund.....	11,000
Equity, Keogh Retirement Fund.....	7,500
Equity, Retirement Fund (Drs. Tappen, Gleason & Ransdell).....	24,000
Medical Plaza Bldg. debentures.....	31,000
Corpus, William R. Roy Trust.....	25,000
Investors Diversified Equity Fund.....	13,000
Affiliated Fund.....	1,500
Municipal Bonds (Overland Park and Wichita).....	10,000
Equity, prior medical practice.....	4,000
Cash and personal property.....	21,000
Total assets.....	309,000

LIABILITIES

Mortgage, Home, Topeka.....	12,000
Mortgage, Home, Washington, D.C.....	36,000
Loan, Equitable Life Insurance Co.....	13,000
Total liabilities.....	61,000

Net worth..... 248,000

SUMMARY

Total taxes paid, 1971-73.....	64,590
Federal income taxes.....	44,861
Kansas income taxes.....	4,978
Kansas intangible tax.....	150
Real estate and local taxes.....	14,601

The above report includes a statement of my present net worth and statements of income, deductible expenditures, and taxes paid during my years of service in the United States House of Representatives.

My net worth has diminished from \$306,000 in June of 1970, when I announced for Congress, to the present amount of \$248,000. One of the reasons for this is that Jane and I have had the privilege of paying for 12 years of higher education for five of our children who have completed or entered college during that time.

WILLIAM R. ROY,
Member of Congress.

THE STRANGE CASE OF HAVIV SCHIEBER

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ASHBROOK. Mr. Speaker, on several occasions I have drawn attention to the case of Haviv Schieber, a 63-year-old resident of the United States for the last 15 years, who the Immigration Service has been trying to deport to Israel for overstaying his visitor's visa in 1959. While in the United States Mr. Schieber has led a constructive, exemplary life, employing members of minority groups in his housing rehabilitation business in New York City. As I have pointed out in the CONGRESSIONAL RECORD, several U.S. Senators, businessmen in New York City, and several organizations have gone on record as recommending permanent status for Mr. Schieber as a desirable resident of the United States. An excerpt from one commendatory letter regarding Mr. Schieber bears repeating:

Haviv Schieber has also exhibited fantastic results in working with minority labor through his ingenious program of forming workers in small collectives, who then take jobs on a contract base. Result, the individual who has always worked on an hourly scale, a little more than if he were on welfare, is now in business for himself, has pride and monetary reasons for self-assertion, works faster, learns quicker, and earns a hell-of-a-lot more. And the beautiful part of this is that the contractor needs 70% less supervision, and the job is completed on an average of 62% of the time.

The Anaheim Bulletin of June 11, 1974, carried an excellent rundown of the case by Allan Brownfeld, who has for a number of years, as a lawyer, writer and lecturer, covered a wide range of issues here in Washington. In addition, on June 15, the Conservative Party of New York State passed a resolution at its convention supporting Haviv Schieber in his fight to live the rest of his life in the country he has served so well in the last 15 years.

There follows at this point the Brownfeld article and the text of the above-mentioned resolution:

STRANGE CASE OF HAVIV SCHIEBER

WASHINGTON.—Haviv Schieber is a 63-year-old Israeli citizen and a resident of the United States for fifteen years. Last month, he attempted suicide rather than be deported to Israel where he charges he will be subjected to torture and humiliation due to his political beliefs and activities. Schieber is a utopian, believing in what he calls a "Holy Land State" in Palestine, in which Jews, Christians and Moslems will have equal rights.

Appearing on his behalf before the House were Senators James Buckley, R-New York, and Jesse Helms, R-North Carolina, and Rep. John Ashbrook, R-Ohio. Yet, despite the fact that Communists and criminals are rarely forced to leave the country, Haviv now faces forcible removal.

The U.S. Immigration Department has apparently treated Schieber in a high-handed manner, attempting to place him on an airplane to Israel without even permitting him to obtain an electric razor and suit from his apartment before leaving for the airport. He was refused permission to call his lawyer and his lawyer was not notified of his imminent deportation. According to Schieber,

when he asked to have his personal effects from his apartment he was refused. Instead, Immigration officials forced on him two luggage bags containing writings and tapes authored by him and whose subject matter was both anti-Communist and anti-Zionist. He protested that his material, upon inspection in Israel, could well inflame passions against him. When he asked that the material be left behind, he charges that Immigration officials placed tags on the luggage bearing his name and readied them for delivery to the plane.

