

tion at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mrs. MINK (for herself and Ms. HOLTZMAN):

H.R. 15705. A bill to amend the Mineral Lands Leasing Act to provide for a more efficient and equitable method for the exploration for and development of oil shale resources on Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MURTHA:

H.R. 15706. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Allegheny River, Pa., for potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. RANDALL:

H.R. 15707. A bill to provide emergency financing for livestock producers; to the Committee on Agriculture.

H.R. 15708. A bill to amend part B of title XI of the Social Security Act to provide a more effective administration of professional standards review of health care services, to expand the professional standards review organization activity to include review of services performed by or in federally-operated health care institutions, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. REUSS:

H.R. 15709. A bill to amend the Federal Reserve Act to permit the Federal Reserve Board to allocate credit to national priority needs; to the Committee on Banking and Currency.

By Mr. ST GERMAIN:

H.R. 15710. A bill to provide for the reimbursement of regulated public utility companies engaged in the sale of electric power at the retail level for any amount expended for residual fuel oil which is more than \$7.50 a barrel; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE:

H.R. 15711. A bill to amend the National Aeronautics and Space Act of 1958 to provide for the coordinated application of technology to civilian needs in the area of Earth resources survey systems, to establish within the National Aeronautics and Space Administration an Office of Earth Resources Survey Systems, and for other purposes; to the Committee on Science and Astronautics.

By Mr. TIERNAN:

H.R. 15712. A bill to amend the Federal Power Act to prohibit public utilities from increasing any rate or charge for electric energy, by means of any fuel adjustment clause in a wholesale rate schedule, in order to reflect any increased fuel cost; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H.R. 15713. A bill to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real

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property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land (rather than at its fair market value), and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower evaluation and recapture of unpaid taxes with interest in appropriate circumstances; to the Committee on Ways and Means.

By Mr. BOWEN:

H.R. 15714. A bill to amend the Consolidated Farm and Rural Development Act to provide for emergency loans to certain producers and processors whose livestock and poultry have been condemned because of chemical contamination; to the Committee on Agriculture.

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

H.R. 15715. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to permit donations of surplus supplies and equipment to older Americans; to the Committee on Government Operations.

By Mr. CONTE:

H.R. 15716. A bill to amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology; to the Joint Committee on Atomic Energy.

By Mr. DANIELSON:

H.R. 15717. A bill to establish the Relocation Benefits Commission to provide assistance to citizens of the United States who were relocated under the authority of Executive Order No. 9066, dated February 19, 1942, and for other purposes; to the Committee on the Judiciary.

By Mr. FINDLEY (for himself, Mr. DENT, Mrs. HECKLER of Massachusetts, and Mr. PRICE of Illinois):

H.R. 15718. A bill to amend title 18 of the United States Code to permit the mailing, broadcasting, or televising of lottery information and the transportation, mailing, and advertising of lottery tickets in interstate commerce but only concerning lotteries which are lawful; to the Committee on the Judiciary.

By Mr. FREY:

H.R. 15719. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of certain increases in monthly benefits under the Social Security Act and other Federal retirement programs; to the Committee on Veterans' Affairs.

By Mr. FREY (for himself, Mr. CONTE, and Mr. MARAZITI):

H.R. 15720. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

ENERGY AND THE ENVIRONMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington Report entitled "Energy and the Environment":

ENERGY AND THE ENVIRONMENT

The objectives for an energy policy in this country are a reliable supply of energy, at reasonable cost, without undue dependence upon foreign sources, and with safeguards for the quality of the environment. As with many questions of social policy, the difficulty is in achieving all of those objectives simultaneously. The conflict between two of these objectives—protecting the environment and expanding the supply of energy—has arisen often in the Congress during the past year, and will be a common problem for energy

policy in the years ahead. Energy enhances the quality of life in countless ways, but it also pollutes. Offshore oil drilling risks spillage on beaches, coal strip mining defaces the land, burning coal produces sulfur oxides and particulate matter in the air, and cars burning gasoline produce carbon monoxides and other air pollutants.

A tendency exists to pose an unavoidable choice between sufficient energy supply or protection of the environment. This choice is, in my view, misleading. The single-minded pursuit of any sole objective will

By Mr. GRAY:

H.R. 15721. A bill relating to approval of certain matters pertaining to the Dwight D. Eisenhower Memorial Bicentennial Civic Center; to the Committee on Public Works.

By Mr. HEINZ:

H.R. 15722. A bill to amend the Internal Revenue Code of 1954 to allow an individual to elect a tax credit for 50 percent of his charitable contributions in lieu of the deductions allowed for such contributions; to the Committee on Ways and Means.

By Mr. JONES of Tennessee:

H.R. 15723. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. MARAZITI:

H.R. 15724. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the authority of the Secretary of Health, Education, and Welfare with respect to foods for special dietary use; to the Committee on Interstate and Foreign Commerce.

By Mr. MINISH:

H.R. 15725. A bill to provide property tax relief to low-income elderly homeowners through direct reimbursements; to the Committee on Ways and Means.

By Mr. SYMMS (for himself, Mr. JONES of North Carolina, Mr. POWELL of Ohio, Mr. HUNT, Mr. JOHNSON of Pennsylvania, Mr. STUBBLEFIELD, Mr. BURLESON of Texas, Mr. STUCKEY, Mr. BAFALIS, Mr. HUBER, and Mr. MYERS):

H.R. 15726. A bill to repeal the Occupational Safety and Health Act; to the Committee on Education and Labor.

By Mr. VANDER JAGT:

H.R. 15727. A bill to amend title IV of the Social Security Act to provide means of enforcing the support obligations of parents of children who are receiving assistance under such title, and for other purposes; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 15728. A bill to amend the Alaska Native Claims Settlement Act; to the Committee on Interior and Insular Affairs.

By Mr. ASHBROOK (for himself, Mr. QUIE, Mr. MOSS, Mr. CLEVELAND, Mr. DOWNING, Mr. MADIGAN, and Mr. GILMAN):

H.J. Res. 1082. Joint resolution to prevent the abandonment of railroad lines; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL (for himself, Mr. WHITE, Mr. EDWARDS of California, Mr. SCHROEDER, and Mr. STARK):

H.J. Res. 1083. Joint resolution relating to the publication of economic and social statistics for Americans of Spanish origin or descent; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BROTHILL of Virginia introduced a bill (H.R. 15729) for the relief of Arthur Carlson, which was referred to the Committee on Armed Services.

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lead us astray. The task of government policy is to strike an appropriate balance between these objectives. Energy policy must take action to increase the supply of energy, but also guard against procedures which would seriously damage the environment for decades to come.

The Congress has tried to strike that balance in several instances in recent months. Automobile emission standards and stationary source (any source of pollution other than vehicles) emission standards have been postponed. In other legislation, the Congress has shown a willingness to waive or defer the environmental impact statement on federal actions affecting the environment in order to accommodate the demand for energy, as in the legislation approving the trans-Alaskan pipeline.

Despite these instances of accommodation by the Congress on the conflict between energy supply and a safe environment, it is essential to recognize, as Russell Train, the Administrator of the EPA, has reminded us, that the energy shortage and the threat to the environment stem from a common source: patterns of growth which waste our energy and lay waste our environment. It is not required that the nation abandon either its search for new energy sources or its efforts to improve the quality of the environment, because the solution to the energy shortage is basically compatible with the efforts to enhance the quality of the environment.

Several illustrations of this fundamental compatibility are apparent. Recycling is a constructive way of coping with the mounting piles of solid waste building at the rate of 300 million tons each year, and it is also a good way to conserve energy. The Council on Environmental Quality has determined that the use of recycled materials can reduce air emissions, the quantity of waste, and the amount of energy consumed as compared to the use of virgin materials. Already several cities are benefitting from recovery processes which separate paper, glass, and metals from municipal trash and convert waste to energy in the form of steam, electricity, or fuel.

Mass transit systems can reduce the use of the automobile, which is at once the number one polluter of air and consumer of gasoline. Shifting to bus and rail systems would improve the quality of the air and conserve energy. Auto emission controls, which now increase the consumption of gasoline and cause a $\frac{1}{3}$ mile per gallon loss, will soon be improved to actually increase gas mileage.

With the pressures of industrial development, population growth, and rapid urbanization, land has become the nation's most important and valuable resource, and careful choices in its use in locating housing, schools, industry, recreational, and commercial areas will protect the environment and save energy, too.

Both goals—an adequate supply of energy and a clean environment—require two further steps: (1) The conservation of energy must be encouraged. Despite the recent relief from the gas shortage with the resumption of Arab oil imports, the energy shortage is here to stay for the next several years. Energy consumption continues to outstrip production, and with the difficulty of increasing supplies substantially, lower consumption through conservation is necessary. (2) The search for alternative sources of clean energy must go forward. Geothermal energy, coal gasification and liquification, nuclear fusion, and solar energy hold much promise in the long term as solutions to the energy shortage which are compatible with efforts to safeguard the environment.

RURAL BANKING SERVICE

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. SEBELIUS. Mr. Speaker, I am sure we would all like to go back to the days of the penny postcard, nickel cup of coffee, and when two bits could be used for some other purpose than to be gobbled up by an automatic vending machine.

It has not been too long ago that a businessman could get a loan from his friendly hometown banker at a prime interest rate that did not go into two figures. I would like to inform my colleagues that contrary to popular opinion, those days are not gone forever. What with our U.S. Postal Corporation calling the shots, the penny postcard has gone the way of the buffalo but you can still get a cup of coffee in some places in western Kansas for a dime with no charge for a smile. Most important, the prime rate is 8 percent in Ulysses, Kans., at the Grant County Bank, and Floyd Pinnick is in fact the epitome of your friendly and helpful hometown banker.

In the recent July issue of the respected Forbes magazine, there is an article concerning the Grant County State Bank and how this community bank serves the surrounding community. More important, in this day of inflation and uncertainty, the article points out how in rural and smalltown America, community bankers are providing a traditional service to their citizens despite adverse economic trends nationally. I commend this article to the attention of my colleagues. As Floyd Pinnick states:

My bread and butter depends on how I serve my customers.

He is serving them very well indeed and that means he, and many men like him throughout our rural areas, are providing a valuable service to agriculture and to our Nation's consumers.

The article follows:

SMALLTOWN, U.S.A.

Ulysses is a farm town in southwestern Kansas, county seat of Grant County, midway between Wichita and Denver. It has, among other things, 4,379 people, 20 churches, three new-car dealers, one (nontopless) go-go dancer and a local bank with assets of \$26 million. On a per capita basis—excluding the go-go dancer, a nonresident based in Oklahoma City—Ulysses' Grant County State Bank has more money than New York's First National City Bank, which has \$46 billion in assets.

There is, of course, a flaw in the comparison. Citibank, though the largest, is just one of 28 banks in New York City, while Grant County State Bank is the only bank in Ulysses. In fact, it's the only bank in all of Grant County, an area half the size of Rhode Island. The nearest competitor is some 22 miles west in neighboring Johnson.

The average New Yorker probably has never heard of Citibank Chairman Walter Wriston, but it's nearly impossible to find anyone in Ulysses who doesn't know Floyd Pinnick. As president of Grant County Bank, Pinnick sits

in a small, glass-enclosed office, just behind the four tellers on the main banking floor. He is visible to all, and usually ready to accommodate customers who want to turn a visit to the bank into a social occasion.

Floyd Pinnick is out of the mainstream of U.S. banking, but he is hardly an anachronism. Nearly half of all banks in the U.S. are in towns like Ulysses with populations less than 5,000. These 7,000 small banks have combined assets of \$40 billion, only 5% of the nation's total. The majority of them are still a major force in their communities.

In many ways Floyd Pinnick is a typical country banker. He is a Republican, community activist, pillar in the Methodist Church. He graduated from Kansas State University in 1935 with a major in rural banking. He married the daughter of the town banker, and eventually became the bank's major stockholder. Pinnick, now 60, has been president of Grant County Bank since 1957.

Contrary to what you might expect, Floyd Pinnick's house isn't the biggest in town—that honor goes to a local contractor. Pinnick is involved in no area businesses besides the bank. Over the past few years he has given up his majority ownership of bank stock by parcelling out shares to his sons and to three young officers whom he has elevated to the board of directors. But many a high-powered big city banker could envy Pinnick's 15-minute walk to work and his position in the community.

"We have the responsibility for allocating resources here," he says. And he points with pride to the results. The area, once the center of the Dust Bowl, is now dotted with prosperous farms and a miniature industrial boomtown. "We made a lot of the initial loans for pumps and motors get irrigation started," explains Pinnick. His bank also helped the county's biggest employers get going. These include a locally owned tractor cab company, Ansel Manufacturing, an irrigation pipe company (whose owners, Pinnick is unhappy to say, sold out to U.S. Industries) and the largest cattle feedlot in Kansas.

"Around here, people can see what we're doing with their money," explains Sam Forrer, a bank vice president. "If they don't like it they can come in and complain to the folks who make the decisions. If they're really mad, they can withdraw their money and take it to another bank or even start a new one here." That last alternative, of course, is easier said than done. New bank openings in Kansas average only three a year.

Even though he runs the only bank for miles around, Floyd Pinnick feels it's unfair to label him a local monopolist. "Seven or eight nearby banks are strong competitors," he says. "To all our country customers, where they bank is just a matter of which way they turn the pickup when they go out the driveway."

Gone are the days when farmers and bankers were bitter enemies. The current prosperity of Ulysses' farmers makes it hard to find critics of the local lender. "Floyd has always run a good bank; he cooperates with everybody," says Fred Maxwell, a farmer, and one of the town's few Democrats. "Of course, he and I never talk politics in the bank."

One of Pinnick's pet peeves is branch banking, which is forbidden by Kansas law. "That's one of the reasons you've got ghettos in New York City" says Pinnick. "The fundamental financial institutions aren't run by people who live in those neighborhoods. All a branch manager cares about is moving to the main office, but my bread and butter depends on how I serve my customers."

The rule of thumb among small bankers is that no more than 60% of total assets should be on loan at any time. The rest of a bank's

money is invested in cash, municipal bonds or low-risk government securities. That gives Pinnick about \$16 million to use, and—as usual—he's loaned to the limit. Over half the money is out on operating loans to farmers; most of the rest goes to businessmen. The bank avoids long-term home loans.

Pinnick doesn't have to worry about Penn Centrals or Lockheeds, but the business is not without risk.

"The higher our loan percentage gets, the more restless I am at night," he says. "This is risky country." A big-time farmer can borrow near the bank's \$240,000 lending limit, and hail or a bad wheat market can wipe him out. New business ventures aren't as safe as conventional loans, but Pinnick knows he can't walk away from them. Examples: a group of farmers who've begun a natural-food canning plant and an Indiana-based popcorn processing operation the bank helped finance.

HOME GROWN MILLIONAIRE

Despite some loan losses, of late Grant County Bank has earned good money—thanks partly to top commodity prices. "We figure a small bank ought to net 1% after taxes on its total assets," says George Sisler, a Chicago-based consultant specializing in bank acquisitions. Pinnick's bank just about made it: It earned \$241,000 in 1973—a 12% return on equity. Sisler estimates that a controlling interest in the typical country bank is worth about 1.5 times book value. On this basis, with Grant County's book of nearly \$2 million, Pinnick's near majority stock

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interest makes him a home-grown millionaire, even though he doesn't live like one.

One reason that Pinnick's near monopoly does not yield monopoly-style profits is that he does not charge borrowers what the market would bear. "Our prime rate here is 8%," he says. "You'll get it if we don't think we'll have to worry too much about you. Interest is one of a farmer's biggest expenses, and our people don't like to see it bobbing up and down after we've set up a deal. We only change the rate from year to year.

"We can stay pretty removed from the money markets because our main industry—agriculture—develops its own capital," he explains. "And remember, we're tapping a little different source of funds." His bank attracts about 25% of its assets with time deposits, including 5% passbook accounts. Pinnick has pulled in another \$2 million in cash from his more affluent customers by selling them participations in the bank's government-backed Small Business Administration and Farmers Home Administration loans. These pay savers up to 8%.

Meanwhile, Grant County State Bank goes on loaning money profitably at 8%. Farmers in Ulysses are reaping the benefits of two prosperous years in a row—though some vow they could use a little more rain right now. And Floyd Pinnick eagerly awaits the completion of a new \$800,000 building—with four drive-in windows—that is under construction.

"It might just be," he says, leaning back in his swivel chair, "that we've got the best little bank in the whole world."

RESULTS OF PUBLIC OPINION POLL OF OHIO'S 17TH DISTRICT

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. ASHBROOK. Mr. Speaker, tabulation of my 14th annual opinion poll of the residents of the 17th Congressional District of Ohio has just been completed. Once again the response was excellent. Hundreds of letters, notes and marginal comments were included with the completed polls. I appreciate my constituents' response to the questionnaire as it is one more method of getting their views on a number of this issues facing this country.

The poll once again attempted to cover a wide range of domestic and foreign policy issues. As I have often said before, representing the people of the 17th Congressional District is a two-way street. Having the benefit of their views on the issues covered by this opinion poll, as well as thousands of comments on a variety of other topics, works to our mutual advantage.

The results of the opinion poll follow:

1974 PUBLIC OPINION POLL OF 17TH OHIO DISTRICT

	Percent	Yes	No	Percent	Yes	No
1. Do you believe the energy crisis is:				8. Should Congress restore the death penalty for the most severe crimes?	80	17
(a) An artificial crisis, falsely created by the oil companies to increase their profits.	42			9. Should the United States convert to the metric system?	30	61
(b) A genuine crisis, for which the oil companies should not be blamed.	2			10. Should action be taken on a Federal level to comply with the report issued by the President's Commission on Marijuana and Drug Abuse calling for decriminalization of marijuana possession, but keeping penalties for sale of the substance?	44	48
(c) A genuine crisis, caused by misguided governmental policies.	4			11. Should a newsmen be required to testify in Federal court and disclose his sources of information on matters that jeopardize national security?	52	45
(d) A genuine crisis, caused by a combination of factors including international and political as well as mistakes of Government and the oil companies.	52			12. Do you approve of the "voucher concept" for educational assistance whereby a voucher representing the average per capita cost of educating each child may be spent by the parent at any public or private school?	40	47
2. In face of the current and impending energy shortages, do you favor these possible courses of action?				13. In 1970, under the Postal Reorganization Act, the U.S. Postal Service became an independent establishment, and daily operations were, for all intents and purposes, removed from Federal or congressional control. How would you rate your postal service?		
(a) Reduced Environmental Protection Agency air quality standards to allow increased burning of coal and/or atomic energy.	41			(a) Improved service	11	
(b) Increase the domestic oil depletion allowance as an incentive for oil exploration.	16			(b) Same service	49	
(c) Deregulate the price of natural gas.	7			(c) Worse service	40	
(d) Reduce new car emission standards.	29			14. Should amnesty be granted to those who left the country during the course of the Vietnam conflict to avoid the draft and, if so, under what circumstances?		
(e) Ration gasoline by issuing Federal coupons.	4			(a) Amnesty if he returns and completes his military service	22	
(f) Control retail prices in the petroleum field.	30			(b) Amnesty if he returns and completes a period of alternate service	30	
(g) Roll back gasoline prices by law.	35			(c) Unconditional amnesty should be granted	6	
3. Wage and price control legislation will expire on Apr. 30. Should the Congress:				(d) No amnesty under any circumstances	40	
(a) Extend the present legislation.	12			15. Do you think that governmental officials in Washington, D.C., have the right to inspect doctor's medical records of their patients?		
(b) Make wage and price controls tougher.	22			16. Should the United States continue to give economic and military aid and support to South Vietnam?	17	
(c) Not extend because wage and price controls have failed to halt inflation.	62			17. Should the United States attempt to maintain military superiority over the Soviet Union?	29	
4. A national health program for all citizens:				18. Should the United States maintain its perpetual sovereignty and control over the Panama Canal and the Canal Zone?	78	
(a) Should be established and operated solely by the Federal Government.	26			19. What do you consider the 3 major issues facing our country?	79	
(b) Should be established by the Government but operated through private insurance and medical organizations.	39			(a) High prices	65	
(c) Should not be established.	30			(b) National defense	27	
5. Would you favor a reduction of Government services and a corresponding tax decrease?	76	18		(c) Energy problems	33	
6. In 1973, the Supreme Court ruled that abortion was legal in most circumstances when the woman and doctor approve. What is your opinion?	49			(d) Shortages	20	
(a) I agree with the Supreme Court decision.	36			(e) Unemployment	16	
(b) I favor a constitutional amendment outlawing abortion except in cases of extreme potential danger to the mother.	7			(f) Watergate	20	
(c) I favor outlawing all abortion.	8			(g) Excessive governmental spending	55	
(d) I favor a constitutional amendment which will allow each State to decide on the abortion issue.	9			(h) Expanding governmental regulation	18	
7. Legislation has been considered at all levels of government to regulate land use. Which policy would you prefer?	34			(i) Tax reform	20	
(a) Strong Federal restrictions on use of all land.	50			(j) Foreign policy	7	
(b) Federal guidelines with control at State level.				(k) Other	5	
(c) Local and State government control only.						

CONFLICTS OF INTEREST AT THE
DEPARTMENT OF TREASURY

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. VANIK. Mr. Speaker, in recent months, I have been shocked by the callous indifference of the administration to conflict-of-interest problems which have arisen in Treasury and other agencies which critically affect vital policies of the United States.

It has recently come to my attention that William Johnson, formerly Assistant Administrator of the Federal Energy Office and presently in the office of the Secretary of the Treasury, will resign his post on July 9, 1974. It is my further understanding that Mr. Johnson will assume the post of "intermittent consultant" to the Secretary of the Treasury on July 15, 1974, at the highest allowable rate of over \$138 per day.

However, on June 6, 1974, Mr. Johnson was apparently hired on contract by the American Enterprise Institute, a private research group in Washington, to produce a paper for the institute on fuel allocation, a subject in which he and his FEO office have been deeply involved.

Of further interest, is the fact that Mr. Johnson was the person in charge of Mr. Robert Bowen, who was on leave of absence from the Phillips Petroleum Co. while working for the Federal Energy Office. It was Mr. Johnson who assured the FEO and the Treasury General Counsel that Mr. Bowen was not in conflict of interest in any way in connection with his work. Repeatedly, I have been assured by FEO's administrator, Mr. Sawhill, that Mr. Johnson assured him and Mr. Simon, that Mr. Bowen was not in conflict. The GAO, in its study of the Bowen case, saw fit to render it to the Justice Department for determination of whether conflict of interest violations have in fact occurred.

It now appears, from the facts of the Johnson activities both on the Federal payroll and with the American Enterprise Institute, that further conflict questions now exist of a most serious nature.

It is my hope that both the Justice Department and the Treasury Department will proceed with dispatch to resolve these two cases and others which might exist in FEO and Treasury to assure the American people that their Federal agencies are in fact working in the public interest free of apparent or real conflicts of interest.

I intend to continue my efforts to insist that the laws dealing with conflict of interest are adhered to, particularly in these sensitive agencies.

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JAPANESE AMBASSADOR SPEAKS AT
UNIVERSITY OF PITTSBURGH

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the University of Pittsburgh recently had the honor of hosting Takeshi Yasukawa, the Japanese Ambassador to the United States.

Mr. Yasukawa delivered a wide-ranging and frank address on Japanese-American relations, as well as the current state of the Japanese economy.

The Ambassador spoke directly to some issues that steel industry giants in our area viewed with alarm.

I know each of my colleagues, concerned with the problems facing all industrialized nations today, will profit from reading Mr. Yasukawa's remarks. I include them in the RECORD at this time:

JAPANESE-AMERICAN RELATIONS IN WORLD
PERSPECTIVE

(By His Excellency Takeshi Yasukawa)

You were kind to ask me to join you today. I welcome the opportunity to refresh my perspective by getting away from Washington from time to time, and hearing the views of business and academic leaders such as yourselves. It is the first lesson a diplomat should learn on coming to the United States—that this vast and diverse country has, not one, but many capitals, and you cannot get to know America until you know its Pittsburghs and other great regional metropolises.

I appreciate this opportunity for another reason. Pittsburgh, whose steel industry is vital to this region's economy, has had a chronic concern about competition from the Japanese steel industry. You are entitled, therefore, to a candid report on this important aspect of Japanese-American trade—the current situation in the trade, and the future outlook. I shall return to these specific questions in a moment. First, however, I should like to give you a broader report on the Japanese economic prospect, and Japanese-American relations, in light of recent international developments, including the phenomenon of rising world prices for fuel, food and other raw materials.

Through the last decade, the high-growth performance of the Japanese economy was one of the world's notable success stories, a kind of Horatio Alger tale in postwar economic literature. No other advanced industrial economy had ever before been able to sustain a real annual growth in GNP of more than 10 percent. This was a source of wonder and also, perhaps, of fear. There was apprehension in particular about Japan's rapidly expanding share of world trade—both its growing demand for fuel and raw materials and its rising volume of exports, which this resource-poor country had to sell in order to pay for its essential imports. There was concern in some quarters that the world economy might suffer from indigestion in response to Japan's rapid growth.

I think it is safe to say that those fears, whether they were valid or not, are now academic. First, last fall's cutback in world energy supplies, and more recently, the quadrupling of crude oil prices and the general upswing in prices for a variety of essential commodities, have hit Japan harder than any other industrial economy. Indeed, the new concern is whether, under these drasti-

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cally changed world market conditions, Japan will be able to maintain a viable economy. When I was in Japan last November, at the onset of the oil embargo, the public mood verged on panic, and there were gloomy predictions of zero or even minus economic growth in 1974.

The fear was of course based on recognition of Japan's extreme vulnerability in its dependence on imports. For example, Japan relies on oil for 70 percent of its total energy consumption, and is virtually 100 percent dependent on imports for its oil supply. We are also wholly dependent on imports for nearly all industrial minerals, and we must import a substantial share of our food and fibres. The United States, as a case in point, furnished us with over 90 percent of our consumption of soybeans, one of the most important staples of the Japanese diet.

As a result of higher prices, Japan's oil import costs will jump from \$7 billion last year to between \$15 and \$18 billion in 1974. Prices for various industrial raw materials and food imports have also been rising. The combined impact on Japan's balance of payments position this year is obviously going to be severe, not only because of the much higher import costs, but also because our export growth will be limited as an indirect result of costlier imports. Higher fuel and raw materials costs, reflected in higher manufacturing costs, coupled with wage increases of up to 30 percent in the labor contracts negotiated this spring, are pushing up the prices of our exports, making them less competitive in world markets. Japanese automobiles and TV, to cite two examples, are now considerably more expensive than their American competition, and the results are apparent in a flatter sales curve.

In light of these adverse developments, what are Japan's economic prospects?

First, I am happy to report that the gloom and near panic of last fall have disappeared. The worst possible situation, a prolonged cut back in energy supplies, did not happen, although the pricing problem—for other raw materials, as well as oil—is still with us. The era of abundant cheap fuel and raw materials is no doubt permanently ended. The new terms of trade are a great hardship, but the Japanese people are confident they can cope with this. Indeed, there is no alternative.

Second, the era of sustained Japanese growth rates of 10 or 12 percent annually, in real GNP, is also over. Japan's rise in real GNP in 1974 will be the smallest since post-war reconstruction—probably around 5 percent. Over the longer run, possibly the next 20 years, some experts believe that average annual growth will not exceed 6 or 6½ percent. I realize that this may sound high by North American or Western European standards, but it is very low for Japan. And it certainly means a postponing of the time when Japan catches up with North America in the full measure of living standards.

Third, there is also a bright side to these stringent new conditions. Domestically, the need to conserve our future consumption of fuel and industrial raw materials has actually been welcomed by a Japanese public deeply concerned about the hazards and nuisances of recent rapid growth in resource-consuming industries. Japan's high growth has meant excessive urban crowding, soaring land costs, dangerous levels of air and water pollution in some areas, and other noxious by-products. It has also meant a deferral of many of the proper rewards of growth—adequate housing and sewerage, sufficient parks and recreational facilities, adequate highways, and modern social welfare services and facilities. Some slowing of the rate of industrial growth—especially in those industries which consume large quantities of energy

and other polluting resources—would make it possible to shift more resources, both public and private, into quality-of-life activities, such as pollution abatement, housing and social welfare services. Indeed, on the basis of a growing national consensus over the past several years, this shift in priorities had already begun before we were hit by the energy crisis of last fall.

There are also important international benefits to be gained by this modification of Japan's economic-growth priorities. A slower growth in Japan's import requirements, especially for oil and other raw materials that are in finite supply, should be welcomed by the rest of the world economy. At least it will mean less Japanese pressure on world supplies and prices. However, that would be only a temporary relief unless we all cooperate in the development of alternative energy sources, and are also able to reach worldwide agreement on equal access to raw materials at tolerable prices.

Another international benefit of Japan's changed situation should be increased Japanese support for industrial development in the third world. For example, instead of building new steel and petrochemical plants in already overcrowded and polluted Japan, it would make very good sense for Japan to provide the capital, technology and managerial knowhow to construct such plants in developing countries, closer to the sources of raw materials supply. Thus those countries would have the benefit of greater value added to their natural resources, and thus higher earnings from exporting them. Japan would have to pay more for processed and semi-finished goods than for the original raw materials, but the prices would tend to be regulated by a supply and demand situation that would be more competitive than the current world market for these materials. In addition, normal returns on those overseas investments should help offset, for balance-of-payments purposes, the higher costs.

Japanese industrialists have been making these kinds of investments, involving a high degree of technical cooperation, for a number of years in Asia, Africa and Latin America. Now these efforts are being intensified, including in the Middle East.