Rep. Ashbrook stated, "If the allegations raised against Immigration people in the deportation attempts are true, and if they are representative of deportation cases, they do raise serious issues of due process and violation of basic human rights."

Haviv Schieber was born in Poland and risked his life helping Polish Jews escape from Nazism to Palestine in the late 1930s. He spent several years in Israel after World War II, serving in the Israeli army and then rehabilitating housing, at no profit to himself, for Jewish refugees.

Schieber is an outspoken supporter of democracy and of free enterprise. He has appeared on many platforms speaking in opposition to Communism, he has donated blood for Vietnam servicemen and has founded a successful construction firm in New York, specializing in rehabilitating low-income housing for which work he has received many letters of commendation, including one from an agency of the New York City government. In his firm, Schieber has made special effort to employ minority groups and returning Vietnam veterans. The Bronx chapter of the National Congress of Puerto Rican Veterans has praised Schieber and actively opposes his deportation.

Who seeks his deportation? This is not clear. Schieber himself places some of the blame upon men in the New York State Immigration Office with "extreme pro-Israel feelings," including the District Director, Sol Marks, who has himself been a guest of the Israeli Government traveling to Israel at the expense of that government. The New York Post has reported that an Israeli official described Schieber as a "troublemaker," and Schieber believes that the deportation effort is primarily aimed at silencing him and his unorthodox political and religious views.

Schieber, a soft-spoken, intense man, has never had a criminal record in either Poland or the United States. He does claim to have been arrested in Israel 18 times for his political activism in which he declined to work within the existing major political parties, which he views as socialistic and Marxist. He also has expressed opposition to what he believes are the exclusivist policies of Israel, which hold that Jews everywhere in the world have more rights in that state than do Palestinians who were born there. Haviv Schieber may have unpopular opinions, but in a society such as ours freedom of speech protects him in their expression.

The Immigration Department charges that Schieber was guilty in Israel, of a crime of "moral turpitude," a basis for deportation. What was that crime? Mr. Schieber, when he was mayor of a small Israeli town, was charged with the theft of two street tiles to construct a symbolic post office when his town, Beer Sheba, had been denied a post-office. This certainly appears an unusual basis for deportation.

Despite the fact that Schieber seems clearly to be under attack because of his views, the House Immigration subcommittee refused to consider his case, which was originally tabled in 1969 by Judiciary Committee chairman Emanuel Celler. Consider some of the

legislators who voted against Schieber—Joshua Ellberg of Pennsylvania, Elizabeth Holtzman of New York and Jerome Waldie of California—all liberal Democrats, all expressing great concern for the right of Soviet Jews to emigrate to Israel but showing no concern about the right of one Jew—Haviv Schieber—to remain in America.

Reviewing the facts, Rep. Ashbrook expresses the view that Haviv Schieber should be permitted to remain. He states that, "Mr. Schieber's views are his own. My concern for his future is on a humanitarian basis, the nature of the Immigration case against him and on the equities involved in the case."

The Immigration Subcommittee would not even hear the case. If this is a case of American justice, Haviv Schieber must be wondering what the world has come to. He had more faith in America than that.

RESOLUTION PASSED BY THE STATE COMMITTEE OF THE NEW YORK STATE CONSERVATIVE PARTY

Whereas, Haviv Schieber has lived and worked in the United States for 15 years as a successful building contractor, paying taxes and giving employment to literally hundreds of Americans, including members of minority groups seriously disadvantaged in the building trades; and

Whereas, Haviv Schieber, self-exiled from Israel due to harassment because of his anti-Communist and anti-Zionist activism, has repeatedly sought political asylum in our country; and

Whereas, despite the support of many prominent Americans, including highly respected members of Congress, residency in America has been denied to Haviv Schieber; and

Whereas, in the latest attempt to deport him, Haviv Schieber was imprisoned in maximum security detention facilities for four months without being charged with any crime and denied bail; and

Whereas, after a suicide attempt, the New York Immigration authorities tried to deport Haviv Schieber with 20 stitches in his left arm, heavily sedated, and bound in a strait jacket; now therefore, be it firmly

Resolved that the State Committee of the New York Conservative Party, meeting this fifteenth day of June, 1974, do hereby

(1) Protest to all the governmental authorities involved that the recent treatment of Haviv Schieber constitutes cruel and unusual punishment;

(2) Join with Rep. John M. Ashbrook of Ohio in requesting Rep. Peter Rodino, Chairman of the House Judiciary Committee, and General Chapman, head of the Immigration Service, to order a full investigation of the affair; and

(3) Urge the members of the House Subcommittee on Immigration to reconsider its (procedural) vote on the Haviv Schieber Bill and allow Senator Buckley's bill for Mr. Schieber to be placed before Congress.

CRUDE OIL

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. BROWN of Ohio. Mr. Speaker, I would like to share with my distinguished colleagues the following excerpts from a presentation, which recently came to my attention, by Mr. C. E. Spahr, chairman of the board of the Standard Oil Co. of Ohio.

The fact that Sohio believes there is going to be a surplus of crude oil on the west coast and that the surplus can be transported to energy-deficient areas of the country is an encouraging sign that we will be able to achieve energy self-sufficiency. I commend the reading of this speech to my colleagues:

EXCERPTS FROM A PRESENTATION BY
MR. C. E. SPAHR

I expect that most of you gentlemen are aware that, in spite of the many frustrations that we and our associates in Alaska experienced before finally obtaining a Federal right-of-way permit for the trans-Alaskan pipeline early this year, we have been going forward with the necessary development work in that part of the Prudhoe Bay field for which we are responsible as operator, through our agent, BP-Alaska. To date we have drilled 60 wells; installed two of the three gathering centers that have been delivered; and erected a prefabricated base camp and operations center, which was moved up by barge from Seattle. By continuing our one rig drilling program we expect to complete the development of the field by the time the pipeline is ready. It is likely that a second rig will be moved in just prior to start-up of production to complete wells and do whatever remedial work is called for on the earlier drilling. We continue to feel that a total of 72 wells will be sufficient for the west half of the field, which we will operate.

Through 1973 we had invested about \$250 million in the production facilities, and we estimate that our total cost will be at least \$600 million including our share of required gas reinjection facilities. Unlike the pipeline, all interest costs resulting from this phase of North Slope activity have been and will continue to be expensed as they are incurred. Our capital expenditures for North Slope production activities should amount to more than \$100 million this year.

On January 23 of this year the long sought and hard fought right-of-way permit for the trans-Alaskan pipeline was issued by Secretary Morton, some five years after it was first requested. This is a critical permit, but only the first of a substantial number of permits that will ultimately be required. We obtained the state right-of-way permit in April 1974 and we are hopeful that there will be no undue delays in obtaining other necessary permits. Construction of the service road north of the Yukon River is under way, as is site preparation for the pumping stations and the Valdez terminal. The construction schedule contemplates completion and start-up by mid-1977. We do not foresee any reasonable prospect that this timetable can be accelerated.

The line is designed to have an ultimate throughput capacity of 2 million barrels per day. Plans call for increasing throughput in stages, with initial throughput of 600,000 barrels per day. Stage two requires the construction of additional pumping stations and storage to reach a throughput of 1.2 million barrels per day. The long delay in getting started while work continued on the production facilities now dictates that the second stage be initiated promptly in order to maximize the possibility of achieving a 1.2 million barrels per day rate by the time the pipeline is completed and tested. We feel that the main Prudhoe field will have an MER of about 1.5 million barrels per day. Additional oil must be discovered in order that the ultimate 2.0 million barrels per day capacity of the pipeline may be utilized.

The line is estimated to cost about \$4.0 to \$4.5 billion at the 1.2 million barrels per day capacity. Sohio's share is currently about 28%. However, our leases cover better than

50% of the reserves assigned to the Prudhoe field. Therefore, our interest in the line will increase. Present indications are that Sohio and British Petroleum Company, combined, will be required to take approximately 50% of the line. It is expected that Sohio's portion will be about 34%.

A critical determinant of the ultimate expansion of TAPS to 2.0 million barrels per day throughout capability will be the success of exploration efforts in northern Alaska outside Prudhoe Bay. Very little exploratory drilling was done on the North Slope or elsewhere in inland Alaska while the fate of the transportation system was in such doubt. However, as construction of TAPS progresses, I believe that the pace of exploration will increase. It seems reasonable to me to assume that other oil fields will be discovered either on shore or off shore the North Slope of Alaska. I mentioned in my opening remarks that Sohio has a working interest in about 59,000 net acres in Alaska apart from Prudhoe Bay. It is more important to note that we have some interest in roughly 450,000 gross acres and that we expect to participate in future exploration in these areas at some later date.