There will be problems, however, and the most serious immediate problem is the deficit in Japan's international payments. The deficit in 1973, primarily because of the sudden rise in import costs, was \$13 billion. This year the forecast deficit is around \$7 or \$8 billion. Obviously Japan's international payments will have to be brought into nearer balance if we are to maintain—let alone increase—our levels of foreign direct investment and foreign economic and technical assistance.

Now what do these shifts and trends mean for the Japanese-American economic relationship?

This relationship, which involves the largest volume of two-way trade between any two overseas trading partners in the world, has had its stormy moments in recent years—as those of you who are in the steel business, or textiles, know very well. Yet for all practical purposes we have managed to work out every one of these recent problems. This includes the most disruptive problem of all, the \$4.1 billion U.S. deficit in 1972 in your trade with Japan. As I am sure you are aware, that deficit was slashed to a manageable \$1.3 billion last year, and in the first quarter of this year the United States earned a \$290 million surplus in its trade with Japan.

Japan and the United States, in other words, have reached a stage in our relationship where there are almost no irritating economic problems between us. This has come about because, with mutual goodwill, we have adjusted our policies and practices in order to insure maximum mutual benefit from the relationship. Japan, for example,

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has not only reduced its import barriers below the levels of most industrialized countries, it has also been actively promoting U.S. imports in order to achieve the trade turnaround we now have.

In this same spirit let me take this opportunity to assure you that despite the serious balance-of-payments problem which Japan now faces, we are determined to seek no short-term solution to this problem. That is, Japan will not resort to any unilateral measures to improve its payments position at the expense of any other country. Above all, I assure you the Japanese Government will not mount any new export drive, or adopt any measures designed to promote higher levels of exports.

I shall be very specific, in terms of Pittsburgh's own proper interests. I understand there is a rumor going around that the Japanese Government is now providing—or is about to provide—special, low-interest loans to our steel producers to facilitate exports. There is no truth whatsoever to this rumor. Loans of this kind were available from the Bank of Japan up until two years ago—for all exports. Export incentives of various types are in fact common to most exporting countries, including the United States. Japan, however, abolished this practice in order to help restore equilibrium to its trade with the United States and other industrial trading partners. We have no intention of resuming the practice.

In fact, Japan has for some time been applying voluntary restraints on its steel exports to the United States, in response to appeals from the American steel industry. Recently our actual steel exports to this country have not even reached these voluntary ceilings. Today, Japan's steel-export capacity is not even capable of meeting U.S. demand.

We take great satisfaction from the extraordinary progress Japan and the United States have made in recent years in bringing our close economic partnership to its present state of maturity. We are confident that whatever bilateral problems may arise in the future—and there are sure to be some in such a diverse and dynamic partnership—we have learned how to work them out before they reach crisis proportions. This is very important, because the most serious problems we are likely to encounter in the years ahead will not be bilateral problems at all. They will be multilateral.

Restructuring the world trading system on a more open and fairer basis for all nations is one such problem requiring multilateral cooperation. Reforming the world monetary system, to insure adequate liquidity and stability in financing world economic expansion, is another. Other difficult challenges include long-term solutions to world energy shortages and costs, stimulating adequate food production to meet rising world demand, better management of global environmental problems, and speeding economic development in the poorer two thirds of the world's population.

Fortunately Japan and the United States have parallel interests in each of these multilateral problem areas, and share similar views on what needs to be done. Our approaches may differ on specifics, which is only natural because of differences in our perspectives and our capabilities. But in all the essentials our objectives are the same. The real challenge is to work together effectively to achieve those objectives on a global scale, to join forces in helping to create a more open and more stable world economy in which all nations have fair access to each other's markets and raw materials.

This is especially important in this period of difficult economic transitions, while the old order is fading and a new economic order has yet to be put in place. In times like these there are very real dangers of a rise in eco-

nomic nationalism, protectionism, other beggar-my-neighbor policies, and a fragmentation or even collapse of the international economic system. As two powerful champions of free trade, Japan and the United States must combine efforts to resist such dangerous trends.

I should like to conclude with a similar though on current political-security problems. Here, as in the economic realm, the only viable solutions are multilateral. Just as world prosperity is indivisible, so is world peace. We are all now engaged in a difficult but vital errand of transforming the old cold war confrontations into stable and peaceful cooperation, regardless of differences in ideology. Once again, Japan and the United States share the same objectives, although our specific interests and capacities assign us distinct roles on such matters as expanding relations with China and the Soviet Union, or contributing in our own ways to international peace and security.

I mention this because I believe that recent developments in the nuclear field require a reaffirmation of Japan's firm and irreversible commitment to a nonmilitary, non-nuclear role in world politics. We do recognize that world peace depends on maintenance of the balance of power, on effective deterrence, and on continuing cooperation among the democratic powers on political and security affairs. It is for this reason that the Japan-U.S. Security Treaty forms one of the most important pillars of my country's foreign policy.

As Foreign Minister Ohira said in New York just last week, "For its ultimate security, Japan will continue to rely on the U.S. deterrent, while limiting the mission of the self-defense forces to protection of its own territory against conventional attack. I restate these policies," the Foreign Minister continued, "to emphasize how groundless is the speculation . . . that Japan, especially in the wake of the energy crisis, may be contemplating substantial rearmament and possibly even the development of nuclear weapons."

"I cannot state too forcefully," Mr. Ohira added, "that these options are not being considered by any responsible political leader or policy-maker in Japan. Indeed, it is fanciful to pretend that small, crowded and vulnerable Japan could defend itself against a determined aggressor, or that Japan could send its military forces overseas to secure sources of raw materials for its industry."

No, he concluded, "Japan is irreversibly committed to a non-military role in world politics."

In my earlier remarks I hope I have conveyed the nature of that role as we Japanese see it. Japan's world role, first of all, is to be true to the aspirations of its own people—to their fulfillment in freedom and dignity, with tolerance and respect for the aspirations of all other peoples. Second, our goal is to strengthen and enrich the bonds of common values and interests which bind us to the international community of democratic societies, and especially to our close partner and ally, the United States. Finally, Japan's mission is to be a good citizen of the entire world community, seeking more normal and flexible relations with our communist neighbors, and providing a helping hand and mutual benefits in our relations with the developing nations.

It sounds like a simple agenda, but I am sure you agree it will take fortitude and delicacy to carry out such a role. Fortunately, as we have demonstrated in the last few months, the Japanese are a resilient people, able to adapt to changing circumstances, and eager to get on with the important business before us. Fortunately, too, our two countries—the two most productive societies in the democratic community—are embarked on this great enterprise together. This is a cause for great reassurance among my peo-

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ple. I trust it is also reassuring to our great friends, the American people.

RESEARCH AND DEVELOPMENT AND THE PUBLIC-PRIVATE PARTNERSHIP

HON. STEWART B. MCKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. MCKINNEY. Mr. Speaker, as you know, many times in the past, I have taken the floor of the House of Representatives to voice what I feel to be the importance of continued research and development and its interrelationship with the public-private partnership. Inasmuch as I have persistently stressed this concept as a projected goal, I felt it incumbent upon me to report to my colleagues on a specific instance of this type of combined progress.

I am moved to comment on this today for I have just learned that the Union Trust Co., headquartered in Stamford and New Haven, Conn., has announced that it has installed for permanent use a novel electronic telecommunication system developed by a federally funded project; a system which has as its goals the conservation of gasoline resources and executive traveltine.

The system, which uses telecommunications techniques to conduct meetings between distant facilities without the need for travel, was developed by the national pilot New Rural Society project underway in northeastern Connecticut. The New Rural Society project is funded under a \$462,000 grant from the U.S. Department of Housing and Urban Development to Fairfield University to explore the applications of electronic communications to help improve the quality of life in rural America. The NRS project is being directed by Dr. Peter C. Goldmark, president of Goldmark Communications Corp.

Union Trust executives have been experimenting with the two-way teleconferencing system for the past several months to hold meetings between the bank's major facilities 40 miles apart in Stamford and New Haven.

The teleconferencing system is being used to link electronically its two major offices for many policy and other management meetings involving bank officials.

The system enables executives to carry on joint sessions without requiring any of the participants to travel from one city to the other. The system uses special stereophonic telecommunications technology to draw "sound images" to substitute for face-to-face meetings.

Commenting on the system's potential in conserving natural resources Michael H. Moskow, HUD assistant secretary for Policy Development and Research, said:

HUD is pleased to have made possible this demonstration of the substantial benefits which can result from innovative applications of existing technology. The teleconferencing development carried out as part of the New Rural Society project is a significant milestone in the effort to conserve our natural resources. We are particularly pleased to see private sector institutions investing

their money in systems developed through HUD's research programs.

The acquisition of the teleconferencing system by Union Trust is an example of how Government-funded research can be applied to refine technology to the point where it can be put directly to commercial use with resulting additional revenue for a specific project.

Mr. Thomas F. Richardson, president of Union Trust Co., said the bank's experience during system field-testing has shown that teleconferencing not only saves gas and travel time, but has helped increase efficiency by shortening the length of meetings.

"There is a definite inclination to stick to the prepared agenda and to relevant discussion. Also, we estimate conservatively that over the next 12 months 1,000 executive man-hours in traveltine will be saved, as will 11,000 auto miles," Mr. Richardson said regarding the bank's decision to retain the equipment for permanent use.

The system uses special acoustic technology to substitute for face-to-face meetings. Leased telephone lines link the communications terminals at both locations with specially connected microphones for each participant in a teleconference. The electronic linkage provides discrete sound images at each location for each conferee. As a participant talks at one location, his associates at the other location are able to identify him through the sound-imaging techniques and the stereophonic qualities of the system.

The system is the result of extensive laboratory research by the New Rural Society task force to develop imaginative techniques in telecommunications for attracting business and government operations to rural communities to provide people for the first time with a choice of living and working in an urban or rural environment.

In my view, the New Rural Society project is a superb example of the benefits gained through Federal funding for research to the tax-paying citizen. The Union Trust Co., of course, benefits from the discovery of the teleconferencing system thereby increasing its own effectiveness and prosperity and the resultant effect on the overall economy. The money received from Union Trust's purchase is reinvested solely for research on the part of the New Rural Society projects and with that, the beneficial cycle is renewed. The overriding asset of such research is progress toward a more constructive means of energy conservation; vital to society's survival.

In all efforts of this nature strengthen and sustain the basis need for cooperation at all levels in research for technological advancement and the progress of civilization.

WOMEN'S RIGHTS LEGISLATION

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mrs. GRIFFITHS. Mr. Speaker, this week the Library of Congress released

a comprehensive report on women's rights legislation enacted by or pending in the 93d Congress. Prepared by Morigene Holcomb, analyst in the Library's Congressional Research Service, the report documents a broad range of congressional activity of special interest to women.

Among women's rights measures already enacted by the 93d Congress are provisions extending minimum wage coverage to domestic workers; providing for the equal enlistment and commissioning of women in the regular U.S. Coast Guard Reserve; and prohibiting sex discrimination in various federally funded programs. The report describes these and other measures and traces the legislative history of each.

In addition to enacted legislation, pending legislation is reviewed. The report examines bills of special interest to women in areas such as abortion, child care, credit, education, employment, family planning, insurance, rape, private pensions, social security, and taxes. About 100 representative bills are identified with sponsors and committee referral. The report also provides background information on the issues and summarizes legislative action to date. I commend the Library of Congress for sponsoring the preparation of this report and I recommend the report to all who are concerned about the law's treatment of women.

ORANGE JUICE INDUSTRY KEEPING PRICES REASONABLE

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. VANIK. Mr. Speaker, in these days of skyrocketing prices, the American family is suffering marketplace disasters day after day as food costs make eating nutritionally balanced meals almost impossible. We see high costs of beef, pork, and lamb pricing these items out of reach of the average American diet, except, possibly on very special occasions.

At the same time we see the incredible sight of the Congress passing subsidy plans for the beef industry when it is the consumer who needs this subsidy just to put a decent meal on the table.

Yet, throughout this tumultuous time in the marketplaces of our Nation, the people who grow and process orange juice and other citrus products have continued to produce delicious, nutritious concentrates at prices Americans can still afford.

Orange juice at current prices constitutes one of the most desirable and nutritious foods available to Americans today at fair and reasonable prices.

I want to commend the citrus concentrate industry for policies which have increased consumption and which have added immeasurably to the health of the people.

The other producers of food and fibers have yet to learn that the domestic market is still the best and that any product that prices itself out of the reach of the consumer may price itself out of the American diet.

THE DISMAL SCIENCE LIVES UP TO ITS NAME

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. BADILLO. Mr. Speaker, for the past many months this Nation has been saddled with soaring inflation, a steadily rising rate of unemployment, rising taxes, the lack of real economic growth, and a variety of other severe economic dislocations, many of which have been seriously exacerbated by the so-called energy crisis. Throughout this period we have witnessed the administration's inept attempts to come to grips with this situation and the various unsuccessful devices employed to halt rising prices and stabilize the economy. We have also, it seems, become more conscious about general economics and we have seen and read a great deal about numerous economic theories—many of which have been proven inoperable in the present economic crisis.

Yesterday's New York Times carried a very timely article on the subject of economic theories and how so many of them have gone awry in trying to predict the future of the national and international economy and to effectively cope with the problems facing us. Because of the importance of the issue I commend this well-written article to our colleagues' attention and insert it herewith for inclusion in the RECORD:

[From the New York Times, June 26, 1974]

ECONOMIC THEORY GOES AWRY

(By Leonard Silk)

Among the casualties of the present inflation, economic stagnation, soaring interest rates and slumping stock and bond markets are major elements of modern economic theory. The economists, never the jolliest of men, are feeling even more dismal than usual—and guilt-ridden to boot.

Clearly they are in the White House doghouse.

President Nixon has boxed the compass of contemporary economic theory. He has successively been a disciple of Prof. Milton Friedman's monetarism, of the late John Maynard Keynes's fiscalism, of Prof. John Kenneth Galbraith's wage-price controls, of Prof. Paul A. Samuelson's dollar devaluation, of Professor Friedman's floating exchange rates, and finally back to Prof. Adam Smith's laissez faire and the old-time religion of cutting Government spending and balancing budgets.

Has the fault been in the execution of national policy or in the economic theories on which policy was based?

At every turn different economists—depending on which theory was currently receiving a workout at the White House—have put the blame on the politicians, especially for not holding to a line long enough.

That was the argument of the disciples of Professor Friedman who claimed that slow monetary growth was on the way to stopping inflation with only a modest increase in unemployment when the President switched to his new economic policy of Aug. 15, 1971, mixing price controls with fiscal stimulus.

Likewise, the fans of Professor Galbraith criticized the Administration for weakening controls when the 1972 election was out of the way—and just when controls were most needed.

THEORIES ARE FLAWED

Presumably, all economic theories are perfect and only political man is vile. In fact,

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however, all the currently contending economic theories are seriously flawed.

The first of these is the Keynesian fiscal doctrine, which was designed to give statesmen a means, in times of slump, for increasing total demand by cutting taxes or increasing expenditures enough to create full employment, and, in times of boom, to do the reverse—to reduce total demand enough to close the inflationary gap.