One of the after effects of the oil embargo has been a reassessment of the chances of a crude oil surplus developing on the West Coast when North Slope oil comes to market. When we consider the effects of higher product prices and conservation efforts, we conclude that the growth rate in West Coast demand will be reduced from the previous 6-7% annual rates. Greater efforts to increase production brought about by Project Independence plus higher crude oil prices, provided they are not blunted by adverse tax legislation, are now expected to result in crude availability in excess of that previously projected. As a result of a reduced demand growth and increased supply, the probability of a surplus developing on the West Coast is high enough that it must be considered in our planning efforts. Judgments have been expressed that oil reserves on the North Slope of Alaska outside of the proven Prudhoe Bay area may be sufficient to bring total TAPS throughput up to 2.0 million barrels per day. Other areas offshore in southern Alaska and California are also believed to have potential for substantial new crude reserves.

Because of the increased probability of a surplus developing, we are actively looking at alternate means of moving crude oil from the West Coast to the interior of the United States. Williams Brothers is currently doing a feasibility study to help us identify the best potential port and pipeline route consistent with economic and environmental considerations for moving up to one million barrels per day of crude oil from the U.S. West Coast to points of connection with existing pipeline systems east of the Rocky Mountains. Completion of such a project would be scheduled for shortly after start-up of the trans-Alaskan pipeline. We anticipate that should a commitment be made to build a pipeline to a point east of the Rocky Mountains, ownership would be shared with other crude oil users.

**THE MONTH OF JUNE PROCLAIMED
AS COMBAT HUNTINGTON'S DIS-
EASE MONTH**

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ROE. Mr. Speaker, this year in many areas of our Nation the month of June is formally being observed as Com-

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bat Huntington's Disease Month and I know you and our colleagues here in the Congress will want to join with me in national recognition of this first nationwide proclamation of the people to bring public awareness to the desperate need for a national commitment to harness our vast advances in science and technology to unlock the mystery of this dread disease that insidiously gnaws at the hereditary genes of our populace spreading its tragic consequences from one generation to another.

Every year, thousands of families are faced with the tragedy of the disease known as Huntington's Chorea. This dominant genetic hereditary disorder produces progressive deterioration of the brain until death, and only manifests itself when the victim is in the prime of life. Since the symptoms of Huntington's disease appear when the victims are past childbearing age, the debilitating gene may have already passed to their offspring. The slow progression of the disease often means spending 10 to 15 years in an institution, which, in turn, decimates family resources, while the offspring of the victim, unsure of their own fate, must save considerable sums of money to avoid a similar fate, to say nothing of the emotional chaos that they must endure.

Since introducing legislation in the House on January 22, 1974—my bill H.R. 12215, known as the National Huntington's Disease Control Act—to establish a special comprehensive program to combat Huntington's Disease by providing Federal assistance for the diagnosis, prevention, and treatment of, and research in this tragic disease, 27 of our colleagues have joined with me in the sponsorship of this legislation, as follows:

The Honorable:

Bella S. Abzug (N.Y.)
Les Aspin (Wis.)
Bob Bergland (Minn.)
Jack Brinkley (Ga.)
George E. Brown, Jr. (Calif.)
James A. Burke (Mass.)
Yvonne Brathwaite Burke (Calif.)
Silvio O. Conte (N.Y.)
John Conyers, Jr. (Mich.)
Dominick V. Daniels (N.J.)
Joshua Eilberg (Penn.)
Richard T. Hanna (Calif.)
Augustus F. Hawkins (Calif.)
Henry Helstoski (N.J.)
Elizabeth Holtzman (N.Y.)
James J. Howard (N.J.)
John E. Hunt (N.J.)
John M. Murphy (N.Y.)
Donald W. Riegle, Jr. (Mich.)
Matthew J. Rinaldo (N.J.)
Peter W. Rodino, Jr. (N.J.)
Edward R. Roybal (Calif.)
Fortney H. Stark (Calif.)
Gerry E. Studds (Mass.)
Frank Thompson, Jr. (N.J.)
Morris K. Udall (Ariz.)
Antonio B. Won Pat (Guam)
Senators Clark (Iowa) and Bayh (Ind.)
introduced similar legislation in the Senate.

Mr. Speaker, during these past few months I have also had the privilege of receiving the overwhelming, heart-stirring and awe-inspiring pleas of families throughout America who are faced with the tragedy of the disease known as Huntington's Chorea. They are truly soldiers of our communities and one of the

greatest honors is the fact that I have personally had the opportunity to meet and discuss with the outstanding champion of their cause and founder-organizer of our country's national organization, the Committee to Combat Huntington's Disease, Inc., Mrs. Marjorie Guthrie, widow of Woody Guthrie, the internationally renowned folk singer prominently known for the ballad, "This Land Is Your Land," who died of Huntington's Disease in 1967.