Admittedly, at high employment levels, a Government would have to decide between a little less unemployment or a little more inflation. But basically the problem of economic stability was held to have been solved.

The intended counterstroke to the Keynesian revolution was Professor Friedman's monetarist theory that a Federal Reserve policy of regulating the annual growth of the money supply to 3 to 5 per cent would assure reasonable price stability, high employment and fairly steady growth over time.

Automating monetary expansion would also obviate the need for detailed Government intervention in the economy and would permit steady tax reduction to reduce the bulks of government. This appealed strongly first to the conservative Senator Barry M. Goldwater, Republican of Arizona, then to Mr. Nixon.

The third major economic doctrine, most prominently urged by Professor Friedman, but also supported by a broad range of international economists without regard to political ideology, was the idea that floating exchange rates, free to move up or down in relation to changing national balance-of-payments surpluses or deficits, would restore equilibrium to the world monetary system.

Floating exchange rates would also liberate national economic policy from external pressures—for instance to pressure to deflate the economy and accept higher unemployment to support too high a fixed currency rate, or to suffer inflation as a consequence of holding to too low a fixed currency rate.

But all three of these doctrines, far from being symmetrical as advertised, have proved to be highly asymmetrical—that is, biased toward inflation.

Professor Samuelson, the Nobel Prize-winning economist whose economic textbook made Lord Keynes's theory accessible to millions of students all over the world, now recognizes that Keynesian doctrines, when combined with the normal political demands of electorates, are often an inflationary brew.

AGE AFTER KEYNES

Writing in the current issue of the Morgan Guaranty Survey, Professor Samuelson says: "We live in the Age After Keynes. Electorates all over the world have eaten of the fruit of the tree of modern economic knowledge, and there is no going back to an earlier age."

He himself does not want to go back, because he regards unemployment and depression worse evils than inflation. But he recognizes that "for anyone nostalgic for an era in which prices are reasonably stable and in which the purchasing power of money might even rise under the impact of cost-reducing technical change, the present general diagnosis may be profoundly pessimistic."

Friedmanism has done even worse in the marketplace of ideas and in the corridors of power, according to some observers. Henry Kaufman, a conservative economist who is a partner of Salomon Brothers, the big New York securities firm, has just attacked monetarist theory on grounds that, in the real world it works poorly—leads to an over expansion of credit, soaring interest rates, and disintermediation of funds from thrift institutions to commercial banks—and thereby worsens inflation.

Mr. Kaufman said at a conference sponsored by The Financial Times of London in New York earlier this month that "attempts at monetarism were a convenient vehicle for our central bank to shift to a technical ap-

proach as a way of escaping some of its basic responsibilities as the inflation took hold in recent years."

Mr. Kaufman favors intervention by the Fed to keep credit expansion reasonable. He would have the Fed use moral suasion, open letters of warning of disciplinary action, interest-rate ceilings, limits on housing and consumer financing and other forms of credit rationing, as it formerly did.

He said the removal of the Regulation Q ceiling on commercial banks' negotiable Certificates of Deposit, which was strongly supported by monetarists, had helped push interest rates sky high, had permitted commercial banks to increase their borrowings unduly and had increased the flow of money out of thrift institutions to commercial banks, jeopardizing the strength both of the savings institutions and of the housing industry.

Nor have floating exchange rates yet displayed a symmetrical effect in checking both inflation and deflation. Conceivably, in the long run, they will slow inflation by checking the tidal flows of dollars out of the United States. For the time being, however, many economists now believe that a depreciating currency in a time of inflation intensifies inflation in countries with payments deficits.

AMERICAN BEEF BOUGHT

Prof. Randall Hinshaw of the Claremont Graduate School in California noted that, following last year's dollar devaluation, United States beef was a "terrific bargain" for foreigners. Meat brokers rushed in and bought American beef until the price rose to the level of beef prices elsewhere.

But now that the price of beef is dropping, as higher prices have resulted in greater supplies, the Nixon Administration wants to buy surplus beef to help the American cattle industry. That is an example of how the modern "ratchet effect" works, to keep prices from falling, but not from rising.

Thus, as James Thurber might have said, we have seen beautiful theories slain by sordid political facts.

What is the lesson for economists? It might be, "All theory is gray and flawed; eat reality sandwiches, man."

* * * * *

This week President Nixon said, "We do not see a quick end" to inflation. With his Administration's forecasting record, this may be the best news in a long time.

HOUSE COMMITTEE REORGANIZATION

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. CULVER. Mr. Speaker, the privileged motion presented to the House today by the chairman of the Republican Conference (Mr. ANDERSON) deserved to be considered on its clear merits rather than as a matter of party prerogative.

The report and proposed reforms of the Bolling committee were addressed to the institution as a whole and seek to improve the working of this representative body over a long cycle of time. They are not intended to be fastened on the will of a single party, or a single faction, or a particular constellation of personalities.

The motion of Mr. ANDERSON gained added justification by the action of the Democratic caucus which routed the report into a subcommittee of no legisla-

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tive standing, invisible to the rest of the membership and the public, without guidelines, and with the evident intention to foreclose consideration of at least major parts of the select committee report.

It is not easy to be one of only seven Democrats to vote against the leadership ruling. But in good conscience—with my membership in the select committee and with my long espousal of congressional reform, I could not fail to support the Anderson motion which would require immediate consideration by the Rules Committee of the Bolling report.

It would be inconceivable to abort the painstaking and good faith work made over a year and a half by a genuinely bipartisan committee proceeding.

IRISH FREEDOM WEEK

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. REID. Mr. Speaker, I commend to the attention of the Members some brief remarks made earlier this week by our former colleague, Richard L. Ottinger, on the occasion of Irish Freedom Week.

He speaks with strength when he describes, with a good deal of accuracy, how the United States has turned its back on Ireland, and how the cause of Irish freedom merits the attention of Secretary Kissinger and others who can lend their talents to a solution of one of the most pressing, and most violent, struggles in the world today.

I insert in the RECORD Mr. Ottinger's statement:

REMARKS OF RICHARD L. OTTINGER

I am for Irish freedom! It is long overdue. What a tragedy it is that after all these years we should still have to be fighting the same battle, still rallying to the same cause, while our brothers and sisters in Ireland suffer and die.

It is long past time for the United States to use its good offices to restore peace, justice and freedom to Ireland. If the United States, wisely or unwisely, can send troops to fight in Korea and Vietnam, spending billions of our treasure and gallons of our blood, then surely we can at least speak up for freedom from British oppression in Ireland—which is all the Irish ask.

If Henry Kissinger can go around the world making peace with China and Russia, then surely he can spare the time to go to Ireland. If his genius can bring settlement among the Arabs and Israelis, surely he can at least direct his efforts to end the suffering and oppression in Ireland.

Yet, the United States has turned its back on Ireland. Nary a word has been heard from this Administration or any other protesting British injustices, from the Acts of Suppression to the current internment without trial. It is long past time for us to act.

Ever since I entered public life some ten years ago, I have been at your side, pleading the just cause of Irish freedom. I can't count how many of these rallies I have attended, how many resolutions I introduced during my six years in Congress, how many speeches I have made asking that our country concern itself with the fundamental deprivation of

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basic human and civil rights in Ireland. While in Congress I was able to place the history of the Irish cause in the Congressional Record.

I was proud to help in the effort to free our own Ken Tierney and his fellow prisoners from their unlawful confinement at the behest of the British government in the jails of Texas.

And I am proud to stand with you today, at this time of greatest anguish and crisis, to call once again for compassion, humanitarian standards, and action for liberty in Ireland by the government of the United States.

Historically, if the United States has stood for anything, it has stood for freedom. It has stood for justice. It has stood for the rights of all people to free expression and freedom to select their own governments. It is sad that we have, in recent years, failed these fundamental ideals, supporting repressive governments from Vietnam to Greece and Spain in the name of expediency.

I call upon the President. I call upon our brilliant Secretary of State. I call upon them to speak up for the cause of civil rights in Ireland and to use their good offices to end the bloodshed that derives from injustice.

Until the United States acts for freedom in Ireland, freedom won't be secure in any corner of the earth.

ELECTRONIC SURVEILLANCE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. KOCH. Mr. Speaker, Prof. Herman Schwartz, professor of law at the State University of New York at Buffalo, has written an excellent report entitled "A Report on the Costs and Benefits of Electronic Surveillance—1972." I would like to append material from this report for the information of our colleagues.

1971

1. Federal surveillance.

a. Authorizations and installations.

Federal wiretapping jumped sharply once again, this time to 285 authorizations and 281 installations; 56 extensions were granted. No applications were denied.

b. Offenses.

	Gambling	Drugs	Homicide	Kidnap	Other
Authorizations....	251	22	0	0	12
Installations....	248	21	-----	-----	12

The percentage of gambling jumped once more, this time to 87%, with drugs dropping to 7% and the Other accounting for only 4%. This drop seems inconsistent with the step-up in drug law enforcement and with the alleged value of electronic eavesdropping to that effort, see p. 79 below.

c. Place.

In 1971, as earlier, a few states accounted for the bulk of the eavesdropping, though the spread was much greater: New York (43), California (40), Michigan (35), and New Jersey (32), together accounted for over half.

d. Persons.

The total derived from the Appendix is 15,099, which is very close to the Admin. Off. Rep. figure of 14,893. The breakdown per offense:

fense, and the averages per installation by offense are:

	Gambling	Drugs	Other	All
Total.....	12,833	1,368	898	15,099
Average.....	52	65	75	54

These averages are again widely divergent from the earlier years. No ready explanation for these wide divergences comes to mind. The overall average of 54 is very close to the Admin. Off. Rep. figure of 53.

e. Conversations.

The Appendix and the Admin. Off. Report figures are very close: 256,720 for the Appendix and 257,396 for the Admin. Off. Rep. The offense breakdown and averages are:

	Gambling	Drugs	Other	All
Total.....	238,477	13,608	4,635	256,720
Average.....	962	648	914	914

f. Duration.

Again, the overwhelming number of installations were less than 20 days, with 14 on for 30-or-more days.

2. State surveillance.

a. Authorizations and installations.

Although the number of states with wiretap legislation increased by only one (to 19 from 18), with the number of states using the authority also rising by one (to 13 from 12) the number of authorizations and installations rose over 25% to 531 authorizations and 511 installations from the 1970 figures of 414 and 410 respectively.

b. Offenses.

The offense pattern showed a very sharp shift from the early surveillance in the first few years. Apparently following the federal example, whether consciously or otherwise, the states began to concentrate their wiretapping and bugging on gambling and, to a far less degree, on drugs. The 1971 figures for installations are:

Gambling	304
Drug	104
Homicide	18
Kidnap	1
Other	84

Fifteen additional gambling authorizations were not installed, swelling the gambling proportion even more. Thus, some 60% of the overall state tapping was for gambling, and 21% for drugs (including marijuana). This compares with a 1968 allocation of only 16% for gambling, and 42% for drugs.

c. Place.

As usual, New York and New Jersey accounted for most of the authorizations and installations: New York State prosecutors obtained 254 court orders, and New Jersey prosecutors obtained 187—a total of 441 out of the 531 total or 83%. This is a slight decline from the 85% and 88% in 1970 and 1969, respectively.

d. People overheard.

The average number of people overheard on these installations declined substantially so that the total number overheard did not increase as much as the 25% increase in installations might have been expected to produce. The overall average per installation was 34, (the 1970 figure was 43) and the total number of persons overheard rose to 17,410. This figure is also 723 more than the Admin. Rep. indicates (16,787).

The breakdown per offense (and the average number of people overheard per installation) are:

EXTENSIONS OF REMARKS

	Gambling	Drugs	Homicide	Other	All
Total.....	8,332	5,718	1,410	1,950	17,410
Average number per installation.....	27	45	78	23	34

e. Conversations.

The number of conversations overheard also rose very little, as the average number of conversations also declined—from 665 to 470. The total number overheard in 1971 was 239,909, as against 230,255 in 1970.

The breakdown per offense is again interesting:

	Gambling	Drugs	Homicide	Other	All
Total.....	150,269	43,773	5,150	40,717	239,909
Average number per installation.....	494	421	286	485	470

The great decline was in homicide interceptions, which in 1970 totalled 23,974. Otherwise, the averages did not decline so much and, where gambling is concerned, rose from 408 to 494.

f. Duration.

The sharp decline in average number of persons and conversations overheard is somewhat suspect for another reason: the actual number of days that electronic surveillance was employed rose almost exactly proportionately with the 25% increase in installations: from 8,837 in 1970, to 10,892 in 1971 (see Table 2 in Admin. Off. Rep.).

Again, there were some very lengthy installations among 445 reported (out of 511)—four of 200 days and over; five from 100–199 days; 25 from 60–99; and 88 from 30–59 days.

The mystery as to the proportionately low number of people overheard gets deeper, if one considers that not only did the number of days of surveillance increase, but the

number of conversations did not proportionately decline, except with respect to the relatively few homicide installations—indeed, the average number of conversations involved in the single largest and sharply increasing gambling category rose by about 25%, from 408 to 494, and the proportionate share of gambling installations rose from 50% to 60%.

The great decline was of course, in the "Other" category but it is hard to understand why. In any event, that category declined in numbers and proportion—from 95 and 23% to 84 and 16%.

Moreover, why should the state gambling average number of people come to only 27 while the federal average is almost double—52.

All in all, the figures seem quite mysterious and—at least where persons are overheard—quite understated.

SUMMARY TABLES—AUTHORIZATIONS AND INSTALLATIONS TOTALS: FEDERAL AND STATE

	Orders			Installations			People			Conversations		
	Federal	State	Total	Federal	State	Total	Federal	State	Total	Federal	State	Total
1968.....			174			174						
1969.....	33	269	302	30	260	290	4,256	10,400	14,656	41,929	144,300	186,229
1970.....	183	414	597	180	410	590	10,158	15,654	25,812	143,508	230,255	373,763
1971.....	285	531	816	281	511	792	15,099	17,410	32,509	256,720	239,909	496,629
1968-71 total.....	501	1,388	1,889	491	1,348	1,839	29,513	47,714	77,227	442,157	676,755	1,118,911

INSTALLATIONS BY OFFENSE

	Gambling	Drugs	Homicide	Kidnap	Other	Total		Gambling	Drugs	Homicide	Kidnap	Other	Total
1968:							1968:						
Federal.....	18	68	20	1	60	167	Federal.....	248	21	0	0	12	281
State.....							State.....	304	104	18	1	84	511
Total.....	18	68	20	1	60	167	Total.....	552	125	18	1	96	792
1969:							1969:						
Federal.....	20	4	0	1	5	30	Federal.....	388	64	0	1	38	491
State.....	78	.80	19	1	82	260	State.....	604	336	77	3	321	1,341
Total.....	98	84	19	2	87	290	Total.....	992	400	77	4	359	1,832
1970:							1970:						
Federal.....	120	39	0	0	21	180	Federal.....	56	57	11			56
State.....	204	84	20	0	95	403	State.....	29	53				43
Total.....	324	123	20	0	116	583	Total.....	52	65	78			54
1971:							1971:						
Federal.....							Federal.....	27	45				34
State.....							State.....						
Total.....							Total.....						

¹ Plus 7 not indicated as to offense, totaling 410 and 590.

AVERAGE NUMBER OF PERSONS OVERHEARD PER INSTALLATION, BY OFFENSE

	Gambling	Drugs	Homicide	Kidnap	Other	All offenses		Gambling	Drugs	Homicide	Kidnap	Other	All offenses
1968:							1968:						
Federal.....	59	23	20	22	21	25	Federal.....						
State.....							State.....						
Total.....	101	145	16	19	332	147	Total.....						
1969:							1969:						
Federal.....	48	27		19	54	40	Federal.....						
State.....							State.....						
Total.....							Total.....						
1970:							1970:						
Federal.....							Federal.....						
State.....							State.....						
Total.....							Total.....						
1971:							1971:						
Federal.....							Federal.....						
State.....							State.....						
Total.....							Total.....						

¹ Not indicated.

AVERAGE NUMBER OF CONVERSATIONS OVERHEARD PER INSTALLATION, BY OFFENSE

	Gambling	Drugs	Homicide	Kidnap	Other	All offenses		Gambling	Drugs	Homicide	Kidnap	Other	All offenses
1968:							1968:						
Federal.....	551	369	363	24	332	373	Federal.....						
State.....							State.....						
Total.....	1,512	1,778	1,100	21	921	1,446	Total.....						
1969:							1969:						
Federal.....	524	405		21	615	555	Federal.....						
State.....							State.....						
Total.....							Total.....						
1970:							1970:						
Federal.....							Federal.....						
State.....							State.....						
Total.....							Total.....						
1971:							1971:						
Federal.....							Federal.....						
State.....							State.....						
Total.....							Total.....						

RHODESIAN BISHOP DESCRIBES
PLIGHT OF BLACKS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. FRASER. Mr. Speaker, a few weeks ago I had the privilege of meeting a Catholic bishop from Rhodesia, the Reverend Donal Lamont, who also serves as chairman of the Justice and Peace Commission of the Rhodesian Bishops' Conference. Bishop Lamont, who is white and a native of Northern Ireland, described the deplorable conditions under which Rhodesian blacks are forced to live by the white minority regime of Ian Smith.

In a recent press release, Bishop Lamont stated that—

The brutal treatment of blacks in Rhodesia "differs not in essence, but only in degree, from the persecution of the Jews by the Nazis. Blacks are subjected to torture, denial of due process when arrested, and discriminated against in education and wages.

As the House considers the bill to repeal the Rhodesian chrome amendment, which was reported favorably by the Committee on Foreign Affairs this week, I urge our colleagues to take note of what Bishop Lamont has to say about the United Nations sanctions against the Smith regime:

Sanctions are the alternative to physical force. They are a civilized manner of imposing a penalty on those who violate the human condition. They are not a punishment for Rhodesia's declaration of independence, but for Rhodesia's violation of the most fundamental human rights.

We are told that sanctions hurt Africans more than Rhodesian whites. That's rubbish. They may reduce the possibilities of employment for the small number of blacks in industry but even those in industry, who are paid slave wages, want the sanctions in the hope of getting rid of the government.

Giving instances of the plight of the blacks, the bishop said further:

Because elementary education is compulsory for white children but not for blacks, the government is required to support education for whites, but not for blacks. Two percent of the gross national product, the total value of goods and services produced by the national economy, goes into the education of Africans, who are 22 times more numerous than whites.

Wages are 10 times higher for whites than for blacks and in many trades there are no apprenticeships for blacks.

The per capita income of those living on the peasant economy, 60 percent of the population, is \$29 a year.

The Tribal Trust land assigned to Africans comprises 47 percent of the land area, but only 18 percent is suitable for cash cropping. Africans are 94 percent of the population.

Of African children in school in 1972, 105,000 were not in school in 1973 because of the percentage control exercised by the government on those who can proceed further.

As long as the Rhodesian chrome amendment—or Byrd amendment—is in force, the United States will be contributing to the continuation of these gross violations of fundamental human dignity and rights.

EXTENSIONS OF REMARKS

FEA ADMINISTRATOR SAWHILL ENDORSES NUCLEAR POWER DEVELOPMENT

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. McCORMACK. Mr. Speaker, on June 26, 1974, John Sawhill, the Administrator of the Federal Energy Administration, addressed the American Nuclear Society.

I believe that Mr. Sawhill's comments are very well taken, and that they project policies for the nuclear industry which should be considered by all Members of Congress.

Mr. Sawhill's address is as follows:

VALIDATING THE NUCLEAR OPTION

Thank you for your invitation to address the American Nuclear Society, a prospect that I find both stimulating and intimidating.

It is intimidating in the sense that I am, as you know, a businessman and an economist; as such, I lack the technical background in nuclear energy to which so many of you have devoted your careers with such distinction.

Yet the task assigned to me as Administrator of the Federal Energy Office is vastly more intimidating. By November I must offer the President a plan by which the United States can achieve a capacity for energy self-sufficiency in the 1980s.

For the first time in our national history, an agency has been created by Congress at a President's request with this formidable mandate: to spell out a comprehensive national energy policy that has so far defied articulation, and to propose how it shall be implemented.

This, in brief, is the thrust of the Blueprint we are preparing for Project Independence.

But if this is an intimidating, almost overwhelming assignment, it is enormously stimulating. As Administrator, I must seek the best and broadest advice that is available, and for that reason I am delighted to be among you, to become personally known to you as my mentors in the times ahead.

Our energy needs today exceed our domestic capacity to meet them because of what we did, or failed to do, yesterday—we in Government, in industry, in the scientific community, or as private citizens.

I borrowed the title for this talk from the AEC's report, *The Nation's Energy Future*, which made the point—under the heading "Validate the Nuclear Option"—that "a self-sufficiency based on fossil fuels can only be temporary".

Certainly, if our sorry record of mismanaging fossil fuels is any warning, we cannot afford to lose any time in validating the nuclear option.

Today, when petroleum supplies most of the fuel for our nation's energy, we find ourselves importing 35 percent of the petroleum we need. And a rising share of that comes from the Middle East, where the flow has been interrupted by fighting four times since World War II.

A few producing nations grew to dominate 85 percent of the world oil export trade, and we drifted into a predictable crisis of overdrawn energy accounts at home, and an intolerable supply situation from abroad.

At least the October embargo and the unprecedented price increase for oil has shocked us into a sense of realism about our energy situation. And it has brought the Federal Energy Office into being.

So far, our efforts on Project Independence have focused on organizing teams of experts and contractors to assess the technical op-

tions for increased fuel supplies, and for fuel conservation, and to determine the physical or policy limits to their implementation.

Now the first results of this massive interagency effort are coming in. We have detailed estimates of the individual fuel supplies that may be available in the future, based on different policy and economic assumptions.

All these data are being analyzed to determine what is possible, given real world constraints, and what the cost may be.

This will give us a general approach to energy self-sufficiency, and particularly an assessment of the total cost to the nation of Project Independence. The costs will be economic, environmental and social, and one of the aims of energy R & D must be to reduce those costs.

This evening, however, the main thrust of my talk is nuclear energy and its relation to the overall picture. I cannot emphasize too strongly how impressed I am with the impact that nuclear energy can, indeed must make to our energy supply.

Even though everything feasible is done to increase our domestic supplies of other energy sources, nuclear energy will play an important role in the next 10 years, and a critical role in the decades that lie beyond the 1980s.

Our best and most recent projection suggests that by 1985, nuclear energy will contribute about 15 percent of the total energy used, and as much as 25 to 40 percent of our electrical energy.

With this deepening reliance on nuclear energy, I believe it is imperative that we discuss the topic in the context of three central issues: public acceptance of nuclear energy, uranium ore supplies, and siting of nuclear power plants and subsystems.

First, public acceptance. This is a sensitive issue since it involves concern over the technical problems of safety; concern stemming from a lack of knowledge and understanding of the issues; and the moral question of "how safe is safe enough?"

In viewing the risks of nuclear energy, I am struck by the fact that all acceptable methods for generating energy carry with them some public risks and environmental insults.

Therefore, we must be careful not to condemn any given energy option without considering the alternatives, and the associated risks.

Nuclear energy carries such a risk. A group headed by Professor Norman Rasmussen of MIT is just completing a study of the personal and property damage that could result from accidents to pressurized water reactor plants. This study involves an elaborate analysis of all the possible ways an accident could occur, with their probabilities and consequences.

The results are generally reassuring when they are compared with other risks to which people are exposed. For example, it is estimated that accidents which would be expected to lead to 100 or more fatalities have a probability of less than one in a million per reactor year.

The basic strategy of those in the business is to continue to reduce this risk, whatever it may be, commensurate with the overall costs to society. There are various ways in which this is being done:

Designing and constructing nuclear reactors to exacting standards and specifications;

Enforcing extreme quality assurance;

Standardizing components to increase the reliability and minimize chances of mistakes or failures;

Reviewing plans and designs at various stages of licensing and construction.

These all are familiar to this audience. While you may differ on how well these functions are performed, they are part of the pattern developed by the Atomic Energy Commission and industry to reduce the overall risks associated with nuclear energy.

June 28, 1974

What should be the role of FEA in this matter? We recognize that the public is concerned about the safety of nuclear reactors, the safeguarding of nuclear materials, and the management, treatment and disposal of radioactive wastes.

Since we have been charged with the responsibility for developing a national energy policy, we will examine these questions from the point of view of their impact on Project Independence, and we will support measures that will alleviate these concerns.

And we will work with the AEC to insure that the American people are as well informed as possible on this issue.

As we uncover new measures that will help confirm the validity of the nuclear option, we shall exert our influence to see that these measures are taken seriously.

Second, there is a question about our uranium resources—a disturbing question, because we are moving toward a heavy reliance on uranium without knowing how much is available to us.

The United States is already committed to facilities with the capacity to generate about 200,000 electric megawatts (MWe) of nuclear power. The projects we have made in connection with Project Independence indicate that by 1985, nuclear power capacity in burner reactors is expected to be 275,000 or more megawatts.

This amount of nuclear energy is almost equivalent to our 1973 domestic oil production. By the year 2000, nuclear energy may increase to upward of 1,200,000 electric megawatts; this could represent over 60 percent of the country's electric generating capacity.

Thus, our nation is committed to nuclear reactors as a primary element in our overall energy system. Even though a strong and vigorous effort is being devoted to breeder reactors, they will not have a strong influence on the industry until sometime after the year 2000. So we must look in the interim to burner reactors and to the uranium resources needed to fuel these reactors.

The average cumulative uranium requirements based on these projections will be about 500,000 tons of U_3O_8 for 1985, and 2,700,000 tons of U_3O_8 for the year 2000. These figures, however, do not include the forward reserves needed to support the industry.

The conventional extractive industries usually count on a forward reserve of eight to ten years. However, these are mature industries backed by years of experience and competence, which assures us that these reserves can be made available when needed.

The uranium industry is different; it is relatively young, about thirty years old, and it supports nuclear industry growing so fast that today's ten-year reserve becomes by the mid-1980's only a one to two year forward reserve.

Thus, a prudent policy for the rapidly growing nuclear power industry would dictate at least a twenty-year forward reserve; many advocate up to thirty years reserves. Allowing for this provision would increase the 1985 and 2000 requirements plus reserves to more than 2 and 7 million tons of U_3O_8 , respectively.

The supply of uranium is a function of price, which in turn is strongly dependent on the richness of the ore. And, to be sure, the cost of nuclear power is rather insensitive to the cost of U_3O_8 , in the sense that a sharp increase in the cost of uranium results in only slight increase in the cost of power.

However, for those ores from which the U_3O_8 is estimated to cost \$30 per pound, the uranium concentration is so low that even the richest ores require processing 20 to 25 thousand tons of ore for each ton of uranium oxide.

For example, mining the Chattanooga shales at costs in excess of \$100 per pound of U_3O_8 might be economically acceptable, but would devastate vast areas of Appa-

EXTENSIONS OF REMARKS

lachia's most beautiful hills. So we must examine alternatives which will avoid these ***

The AEC estimates of potential uranium reserves at up to \$30 per pound are about 2.4 million tons of U_3O_8 . Looking at these reserves in the context of projected requirements, remembering that we are only eleven years away from 1985, it is clear that between 1985 and 2000 we could be in deep trouble unless we take immediate and aggressive actions to guard against a potential uranium crunch.

In truth, the amount of our uranium resources in any price range is not really known. U.S. Geological Survey estimates that on the basis of the abundance of uranium in the earth's crust, the potential resources could be much greater than known reserves.

However, they are also concerned about the adequacy of uranium resources for meeting requirements. Others place the amount of uranium resources not far above the AEC's current estimates.

In view of these uncertainties and considering the marginal situation between estimated reserves and requirements, I consider that assurance of our uranium supply is a matter of vital importance.

Therefore, we must:

Determine domestic uranium resources as accurately as possible;

Provide incentives for private industry to develop these resources in a way to assure that U_3O_8 will be available when needed by the nuclear industry;

Develop methods for maximum recovery of ores in an environmentally acceptable manner;

Establish a prudent policy for the import and utilization of foreign sources of uranium;

Finally, the question of nuclear energy centers. I wish to discuss a strategy which I believe would reduce the small risks associated with nuclear energy, and—perhaps more important—increase public confidence in and acceptance of nuclear energy.

Moreover, we have reason to believe that the concept of nuclear energy centers may lead to significant economies of scale.

As I indicated earlier, the nation is committed to a nuclear power economy for a very long time, using reactors that impose a slight burden upon the environment and carry with them a small risk.

Frankly, I do not believe that the very small routine emissions from reactors and their associated systems account for the public expressions of worry about nuclear energy.

I think it is rather the other three issues—safety, diversion of nuclear materials, and waste disposal—that bother people.

The present reactor siting practice has resulted in 120 dispersed reactor sites throughout the country. As many as four to six reactors are planned for a few of these sites, but the average number of reactors per site will be small for a prolonged period unless something is done to alter the trend.

One development now underway that moves in the direction I have in mind is the concept of clusters of barge-mounted reactors anchored offshore. This concept appears to have considerable promise in some areas, but clearly it cannot be the total solution to the nuclear siting problem.

If we continue our practice of small dispersed sites, we may have about 500 sites by the year 2000, with the number continuing to increase thereafter.

This raises the question whether we should continue the proliferation of nuclear reactors over hundreds of sites throughout the country within the next 40 to 50 years. Each site would be in some degree encumbered with a problem of safety, diversion, waste disposal and public acceptance.

Is there some way of directing our country's nuclear development so as to minimize these concerns?

The strategy I have in mind would involve the establishment of nuclear energy centers where we could concentrate, in large packages, the production of nuclear power and its associated subsystems of fuel recycle and radioactive waste disposal.

If each site could tolerate 10,000 to 30,000 electric megawatts of power, the number of sites needed by the year 2000 would be on the order of 100 to 150 sites instead of four to five times that number.