In tribute to the quality of Mrs. Guthrie's courage and leadership and her untiring, unselfish dedication to help control and prevent the genetic neurological disorders of our people, I would like to call to your attention the following news article written by the Oakland Tribune staff correspondents, Marina Gottschalk, which appeared in the May 16, 1974, issue of the Tribune:

[From the Oakland Tribune, May 16, 1974]

ONE WOMAN'S FIGHT AGAINST DISEASE

(By Marina Gottschalk)

For 15 years Marjorie Guthrie saw her husband slowly dying of Huntington's Disease. She stood helpless as he suffered from uncontrolled jerks and spasms, garbled speech, continuous physical deterioration.

She was told nothing could be done. She says she is ashamed because she believed what she was told. "I wanted to be a dancer. I worked hard and long to become a dancer. With that determination, how could I not do anything, believe that nothing could be done?"

Mrs. Guthrie was in San Francisco recently for the 28th annual meeting of the American Academy of Neurology. We visited with her just before her return to New York.

"I started coming to these meetings four years ago," she said. "I knew that everyone with the disease, or their family, would eventually go to a neurologist. So I wanted to meet these people, to talk with them."

Woody Guthrie, the legendary folk singer, died in 1967. Since then, his widow has been involved in a tireless campaign to educate the public, organize families with HD histories and establish an HD research center.

"In the beginning, I only wanted to talk about HD. That's no longer the case," said Mrs. Guthrie. "I don't want an HD research center anymore. I've learned and I'm talking about much more."

She has what she calls an "umbrella approach. I want basic research, not targeted research. I am talking about all the genetic components, all the neurological disorders, and even about the aging process because that's deterioration just as HD is deterioration."

"Anything that can tell us about the basic chemistry of genes and chromosomes might help us in any or all of these diseases."

Mrs. Guthrie is determined that public attention will focus on genetic and neurological diseases as it has on heart and cancer research.

She quotes Dr. Victor McKusick, dean of the medical school at Johns Hopkins University, who says there are already more than 2,000 known genetic disorders and estimates that 25 per cent of the patients in the country's hospitals are there because of genetically based diseases. Another estimated 20 per cent are in hospitals for neurological disorders.

Seven years ago, when Marjorie Guthrie decided to do something about Huntington's Disease, she was alone. The Committee to Combat Huntington's Disease consisted of one person. But she was determined, and when necessary, pushy.

When Marjorie found out that a reporter

was interested in doing a story on her son, Arlo Guthrie, she convinced the reporter a story should be done about her work. As a result, Marjorie met six people who were interested in working with her. The more she campaigned, the more people she found who wanted to work with her.

Once you've met Marjorie Guthrie, that is not at all difficult to understand. A warm, sincere, genuine woman, who possesses an energy and vibrancy many would envy, it is difficult not to become involved. As a result, there are now 50 chapters throughout the country, composed of thousands of volunteers. Some just care. Some have the disease or have family with the disease. And there are doctors who have found they can learn as well from Marjorie's work.

No cure for HD is known at present, although there are medicines available to lessen some of the symptoms. Offspring of HD sufferers have a 50-50 chance of getting the disease. If they don't get it, their children will not. If the trait stops in one generation, future generations don't have it.

Physical therapy, a good diet are two things recommended for those with HD.

Research is, of course, the basic step in finding out more about HD and finding a cure for it. "I want an in depth research study," Mrs. Guthrie said, "to find out where we are going, what we're doing with genetics. And, of course, for this funds are needed."

Mrs. Guthrie suggested that if anyone is interested in getting information about HD, or wants to help in the work the committee is doing, they should write to her at the Committee to Combat Huntington's Disease, 250 West 57th Street, New York, N.Y. 10019.

"You know, if I die tomorrow, I know this problem will be solved," said Marjorie Guthrie. "But if I live, I know it will happen sooner."

The national headquarters of the Committee to Combat Huntington's Disease, Inc., which now has 50 chapters throughout our Nation, is located at 250 West 57th Street, New York, N.Y., 10019 and I wish to commend to you the following officers and trustees of this committee, as follows:

OFFICERS

The Honorable:
Theodore Bikel, National Honorary Chairman.
Marjorie Guthrie, President.
Richard L. Branaghan, Executive Director.
Stanley Fahn, M.D., National Science Council Chairman.
John R. Whittier, M.D., Immediate Past Chairman.
Simon Horenstein, M.D., Secretary.