Where such centers are feasible, the advantages they offer are compelling.

First, the centers would have good security at less cost, and there would be significantly less external transport of radioactive materials. Thus, the diversion of fissile material would be made even more difficult than it is now.

Second, the centers would be built over a long period of time; the construction force would be stable, and the reactors would be even safer, and would be built faster and probably cheaper.

Third, the centers would have larger cadres of experts on hand with sophisticated equipment. They would greatly reduce the possibility of accidents, and they would cope better with any that might occur.

Finally, the confinement of radioactive operations to relatively few spots on our planet would surely reduce the amount of land that fission could ever conceivably affect. For example, new reactors would simply be built next to old, decommissioned reactors.

Just how feasible are such large centers? Would the local climate be changed to an intolerable degree by such concentrations of energy production? Would the energy system be unacceptably vulnerable to the loss of a single such center?

Would the licensing of such centers be easier or more difficult than for dispersed sites?

Could blocks of electrical energy as large as 10,000 to 30,000 electric megawatts be transmitted? Could the utility industry, fragmented as it is, accommodate to such centers?

Could legislative restraints and social patterns be altered to permit these arrangements which will involve profound institutional and social adjustments?

These questions are now being studied. Indeed, Congressman Mike McCormack has submitted legislation to the House of Representatives formally proposing such studies, and Senator Henry Bellmon has introduced a bill in the Senate which would provide for a nuclear power park site survey.

We are by no means alone in this area of interest.

Two Japanese electric power companies have bought land for a 20,000 electric megawatt nuclear energy center, with construction to start around 1977. And the U.S.S.R. is building two fossil fuel energy centers of 16,000 and 22,000 electric megawatts, respectively, to be on-line in the mid-1980's.

So, if we assume that the technical problems with energy centers and with transmission are soluble, how do we proceed from the current situation—with our nuclear systems widely scattered—to the clustering of facilities that seems so sensible?

Because of the way in which the light water reactor (LWR) industry has developed, it is not practical to incorporate all existing reactors into such centers. However, by beginning now, and moving positively in this direction, I believe we could establish an acceptable pattern under which most reactors constructed after 1990 could be placed in nuclear energy centers.

With breeder reactors, the opportunity may exist to do something before they increase in large numbers. In the United States, the fission breeders built or planned are on sites that are already nuclear centers. I'm speaking of the AEC facilities at Idaho Falls,

at Hanford in Washington and at Oak Ridge in Tennessee.

So it ought to be relatively simple to locate liquid metal fast breeder reactors in a nuclear energy center environment from the beginning.

I do not wish to minimize the difficulties involved in developing these centers. Nuclear energy centers are not all-embracing, and do not give answers to all the problems.

Also, there are uncertainties to be resolved before the full extent of the application can be determined. The technical restraints are tough, and in areas such as transmission and climatological effects we still do not have all the answers. Furthermore, we have not yet thought through the social and institutional implications of such a change.

But, since nuclear energy centers could help resolve many of the issues that now threaten the viability of the nuclear option, an option which is in turn essential to meet future energy demands, I believe it is in our long-range interests to begin moving seriously in this direction.

Therefore, I urge this course of action:

First, we should carry out aggressively the studies that would resolve the remaining uncertainties about our siting policy.

And here I would call on you as members of the nuclear community to participate in the rigorous analysis that would be needed.

Second, if the studies show that there are no insuperable barriers to creating such centers—and I believe this will be the finding—then we should establish a firm national policy to locate nuclear facilities in energy centers beginning around 1990.

I recognize that these proposals are controversial, and that this talk is perhaps somewhat unusual for an ANS meeting.

Usually your speakers are people who have been closely associated with the nuclear community, and the nuclear community in some ways has been a closely knit, rather self-contained group.

Yet I feel that as Administrator of FEO charged with the responsibility for energy policy and implementation, it is important for me to raise critical questions about nuclear energy—question of public acceptance, of uranium resources, of nuclear centers.

The answers to these questions are crucial to the policy decisions which must carry Project Independence forward.

There seem to be impressive arguments in favor of the concept of nuclear energy centers.

Because this is so, I urge you to give these issues your immediate attention, and to work with us and with the AEC and others for their early resolution.

We need your best judgment on all the aspects that are involved, and we need it with the least possible delay.

Time is short, and the tasks are too complex for anything but the fullest cooperation of the nuclear community, industry, and government.

For the sake of our nation's future, we must validate the nuclear option.

You are the men and the women who can and who must spearhead this tremendous effort—and I feel enormously proud that I can join with you.

Thank you.

WHAT MY FLAG MEANS TO ME

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, I was very honored and pleased

EXTENSIONS OF REMARKS

to receive a poem written by a 10-year-old girl, Kathy Carney, who is a constituent of mine from Whitman, Mass. Her poem expresses what the flag means to Kathy.

In a 1917 Flag Day message, President Wilson said:

This flag, which we honor and under which we serve, is the emblem of our unity, our power, our thought and purpose as a nation. It has no other character than that which we give it from generation to generation. The choices are ours. It floats in majestic silence above the hosts that execute those choices, whether in peace or in war.

It is a pleasure for me to insert this poem in the CONGRESSIONAL RECORD as a tribute to the flag from one of our American youths who expresses what the American flag means to her generation.

Kathy shows in her poem how the character of the flag instilled by previous generations has not diminished to this day.

Kathy's poem is as follows:

WHAT MY FLAG MEANS TO ME

The flag is very brave
It looks so beautiful when it waves.

The stars are bright.
So pretty and white.

The stripes of red.
Are beautiful I said.

The background of blue.
To me means I love you.

The American flag
Will never be a drag.

REVENUE SHARING

HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. CHAMBERLAIN. Mr. Speaker, in view of the great controversy regarding the merits of the revenue sharing program before its enactment, I found a letter just received from Roy E. Trim, city manager of Howell, Mich., outlining what that community had done with the funds allocated to it of particular interest. I include his communication in the CONGRESSIONAL RECORD so that it may be noted how advantageously this small city of about 5,200, a county seat located in a rural area in the heart of Michigan, used its funds:

JUNE 18, 1974.

Hon. CHARLES CHAMBERLAIN,
House of Representatives

DEAR CONGRESSMAN CHAMBERLAIN: In some news articles I have read there were implications that congress is questioning the value of Federal Revenue Sharing.

Revenue Sharing has been a big help to the City of Howell. The first \$100,000 was used to help finance the present construction of a much needed sanitary interceptor sewer. The total cost of the project will be approx. \$550,000. This project was delayed over 10 years because of a lack of financing.

The next \$100,000 will be used to help finance the completion of a 12" watermain loop around the city to improve water pressure for fire protection. This project will cost approximately \$510,000. The first half of this watermain loop was completed more than 10 years ago but the City has been unable to finance the remainder.

June 28, 1974

By June 30, 1975, the City will have received approximately \$279,000 in its Revenue Sharing Fund, including interest received on the money until it is spent. The remaining \$79,000 is budgeted for construction of a new fire station. Purchase of a suitable site and construction of the station will cost at least \$250,000.

These three projects are only a small part of the City's capital improvement program for the future which is more than \$14,000,000. Future Street improvements is estimated at \$8,000,000. Many streets in Howell are in very poor condition.

The City has filed for a Federal and State grant to finance enlargement and improvements to the Sewage Treatment Plant estimated to cost \$3,000,000. The City's share of the cost will be approximately \$600,000. The City will have to sell bonds to finance the city's share of the cost.

The City tax rate on property owners is presently 18 mills on the State Equalized Valuation. This rate is higher than most cities in Michigan.

As you can see, the City of Howell's needs are great and Federal Revenue Sharing is a big help to us. We hope that the program will be continued in the future.

Sincerely,

ROY F. TRIM,
City Manager.

WILLIAM W. BELCHER, SR., OCTOBER 25, 1889-JUNE 23, 1974

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. NIX. Mr. Speaker, William W. Belcher, Sr., was born in Augusta, Ga., October 25, 1889, to Maggie Martin and Lucius Clinton Belcher. He was brought to Washington, D.C., at an early age and was educated in the public schools of the District of Columbia.

He lived a vibrant, colorful, dedicated life with strong feelings about work, friendship, family, religion, and life in general. Seldom was one in doubt about what he believed or where he stood.

In May 1938, William served as foreman to the jury for the Arlington County Circuit Court which upset a precedent set in 1779 barring the showing of movies on Sunday in Arlington County, Va., which for the first time presented a new interpretation on an old "blue law" enacted 3 years after the U.S. Constitution was signed.

Wilfred A. Peterson, in the "Art of Living," said that the art of work is making it "a reflection of your faith, your integrity, your ideals." These qualities were demonstrated by William first, when employed by the Federal Works Agency, Public Buildings Administration. He greatly reduced the seriousness of a fire by rushing to the scene and fighting it till overcome by smoke and fumes.

William again demonstrated his integrity and ideals at an assassination attempt by four Puerto Rican Nationalists at the Capitol Building on March 1, 1954, in which five members of Congress were wounded. William, the beloved and highly respected doorman, rushed to the gallery and there seized and disarmed the would-be assassins.

Tributes appeared in the CONGRESSIONAL RECORD, volume 115, Thursday, November 6, 1969, No. 182, with lavish praise and devotion to him upon his retirement as doorman. It was reported by one Congressman that he was an outstanding gentleman. "Always courteous and gracious in the conduct of his duties adding significantly to the luster of the House and its traditions."

He was a member of the 19th Street Baptist Church and belonged to several clubs of the church. He served on the usher board with typical zest, dignity, and fervor. His visits and service to the sick shall always be remembered.

For over 53 years he was married to the former Annie Perkins and was the loving father of four children, Clara Belcher Rhone, Edith Belcher Tate, both deceased; William W. Belcher, Jr., and Harold P. Belcher, Sr. In addition he is survived by nine grandchildren and three great grandchildren.

William lived in Arlington, Va., at 2021 South Fillmore Street.

On June 23, 1974, at 11:15 p.m., in George Washington Hospital he slipped quietly into eternal life. Though we deeply mourn his passing we find solace in the words of the hymnist:

Here bring your wounded hearts
Here tell your anguish
Earth has no sorrow that heaven cannot heal.

A BAD DAY FOR THE AMERICAN TAXPAYER

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. VANIK. Mr. Speaker, the other body defeated a series of amendments which would have terminated the depletion allowance and other tax loopholes and provided some small measure of tax relief for the individual American taxpayer.

Yesterday, Treasury Secretary Simon said that the Nixon administration is "taking a careful look at the idea" of tax cuts for business as a way of stimulating new investment. Once again, as in 1971, the administration is seeking to solve the problems of inflation by reducing the taxes of large corporations and letting the individual taxpayer bear the brunt of inflation and taxes.

The American taxpayer should ask Secretary Simon why new tax breaks are needed for business investment? Would new tax breaks help Mobil Oil—which is planning to buy Montgomery Ward and the Container Corp. of America—instead of making new and needed energy investments? According to Tax Analysts and Advocates, a public interest tax research group, the effective Federal tax rate of ITT last year was 4.2 percent. Gulf Oil paid 1.6 percent, and Texaco paid 1.5 percent. Do these companies need more tax breaks? Does American business need new tax breaks when business profits went up an average of 27 percent last year—while the take-home pay of most Americans declined?

EXTENSIONS OF REMARKS

The Congress should squash Secretary Simon's plan before it goes any further.

WHY PUNISH THE VETERANS OF AN UNPOPULAR WAR?

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. BINGHAM. Mr. Speaker, because most Americans hated the Vietnam war, they seem to want to forget that to fight that war we levied an unfair draft, forcing tens of thousands of young men with the least economic opportunity to interrupt their lives and fight in the jungles of Vietnam. They did this while millions of their more fortunate peers "deferred" their obligations and preserved their lives on college campuses. Those with the least education slogged through the rice paddies, ran the highest risks, and lived the most unpleasant lives of any in their generation.

The military draft itself has been abolished, but the veterans who served in our Armed Forces, many of them because of that draft, have been nearly forgotten by many people both in and out of Government. Budget bureaucrats try to cut back on costs of veterans programs, and a weary, confused people would like to put Vietnam and all its consequences out of mind.

Rather than concern we have neglect. Unemployment for veterans is substantially higher than that of their non-veteran contemporaries, and part of the problem is lack of an adequate education. Ironically, one reason that lack is so damaging today is that the spectacular success of the World War II GI bill converted a college education from an elite experience to a requirement for almost any white-collar career. Yet so far the Vietnam veteran has been denied the same kind of benefits for a post-secondary education that his World War II and Korean war predecessors had.

In the late 1940's the Veterans' Administration paid for tuition, fees, and books at any college or university in the United States the veteran chose to attend, up to a maximum of \$500 a year. In addition, the veteran was given a monthly living allowance of \$75 a month.

Today's educational benefits for veterans are substantially higher in dollar terms—\$220 a month, in toto, for a single person—but they fail to take account of the much higher increase in tuition costs. Since World War II the increase is five-fold at private colleges and universities.

Under the current GI bill, the entitlement is supposed to include the cost of tuition, based on a supposed national average of \$419 a year, but this is far below the cost of tuition at most private colleges and at many State institutions. At Penn State, for example, the tuition for the year 1972-73 was \$855, to which would have to be added some \$216 for books and supplies.

What all this means is that all but the most ideally geographically situated of our ex-soldiers find it quite expensive to

use the GI bill. The State with the most famous system of high quality, State-supported, postsecondary education is California, and 39.5 percent of the Vietnam-era veterans there have used their GI bill educational benefits for training at a college or junior college. Their rate of participation is the highest in the country. In Vermont the utilization rate is only 13.5 percent. Vermont is also the State with the highest tuition charges for public postsecondary education. The remaining States fall in between, depending on what the going rate is for a college education.

This is the cost in justice and effectiveness of providing educational assistance to veterans on the basis of an average. It is as if once a soldier arrived in Oakland from his tour in Vietnam he were given the average price of an airplane ticket home. Those who lived in California would have money to spare; some would barely make it; and half would not.

Veterans flying home on "freedom birds" to "the Land of the Big PX" thought they had earned some help, something already paid for, through the GI bill. That is what history and the American experience had led them to believe would be theirs. For some, those expectations have been fulfilled. For others, they have proven a disappointing hoax; Uncle Sam has turned out to be a skinny, empty-handed Santa Claus.

It is not as if we did not have the financial ability to supply our veterans with an education. Rather we are in the reverse position of having well-equipped schools on the brink of crisis and in some cases collapse, because they do not have enough students.

To correct this shameful situation, only marginal adjustments are required: a tuition equalizer should be worked into the GI bill, together with a cost-of-living increase. Legislation to do this has passed the Senate and is pending before the House Veterans' Affairs Committee and a conference committee considering amendments to the GI bill. If it is enacted, not only will the quality of opportunity offered to veterans have improved and become more equitable but we will have taken an important step toward making more productive use of our educational resources.

If we now forget these ex-soldiers, we will be like Tom and Daisy in "The Great Gatsby," F. Scott Fitzgerald's symbols of amoral wealth.

He wrote:

They were careless people. They smashed up things and creatures and then retreated into their money or their vast carelessness, or whatever . . .

That is an image of life and of ourselves which we must reject as forcefully as we can. We can begin by refusing to forget the Vietnam veteran; by refusing to treat him as a statistical average instead of an individual faced with real and individual problems; and by doing as much as Government ought to do. If we do this, we will build lasting memorials to the dead of the Vietnam war not in marble but in the lives of their comrades.

Mr. Speaker, at this point in my re-

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marks I would like to include several editorials from newspapers across the country which endorse the concept of direct tuition payments for our Nation's veterans:

[From the Miami Herald, June 21, 1974]

VIETNAM VETS DESERVE BETTER

The Senate has passed but leaders in the House Veterans Affairs Committee and the Nixon administration are opposing a bill which would give college tuition loans and grants to Vietnam veterans, just as veterans of World War II received. The Senate bill provides up to \$720 a year for tuition costs and makes available \$2,000 a year in loans.

We are well aware of the "educational" abuses of the GI bill in World War II. With billions in federal money up for grabs, phony trade schools flourished to a scandalous degree.

The Senate Vietnam bill, however, has safeguards and controls which its sponsors say will work, for it also has the benefit of experiences learned 30 years ago when the nation's heart and purse went out to its war veterans. Are the young men of today any less deserving? Of course not.

[From the Philadelphia Bulletin, Oct. 30, 1973]

TUITION FOR VETERANS

It's time that Congress and the Nixon Administration faced up to the fact that education benefits under today's GI Bill are simply not the equivalent of those granted World War II veterans.

While individual monthly allowances are higher today, \$220 for single veterans as compared to \$75, this is no real gain. Both amounts, because of inflation, work out to roughly 35 percent of average U.S. monthly earnings for the corresponding periods.

The Veteran of 25 years ago, however, also got his college tuition paid. Thus he was more inclined and able to carry on his education than the Vietnam veteran who must pay for tuition, books and fees, as well as food and shelter, from his grant.

About 20 percent of Vietnam-era veterans had less than a high school education when they entered service. Of these, only about 3 percent eventually became college enrollees.

The answer, quite obviously, is to equalize educational opportunities throughout the nation by granting tuition payments direct to universities in addition to individual allowances to student-veterans.

The Education and Training subcommittee of the House Veterans Affairs Committee last week recommended increased monthly grants to veterans enrolled for education, plus certain other improvements in the GI Bill. It also determined to look into the idea of paying direct tuition which the Administration, unfortunately, opposes.

In fairness to today's veterans and the nation, the Vietnam GI Bill should at least match that of World War II.

[From the Detroit Free Press, April 28, 1974]

AS WE SEE IT: VIETNAM VETERANS DESERVE A BETTER DEAL FROM THE UNITED STATES

Vietnam-era veterans have been folded, mutilated and spindled by the war and red-tape artists back home in ways different from, and possibly greater than, veterans of the nation's earlier wars. Yet these youngest in a nation of veterans come home to find their government less willing than in the past to compensate them for lost time and opportunities. They are getting short rations in education, jobs and medical care to a degree that is clearly a national shame.

Promises by the Congress and by the Nixon Administration have proved hollow, and the bitterness that is developing threatens the health and well-being not only of the veterans but also of the Nation.

EXTENSIONS OF REMARKS

There are more than six million of them. To a greater degree than in previous wars, they are mostly the sons of poor people who could not afford to place them in the sanctuaries of the nation's colleges and universities. They have little clout, and their parents have little clout.

And never before has there been such a high percentage of returning veterans with such a lack of motivation and preparation for university entrance.

President Nixon's recent promises are hard to take very seriously in view of his impoundment last year of funds intended to improve veteran's health, job and school benefits.

The Vietnam veteran had plenty of reasons to be cynical when he was bundled off to the war while the sons of more prosperous families drew draft deferments. Now he is under suspicion of being a dope addict, of having participated in atrocities, and, in some circles, of being a coward for not resisting service.

He is wary of red tape and unwilling to join veterans' organizations that have in the past been effective in lobbying for veterans' benefits. He has to be located and convinced somebody cares about him.

Those who can qualify and are still young enough to be interested should have enough money to live on during their schooling, and a separate tuition grant, as did the veterans of World War II.

Those who cannot qualify or are not interested must have jobs, and their unemployment rate is high, particularly for minorities. The veterans of the early phases of Vietnam are now crowding 30. Real attempts to place them in jobs are not very visible, and the big campaign of a year ago to induce private employers to hire them was a fizzle.

With education and jobs, thousands of veterans can yet move into the main stream of American life. They must obtain real assistance or they are a danger to themselves and to the nation. They are getting a raw deal, and they know it.

[From the American Legion magazine, June 1974]

THE SORRY STATE OF VIETNAM VETS' EDUCATION—AND WHAT TO DO ABOUT IT

(By Robert E. L. Eaton)

The chief difference between the WW2 GI Bill education program and the Vietnam benefits is that in addition to a subsistence allowance, the WW2 veteran got up to \$500 toward his tuition, books, etc. In those days, this covered the entire cost of tuition and books at most colleges.

The American Legion estimates that a similar allowance, not to exceed the actual cost of tuition, fees, books, etc., and with a ceiling of \$1,000, would serve fairly well under today's soaring education costs.

But Vietnam veterans get no such allowance at all. Their subsistence allowance is their entire GI benefit. If they can't pay for their tuition, books, fees, etc. out of their \$55 a week "subsistence" they can forget about school unless they have ample means from other sources.

The average cost for books and miscellaneous fees at most colleges today is put at about \$216, or just about one month's Vietnam GI "subsistence." Tuition fees range all up and down the scale, and are going up. Some state universities, tuition is free for veterans of that state, which is a real break for as many resident veterans as they'll accept. In others, it is as high as \$890 for residents and \$1,000 or more for non-residents. Private colleges and universities may charge up to \$5,000 or more with no break for state residents. Some purely technical schools below college level charge over \$2,000 in tuition. Tuition in the neighborhood of \$700, which is quite common and due for a further raise next fall, would take every cent of 13 weeks subsistence allowance.

Nevertheless, the program has worked "well" enough to permit a large number of rosy statements from government sources citing its "success." Large numbers of Vietnam veterans have been able to use their GI benefits. But citing the raw numbers hides the discrimination against the neediest veterans that is built into the meagerness of the Vietnam education program to date.

The \$55 a week has been of great value to those veterans who have enough money of their own to make up for its inadequacy, or whose parents can afford them substantial help, or who have been able to qualify for substantial scholarships or loans, or who are lucky enough to live in those states with the most progressive state university programs for their young citizens.

State aid seems to account for a large percentage of college attendance by Vietnam veterans for which the federal government has tended to credit the Vietnam veteran's GI benefits. California, with an excellent state university program, seems to have a veteran enrollment of about 37%. Vermont, whose state program is no match for California's, shows about 14.2% veteran enrollment. West Virginia, Indiana and quite a few others don't show a great deal more. This situation has been continuous since the first substantial number of Vietnam veterans began to be discharged nearly ten years ago.

Many borderline Vietnam veterans (financially) are going to college but can hardly be considered a success for the GI program. They have made it by shopping around for the cheapest course in the cheapest college, often abandoning the course of study they preferred because it wasn't offered in the schools they could afford to attend.

The worst situation by far, however, is the plight of the Vietnam veteran without other resources, who simply cannot go to school at all.

The Legion has been seeking improvement for some years but without much support from other segments of the public. Two years ago the Harris poll took an interest. It reported, after a survey, that 59% of Vietnam veterans didn't apply for GI school benefits, and as many as 83% of these indicated that there was no point in applying because there was no way they could afford college even with their GI benefits.

The nub of the problem is quite simple. Vietnam veterans need a tuition and book allowance on top of their subsistence payments. Only the Congress and the President can provide it. Neither President Johnson nor President Nixon ever gave Administration support for GI tuition and book allowances. News programs sometimes blame the Veterans Administration. The VA has consistently opposed tuition payments while issuing statistics about the success of the present benefits. It does this as an arm of an Administration which is opposed to tuition aid. But the VA cannot grant tuition allowances until the Congress enacts authorization, and if it does, the VA then must pay the allowances. The Congress has never approved tuition allowances and has rejected the appeals of Vietnam students and the Legion, working together.

What we were able to get was a gradual increase in the subsistence allowance to the \$55 a week in effect last year. The House of Representatives has recently approved a 13% increase for next year, bringing the weekly allowance for a single, full-time student to about \$62. Though any increase would help, this would hardly solve the problem. In fact, its chief effect would be to keep the present situation from getting worse in the face of mounting educational costs, every aspect of which is rising faster than the cost of living.

It is ironical to think that it was the sins of the colleges and universities a generation ago which have been invoked to deny an education to the Vietnam veterans who need help the most—and not the nature of the Vietnam war, as many have said.

It is entirely possible for Congress to devise a program granting tuition which the colleges could not so easily abuse, and I am happy to report that the Senate Veterans Affairs Committee is now considering several bills to provide a tuition allowance to Vietnam vets.

Since there is no such provision in the House bill—while the President and the Veterans Administration actively oppose tuition—I hope that the public will now get in the act and write vigorous letters to their Representatives and Senators to support such a measure. I hope the media will keep it up, too, and will do more to spell out what their audiences can do to help. It isn't very hard to do. Demand reasonable tuition and book allowances for Vietnam veterans, so that the neediest veterans can benefit as much as those with more ample resources.

**THE REPUBLIC OF CHINA
SUPPORTED BY LOUISIANA**

HON. JOHN R. RARICK
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. RARICK. Mr. Speaker, the Legislature of the State of Louisiana has enacted a resolution showing strong support and friendship for the Republic of China and its people.

I ask that the Louisiana House of Representatives Concurrent Resolution No. 2 follow at this point:

HOUSE CONCURRENT RESOLUTION NO. 2
A concurrent resolution to urge the Government of the United States to do nothing to compromise the freedom or security of the Republic of China

Whereas, the United Nations has expelled the representatives of the Republic of China from membership and seated in their place a delegation from the Communist government which occupies mainland China; and

Whereas, the United States Government has in recent years established contact with the leaders of said Communist government; and

Whereas, rumors persist that the United States Government intends to extend diplomatic recognition to the Chinese Communists; and

Whereas, the Republic of China was a founding member of the United Nations and has always been a law-abiding member of the community of nations; and

Whereas, the people of the Republic of China have built a successful, prosperous, free economy out of the ashes of a half-century of revolution, invasion and civil war and now serve as an important trading partner of the American people; and

Whereas, the Republic of China is of great strategic importance in the defense of East Asia and the Pacific and has always utilized its military power in the interests of the free world; and

Whereas, the people of the Republic of China have been among the most trusted friends and allies of the people of the United States since the founding of the Chinese Republic sixty-two years ago. Therefore, be it

Resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that the government of the United States of America is hereby strongly urged to do nothing which would compromise the freedom or security of the Republic of China or its people. Be it further

Resolved that a copy of this resolution shall be sent to the President and the Sec-

EXTENSIONS OF REMARKS

retary of State of the United States of America, the members of Congress from the state of Louisiana and the Ambassador of the Republic of China to the United States.

DR. THOMAS OWEN LEAVES NATIONAL SCIENCE FOUNDATION

HON. JOHN W. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. DAVIS of Georgia. Mr. Speaker, the House Subcommittee on Science, Research, and Development, which has oversight responsibility for the National Science Foundation, has learned with regret of the resignation of Dr. Thomas B. Owen as the Foundation's Assistant Director for National and International Programs, a post he has held for the past 4 years. Dr. Owen, in leaving the Foundation to accept an administrative position with American University beginning July 15, ends a long and distinguished career of Federal service.

Appointed by President Nixon in June 1970, Dr. Owen became NSF's first Assistant Director for National and International Programs. Before that he served for three decades in the U.S. Navy, holding the important scientific posts of Chief of Naval Research; Director, Naval Research Laboratory; Director of Applied Sciences Divisions; and Director, Research and Development, Planning Division, Navy Bureau of Ships.

A native of Seattle, Dr. Owen was graduated cum laude with a B.S. degree in chemical engineering from the University of Washington in 1940. This was followed by 5 years of combat duty with the Pacific Fleet. He remained with the Navy at the end of World War II and served continuously as a Naval officer—achieving the rank of rear admiral—until he accepted the civilian post with the NSF in 1970. His graduate training included work in electronics at the U.S. Naval Postgraduate School—1946-47—and in the Navy Advanced Science Program, Cornell University, where he received the Ph. D. degree in chemistry in 1950. The following year—1950-51—he pursued postdoctoral work at the University of Amsterdam. In later years, he attended the Industrial College of the Armed Forces and the Harvard Graduate School of Business Administration.

With this background, Dr. Owen came to NSF eminently qualified to administer its national and international programs. During his 4 years at the Foundation he established, in the words of Guy Stever, the NSF Director, his abilities as "a superb administrator and manager." Under Tom Owen's direction, outstanding accomplishments have been made in major national and international scientific programs, to which he points with pride in submitting his resignation to the President. The International Decade of Ocean Exploration, the multi-institutional and world renowned program, has been developed. Polar research is underway in both Arctic and the Antarctic regions. A major extension of research important to resource recovery and the en-

vironment in the Alaskan Arctic has been effected, and the NSF has assumed complete responsibility for planning and managing the entire United States program for Antarctica. Upgrading of the world's largest radio telescope in Arecibo, Puerto Rico, is nearing completion. Initial construction has begun and plans are well-laid for the completion of the very large array, near Socorro, N. Mex., which will be the most sophisticated radio telescope array in the world. A program has been started to improve the management of research programs at institutions that receive substantial Federal research support. The NSF international science programs have grown steadily and now include cooperative programs with a number of nations.

The Subcommittee on Science, Research, and Development expresses its appreciation also to Dr. Owen for his long and distinguished record of service in the U.S. Government and, in particular, for his contribution to scientific research and to the Federal Government's role in the support of science. It has been a privilege to know him and to have the benefit of his wise counsel in the conduct of our committee responsibilities, particularly as they relate to oversight of the NSF programs. We are glad to know that he will continue to be in Washington where we can call on him if we need him, and we wish for him and his family great happiness and satisfaction in his new assignment.

CORRECTION OF REMARKS REGARDING ACTIVIST GROUPS AND THE FEDERAL JUDICIAL SYSTEM

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HUDNUT. Mr. Speaker, on April 8, 1974, I called the attention of this House to the fact that Legal Services Organizations appeared to be derogating their original purpose of serving the legal needs of the poor and disadvantaged, citing as an example statements taken from a radio interview program called the "Manion Forum." Some of the data upon which my remarks were based appears to be in error.