BOARD OF TRUSTEES

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John S. Pearson, Ph.D.
Sheldon C. Reed, Ph.D.
Lewis P. Rowland, M.D.
Daniel Sax, M.D.
H. Richard Tyler, M.D.

Mr. Speaker, as we join with these dedicated and purposeful leaders of our communities and citizens throughout our Nation in observing the month of June as Combat Huntington's Disease Month, I appreciate the opportunity to seek this congressional recognition of these brave and courageous people. If we are to com-

mit ourselves to the fundamental health of our Nation, we cannot ignore the cries of the over 100,000 victims of this debilitating genetic disease and must place the discovery of the cause of, and cures and treatments for, this dread disease in the highest national priority. I trust that many more of our colleagues will join with me in sponsoring the Huntington's Disease Control Act in our quest for priority consideration of this most important legislative proposal in order to expedite its presentation for the vote of approval by the Members of Congress.

ANALYZE BEEF PRODUCTION COSTS

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ABDNOR. Mr. Speaker, recently much attention has been directed toward the plight of the Nation's meat industry and difficult situation created among farmers and ranchers because of the depressed prices for livestock.

To help my colleagues better understand what this situation actually means to individual operators out in rural America, I would like to share some information which has been brought to my attention. The following information is based on typical ranching conditions in Meade County, S. Dak. As these figures are examined, I ask that the reader bear in mind that the return on a calf sold at the present time is substantially less than it was in 1973, while nearly all other costs are up sharply.

The analysis of production costs in a ranching operation follows:

ANALYZE BEEF PRODUCTION COSTS

Two Meade County ranchers have tried to make an honest attempt to find out calf costs by using the Guidebook For Planning a Farm or Ranch Business, known as Extension Service, S.D. State University.

The two ranchers are George Levin, Hereford, chairman of the board of the Independent Stockgrowers of America (S.D. Branch) and George Wunig, Hereford, a member of the state board.

The Guidebook said: "A financially successful farm business pays for: 1. All cash operating expenses 2. Depreciation 3. Interest on investment 4. Operator and family labor (going wage rates) 5. Management. The two ranchers submit their figures for a 100 cow ranch on the basis of land and equipment costs at the beginning of 1974. They ask other ranchers to use their own figures for a 100 cow ranch, or for any other number of cows, to see what they come up with.

The study assumes the following:
Feeder calf to be sold in October;
Replacement first calf as 2-year-olds;
90 percent calf crop;
16 percent replacement ratio;
1 bull for 25 cows; and
6 years average productive life of cow.

Capital investment per cow:	
Land—30 acres at \$60 per acre	\$1,800
Price of cow	400
Equipment	149
Bulls	48
Replacement heifers	56

Hay and grain	\$68
Saddle horses	8
Total	2,529
Direct cost of producing a calf	242
Return on capital investment	194
Management salaries to reflect 90 percent calf crop	84
Total	520
Average price of calves (1973)	233

Amount rancher was short on selling price for 1973, \$287.

Direct Cost:	
Equipment depreciation	15.00
Transportation and market	7.50
Taxes and insurance	20.00
Building repairs	6.00
Veterinary and drugs	4.50
Equipment and fence repair	20.00
Breeding fees	12.50
Mineral, salt	2.00
Supplement	11.00
Grain	10.00
Death loss, 10 percent	16.00
Cow depreciation, 7 percent	28.00
Gas, oil, fuel	12.00
Labor (16 hours at \$3)	48.00
Utility costs	1.50
Miscellaneous	4.00
Total	218.00

Equipment inventory (Meade County):	
1 Saddle	200
Small tools	1,000
Car, 1/2 value	3,000
1 Pickup	6,000
Tractor and farmhand	12,000
Tractor, mower, and rake	6,000
Miscellaneous	2,000
Total	29,800

Capital investment:	
3,000 acres at \$60 per acre	180,000
100 cows at \$400 per cow	40,000
4 bulls at \$1,200 each	4,800
16 replacement heifers at \$350	5,600
100 tons of hay at \$30	3,000
1/2 Equipment inventory	14,900
2 Horses	800
Grain	1,200
Total	250,300

Interest .07 \$17,521 or \$175 per cow unit.
Direct costs: \$218 plus interest (\$175) plus management and salaries (\$75) makes \$468 per cow. Adjusted to 90 percent calf crop is \$520 per cow for all operational costs.

PUBLIC HOUSING FOR THE ELDERLY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. KOCH. Mr. Speaker, the House has adopted a revised version of the section 202 direct loan program for elderly housing which will provide for participation by nonprofit housing groups in housing development. This is an important addition to the resources which can be used to assist elderly Americans who badly need housing assistance.

Beyond the section 202 program, however, I hope that the final bill when it

comes back from the conference with the Senate bill also includes an extension of funding for new housing for the elderly to be undertaken under the traditional public housing program.

At the present time, over 430,000 elderly households live in elderly public housing—over three-fourths of all the elderly housing assisted by the Federal Government. This elderly housing is located in all 50 States.

The record also shows that at the time

of the moratorium on new housing activity imposed by the administration in January, 1973, that there were over 200,000 applications for public housing which were pending, and are now in limbo. Based on the proportion of applications for elderly in recent public housing experience, I would estimate that at least 40 percent of these unfilled applications—about 80,000 units are for elderly persons. Again, they represent all 50 States.

To my knowledge, the public housing program for the elderly has been one of the most popular housing programs we have ever had. Even the administration has acknowledged its value. It is time that we got it moving again, and I hope that the final conference bill will include it.

A tabulation of this public housing activity by State is included for the RECORD:

PUBLICLY FINANCED LOW-RENT HOUSING

[Total program: Number of units projects and LHA's by activity status and State, as of June 30, 1973]

State	Total program		Number of active housing units, applications received	State	Total program		Number of active housing units, applications received
	Number	Elderly			Number	Elderly	
Alabama	54,091	7,313	9,324	Nebraska	10,416	5,656	250
Alaska	4,203	464	1,592	Nevada	5,358	1,599	1,379
Arizona	11,784	1,856	1,181	New Hampshire	5,502	3,127	608
Arkansas	18,813	7,259	4,293	New Jersey	58,252	20,608	4,499
California	86,942	17,097	8,960	New Mexico	12,003	1,781	2,131
Colorado	10,710	3,322	2,900	New York	141,800	32,879	1,778
Connecticut	22,321	8,350	1,335	North Carolina	62,328	11,999	21,453
Delaware	3,889	986	250	North Dakota	6,697	4,375	2,934
District of Columbia	14,225	2,917		Ohio	59,561	21,168	1,330
Florida	52,385	13,958	7,236	Oklahoma	32,058	6,765	9,002
Georgia	61,224	9,800	7,235	Oregon	10,351	3,565	485
Guam	350			Pennsylvania	91,107	27,375	6,795
Hawaii	6,088	2,120	470	Rhode Island	13,080	6,737	1,880
Idaho	2,021	822	965	South Carolina	28,247	5,301	13,623
Illinois	85,328	27,914	3,399	South Dakota	5,508	2,002	831
Indiana	22,358	9,144	2,075	Tennessee	43,887	9,115	2,603
Iowa	6,130	4,193	1,065	Texas	73,374	17,331	10,139
Kansas	12,755	6,989	3,765	Utah	1,567	587	350
Kentucky	26,924	7,777	3,595	Vermont	2,912	1,095	285
Louisiana	42,086	6,656	5,535	Virginia	29,911	3,118	9,273
Maine	5,315	2,398	955	Washington	21,879	8,423	3,200
Maryland	27,733	6,715	1,190	West Virginia	7,717	3,388	760
Massachusetts	55,878	17,814	7,285	Wisconsin	20,513	12,537	6,221
Michigan	38,528	17,411	8,667	Wyoming	813	308	
Minnesota	34,000	23,649	9,377	Puerto Rico	57,136	930	1,060
Mississippi	20,016	3,002	5,603	Virgin Islands	5,021	259	
Missouri	29,543	9,775	2,273				
Montana	3,387	486	440	U.S. total	1,656,115	432,209	1,402,834

¹ Most of the applications received were not removed from file per executive order freezing low-rent housing activity February 1973.

Source: Department of Housing and Urban Development, Housing Production and Mortgage Credit—FHA Division of Research and Statistics, Statistical Operations Branch, Jan. 22, 1974

Mr. Speaker, I have included these remarks as allowed under the motion by the gentleman from Texas (Mr. PATMAN) providing 5 days to revise and extend remarks concerning H.R. 15361.

SOVIET'S SUPPORT FOR INTERNATIONAL TERRORISM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 21, 1974

Mr. ASHBROOK. Mr. Speaker, the London Sunday Times for June 16, 1974, has provided us with the latest evidence of Soviet duplicity. The newspaper reveals that Soviet KGB officers are assigned to the Palestinian terrorist organizations to supply them with equipment and training. One Soviet supported group, the Popular Front for the Liberation of Palestine, has attempted to disrupt the American program for a peaceful solution to the Middle East problem. This organization was responsible for the recent terrorist attack on an Israeli kibbutz which resulted in deaths of three women. While the Soviet Union mouths platitudes about peaceful solutions, their terrorist clients carry out murderous

acts. The article from the London Times follows:

ARABS' TERROR SQUAD TRAINED BY RUSSIANS
(By Antony Terry, Berlin)

Western intelligence services confirmed last week that Russian secret service officers of the KGB and its army counterpart, the GRU, have trained, equipped and financed an Arab terrorist organization, the Popular Front for the Liberation of Palestine (General Command), which has claimed responsibility for last Thursday's raid on Israel's Shamir kibbutz in which three women died, including a 22-year-old New Zealand girl.

Object of the raid, according to the Palestinians, was to take hostages and free more than 100 terrorists held in Israeli prisons.

The four Arab terrorists killed in the gun-battle at Shamir carried a bazooka, grenade-launchers and Soviet-made submachine-guns and explosives. Arms and equipment of this kind, including sophisticated electronic rangefinders, telescopes and field glasses, have been arriving in the Middle East for some time along a Russian-sponsored arms "pipeline" which goes via Polish ports to the Syrian harbour at Latakia.

The man behind the PFLP(GC) is Ahmed Jibril, a former Syrian army demolition officer who has been to Russia several times for training.

Soviet support for him dates back five years and he now has a base in Moscow as well as supply and communications centres in several East European capitals, including Sofia and East Berlin.

Many of his Palestinian recruits have also

gone through Soviet sabotage and subversion courses run by KGB and GRU officers.

The Jibril guerrillas were led to step up their activities by President Nixon's visit to the Middle East. They admitted last week that the Shamir raid was timed to coincide with his visit and that the organization had carried out the raid as a "protest against a trend among Arab states toward a negotiated Middle East settlement."

Soviet involvement with the PFLP(GC) is kept at a highly secret level by the KGB so as not to conflict with official Russian policy of collaboration in the Middle East. The aim of the operation is to neutralize what the Russians call "rightist elements" among the Palestine Liberation movement who, they consider, are going too far and too fast in making their peace with the Americans.

One important reason why they decided to support Jibril rather than another Palestine guerrilla leader is that his group is not associated with Marxist-Leninist or pro-Communist ideology and is therefore regarded as a more acceptable "neutral" element by the Palestinians as a whole.

The master-minding of Jibril's organization is effected directly by Soviet diplomats stationed in the Middle East who are also KGB officers. One of these is Yuri Ivanovich Starchinov, a 35-year-old officer who joined the Soviet embassy in the Lebanon as deputy military attache three years ago.

Starchinov was formerly a member of the "action group" of military and guerrilla experts maintaining contact with the Arab terrorists, which was set up by another Soviet diplomat who has since returned to Moscow. He is Alexander Victorovich Morozov, who

established close relations with various Palestine guerrilla groups as soon as he was appointed to the Soviet Embassy in Jordan in 1968.

The guerrilla warfare and sabotage training of the Jibril terrorists by the Russians is said in Western circles to be both thorough and effective. The chain of command from Moscow goes through the Soviet Ambassador in Beirut, Sarvar, Azimov, who is described as the "soul and animator" of the Moscow-Palestine guerrilla link-up designed to undercut newly restored US influence in the Arab world.

Jibril's group has become more active in recent months, as several of his best re-

cruits returned from training in Russia. Their exploits included the massacre at Kiryat Shmona, which was carried out by the group's Soviet-trained camp commander, in Syria. Abu Bakr.

In its less spectacular days, the Jibril group concentrated on making letter-bombs and booby-trapped parcels. One of these exploded in a Swiss aircraft in flight and all the occupants died. Another went off in an El Al plane after it took off from Rome airport in August, 1972.

The PFLP (GC) was formed as a separate organization after Jibril refused to obey the 1970 agreement signed with the Lebanese Government by the Palestine Liberation leader, Mr. Yassir Arafat, not to use Leban-

ese territory as a base or "corridor" for Palestinian operations into Israel.

For some reason, the Russians have always preferred to ship their arms supplies to Jibril's guerrillas through Polish ports rather than direct from Bulgaria, where the organization has its main headquarters in Eastern Europe.

Jibril has been receiving Soviet consignments of arms and equipment for the last four years. He has a "logistics and liaison officer," Abu Umar, who, like Jibril himself, is a former Syrian army officer. Umar seldom visits Western Europe but is said to spend a good deal of time in East Germany, which is an important communications link in the Arab terrorist network.