With reference to the case in Alabama mentioned in my statement, it has been called to my attention that the suit was brought originally by two private attorneys from the State of Alabama and it was in the middle district of Alabama rather than the northern. ACLU lawyers from New York appeared only as *amicus curiae* and Legal Services attorneys were not involved in the case. It has also been called to my attention that the Federal judge ordered 300 "resident care workers" to be employed in Partlow State School in Alabama, and not 300 psychiatrists. The resident care workers are employees of the institution whose duties require regular contact with or supervision of residents, and they are not highly qualified medical personnel.

I offer this information to correct any misinterpretation which might have been

derived from my remarks with regard to the activities of LSO attorneys insofar as their participation in this Alabama case is concerned.

THRIVING COMMUNITY MENTAL HEALTH CENTER PROGRAM AT MARYMOUNT HOSPITAL

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. JAMES V. STANTON. Mr. Speaker, recently the Neighborhood News, one of the fine weekly newspapers in Cleveland, Ohio, published an article describing the work being done at Cleveland's Marymount Hospital through the Community Mental Health Center program. I commend this article to the attention of my colleagues, for it shows how institutions such as Marymount are taking advantage of this program to the end of providing much-needed mental health services that are accessible to all. The job it has done affirms the wisdom of Congress' commitment to continue the Community Mental Health Center program.

The article follows.

MARYMOUNT'S MENTAL HEALTH CENTER NOW OVER 2 YEARS OLD

When the Mental Health Center of Marymount Hospital was formally dedicated over two years ago on January 12, 1972, it held forth the promise of a "new day of hope for mental health."

Today, after the initial opening and a gradual phasing in of increased staff and programming, services offered by the Center have broadened to provide comprehensive mental health care in five areas: inpatient, outpatient, emergency, partial hospitalization and education and consultation.

The Center admitted its first patients in March, 1972, when those receiving treatment in the original psychiatric wing in the Main Building were transferred to the 40-bed facility for full hospitalization at the Center. Here, short-term intensive treatment with strong emphasis on patient activity is available for people with distressful and disabling problems. Patients are involved in such activities as group discussions, exercise clinics, beauty clinics and family nights. Rate of occupancy has remained near the 90% mark throughout the Center's two-year history.

From November, 1972, to October, 1973, there were 552 admissions to the Center. The opening of the Center has provided staff and facilities for increased group effort, discussion and therapy to promote a total therapeutic atmosphere for patients.

Emergency service was instituted shortly after the Center's official opening. This service continues to be provided on a 24-hour-a-day basis with treatment available at the Center during the day and through the hospital's Emergency Room at night in consultation with the Center's staff. This help is designed to deal with crisis situations and is readily accessible to people with problems. Emergency service may be either walk-in or consist simply of a telephone call. Quick intervention in a crisis can frequently prevent long-term, chronic disability. This is especially true for deep depression and potential suicide—the largest group of mental illness emergencies.

With the careful selection of additional trained and experienced mental health professionals, services to out-patients (those who

receive treatment on a come-and-go basis) where phased into operation on July, 1972. The Outpatient staff currently consists of two psychiatrists, a psychologist and two social workers who work closely with one another in offering joint treatment to the patient. A special treatment team from the Cleveland Child Guidance Center is available for children and adolescents. Total Outpatient services amounted to 2,995 visits last year. Largest age group receiving outpatient services is between 15 to 19 years of age.

Outpatient services consist of both diagnostic and treatment services emphasizing a short-term program of care to help individuals and families cope with their problems. These services available for children, adolescents and adults, include individual and group therapy, marital counseling, family counseling or crisis intervention. Latest innovation is a medication program for those patients who need to be on a maintenance program. Former patients of the Center receive follow-up care through outpatient services and within the environment of home and family.

Some educational programs carried through the Center are joint ventures with our community agencies. They include those at University Settlement, Broadway Extension, which involve discussion with young mothers on child-rearing and family living; the Well-Baby Clinic, with the Center providing sessions between the mothers and a psychologist from the Center as an informal educational program; the County Nurses' Workshop, where seminars on mental health are held for nursing school faculty and the county nurses; and the Marymount Rehabilitation Services, with the Center providing examination and evaluation of clients, counseling services for these clients and a training program for the teaching staff.

This June, the Center began its fifth service—partial hospitalization. This program can best be described as on-the-job training for daily living. These people do not need full hospitalization but stay at the Center for only a part of each day. They use the experiences they gain in the Center to function more fully as individuals when they return to home and job situations. The purpose of the present program is to provide an alternate to complete hospitalization. For some partial hospitalization may help with the transition from 24 hours to a return to home, family and job. For others partial hospitalization can help those with a limited life style to develop new interests or make better use of community resources. The day treatment program is centered around group activities.

Activities therapists at the Center provide a diversity of prescribed programs for patients receiving inpatient care, outpatient care and those under partial hospitalization. Group programs are centered on six basic activities to cover the full scope of patient needs. Social activities such as square dancing and craft demonstrations provide fun and relaxation with other people. Stimulating diversions through music or gym periods are scheduled on a regular basis. Work-type therapy is used to help those who may have experienced job difficulty from lack of confidence or difficulty in accepting authority. Volunteer efforts encourage patients to do something for others and creative work in writing or crafts allows them self-expression. Spiritual services are also held for the patients and conducted by members of the pastoral counseling program as well as by clergymen visiting patients here.

Service can be obtained by simply phoning Marymount (581-0500) and asking for the Mental Health Center or by merely walking into the Center during the day.

What about fees at the Center? Payment of the Center's services can come from the patient himself or from third party payers such as insurance companies, Medicare or Medicaid. Additionally, a grant from the

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Cuyahoga County Mental Health and Retardation Board enables services to be rendered to people who are unable to pay. The ability to pay or not pay is never a condition for receiving the Center's services.

For detailed information on any of the programs, contact the administrative director's office at the Center. The Mental Health Center is located at 12300 McCracken Rd., Garfield Hts.

THIRD WORLD CINEMA OPENS DOORS FOR MINORITIES IN THE MOVIES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. RANGEL. Mr. Speaker, some weeks ago I thoroughly enjoyed a film entitled "Claudine." It was a film which very truthfully portrayed the problems of a welfare mother who was trying to cope simultaneously with a new boyfriend, five very active children, and the omnipresent oppressive welfare system.

I enjoyed the film not only because it so clearly portrayed the truth and because it was filmed in my home community, but also because it was filmed by a group which was formed by my good friend, actor-director Ossie Davis, called Third World Cinema. Third World Cinema has been attempting to provide training opportunities for blacks and Puerto Ricans in the making of films. These skilled lucrative careers have been in the past denied to minorities, because of lack of training and opportunities. Ossie Davis, however, and those who have worked with him in Third World Cinema, have determined that the best way to break open the closed doors is through providing alternate opportunities for training. Third World Cinema has done this and in the process has produced a film that is not only successful artistically but is doing very well at the box office.

The story of Third World Cinema is a heartening one which I will now share with my colleagues through inserting in the RECORD a recent column in the New York Post by Jose Torres entitled "Movie-Makers":

MOVIE-MAKERS

(By Jose Torres)

Blacks and Puerto Ricans alike have been victimized by films about them ever since the inception of movie-making. They were painted always as servants and chauffeurs, dumbbells and clowns. Their parts were always stereotyped.

During the '60s, when "West Side Story" was shown, we Puerto Ricans enjoyed it. Then came the black cultural revolution and things began to change. The black protest reverberated throughout the country and its impact affected Hispanics as well.

Today Miami Beach is officially a bilingual city; bilingual teaching in some New York City schools is compulsory. Slowly but firmly, things are changing for blacks and Puerto Ricans and other Hispanics in this nation.

The change is not without its complications. Last year Pete Hamill's "Badge 373" made some Puerto Ricans here furious. He was called racist, anti-Puerto Rican. Most of the Puerto Rican protesters blamed the film on the author's color. He was stereo-

typing the Puerto Rican because he was white.

I disagree with this accusation. One goes to any Spanish-language movie house here at any time to see a film about Puerto Ricans made by Puerto Ricans and, in scene after scene we are stereotyped. But we accept that. We can make fun of ourselves among ourselves but not in front of "others."

On television now, we can see black programs. And soon there will be a Puerto Rican series a la "All in the Family." For several years now, blacks have been producing and directing black films. This has created a tremendous psychological impact among all minority groups here.

Out of all this ferment has emerged something I think will top anything done before: Third World Cinema Productions, Inc. TWC is composed of responsible, dedicated people whose purpose it is to open avenues for blacks, Puerto Ricans, Indians and Asians to meaningful employment in the motion picture industry and related fields.

TWC was created by the noted black actor, Ossie Davis, and Hannah Weinstein. Its thrust has been toward the training of individuals in cooperation with companies providing on-the-job training sites. Of approximately 150 individuals who have found work through the efforts of TWC, over 40 have been placed in unionized jobs. The training program has been funded by the Dept. of Employment/Manpower Community Development Agency.

TWC's first motion picture achievement, "Claudine," has not only received critical acclaim, it has in a one-month period grossed over \$500,000 in only six cities.

Now TWC is working on the preparation of a movie about Puerto Rico. Author Piri Thomas, a Puerto Rican who several years ago wrote the best seller, "Down These Mean Streets," is TWC's vice president and his later book, "Seven Long Times," will be made into TWC's next film. Its director will be Jose Garcia, another Puerto Rican who directed Channel 13's only Hispanic series, "Re-aliados."

"In producing a film with a Puerto Rican theme," said Clifford Frazier, TWC administrator and the man most responsible for its success, "TWC is in keeping with its purpose to provide meaningful vehicles through which blacks and Hispanics are given the opportunities to portray themselves truthfully and thus not present stereotyped images to this predominantly white society."

But more important, according to Frazier, "Puerto Ricans and blacks, by their presenting a clearer, truer-to-life image of themselves and their cultures in the media, will help strengthen their personal identity as a race and collectively as a people united toward contributing a more meaningful role for mankind."

Today, TWC people are struggling around the country in search of help to acquire a major motion picture studio. Said Frazier: "With the acquisition of a film studio, TWC will be able to attract additional productions into New York City, resulting in increased revenue training opportunities and employment."

This is not only good news for blacks and Hispanics, it is good news for all Americans, regardless of origin. For truthful and artistic depictions of long-maligned minorities will not only enrich our national cultural life and add to our enjoyment. They will also in the long run contribute toward ending hostilities born of ignorance and fear and bias, and strengthen an American democracy whose only salvation is a unity which exists side by side with racial and ethnic diversity.

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CALIFORNIA VOTES FOR POLLUTION-FREE AUTOMOBILE ENGINE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. BROWN of California. Mr. Speaker, the need for clean air is not disputed. However the concern of the public is frequently underestimated by Government officials, both elected and appointed, here in Washington. In recent days I have been attempting to convey to the Congress the necessity for the Federal Government to guide the development of a clean and efficient automobile engine. I have introduced legislation, H.R. 10392, in attempt to expand the Federal role, and over 100 of my colleagues are now cosponsors. Representative JAMES W. SYMINGTON, who is chairman of the Space Science and Applications Subcommittee of the Science and Astronautics Committee has conducted 7 days of hearings on this bill.

In the other body, Senator JOHN V. TUNNEY has succeeded in obtaining Senate passage of his "Automotive Research and Development Act," a bill which attempts to accomplish much of what I have been trying to do. Yet all of these positive steps have not resulted in a clean engine, or a positive Federal program to develop such an engine.

The people who must breathe the air pollution caused by the existing internal combustion engine are not patient, and they should not be. They do not understand why the Congress recently passed and the President signed a law that grants the automobile manufacturers 2 more years to generate air pollution.

The California State Legislature has proven to be quite sensitive to the electorate, and last week the California State Senate, in every regard the more conservative body in California, passed a bill that would mandate a pollution-free automobile 2 years sooner than the Federal standard, and cleaner.

I would like to insert two articles that appeared on this subject for the RECORD. The first article is from the June 21 Riverside Press-Enterprise and the second article is from the June 25 Oil Daily.

The articles follow:

BILL FORCING "CLEAN" AUTO ENGINE PASSED

SACRAMENTO.—Legislation that would force the auto industry to market an almost pollution-free engine in California within three years cleared the state Senate Thursday day with only one vote to spare.

The bill by Sen. Nicholas Petris, D-Oakland, would impose standards for 1977 vehicles that are nearly 10 times tougher than those that will be required of 1976 cars.

The measure was sent to the Assembly on a 22-8 vote after Petris said improvements in smog levels throughout the state "have not been anywhere near where they should be."

"In spite of our best efforts we just seem to fall short of the goal," he said.

The Petris bill would require that all new engines sold in California after Dec. 31, 1976 emit no more than .1 grams per mile of hydrocarbons, 1 gram per mile of carbon monoxide, and .1 grams per mile of oxides of nitrogen.

It would also require that a new engine be at least 50 percent efficient in its use of fuel.

Critics said the standards would be impossible to meet. Petris admitted they could not be met by current engines, even with the addition of smog control devices.

"The problem is we are always thinking in terms of the current type of engine," Petris said. "If that doesn't make it, we think it's impossible."

"I think if the industry had really tried from the time the first warnings were sounded, today that engine would be clean. But since they are putting in gadgets instead of working on the engine itself, I think it is too late."

He said that if the bill is approved and signed into law, the industry would be forced to begin marketing new types of engines, including those run by steam and electricity.

The state has set no standards for 1977 cars. Standards for 1976 models require that they emit no more than .9 grams per mile of hydrocarbons, 9 grams per mile of carbon monoxide and 2 grams per mile of oxides of nitrogen.

In debate on the bill, Sen. George Deukmejian, R-Long Beach, complained that Petris' standards could harm California's economy.

"I think that we ought to think very seriously about the effects it would have and to realize that we have not been standing still in this area," he said.

LAW WOULD CUT EMISSIONS

SACRAMENTO.—No new automobile engine sold in California after Dec. 31, 1976 could emit more than 0.1 gram per mile of hydrocarbons, carbon monoxide, or oxides of nitrogen under a bill (SB 1988) approved by the state senate and sent to the lower house at weekend.

The bill, authored by Sen. Nicholas Petris (D-Oakland), would also require, effective Jan. 1, 1977, all new automobile engines sold in this state to be twice as efficient as those in current cars so far as gasoline consumption was concerned.

Under existing California standards, emissions from 1976 model automobiles will be limited to a maximum of 0.9 gram per mile of hydrocarbons and carbon monoxide and 2 grams per mile of nitrogen oxides.

Sen. Petris conceded that the standards proposed in SB 1988 can't be met with current engines, even if equipped with smog control devices. The measure, if enacted into law, he said, would force Detroit to develop new type engines—including those powered by steam and electricity.

The state senator for years has been an active proponent of the theory that Detroit, if pressured hard enough, can develop smog-free automobiles. In 1969, he introduced a measure which would have banned "any vehicle powered by an internal combustion engine" from California highways after Jan. 1, 1975 (the bill cleared the upper house but died in an assembly committee.)

In January 1971, Petris came up with another bill which would have prohibited "the use or installation" after Dec. 31, 1974, of any automobile engine discharging any pollutants."

BILL HAYWARD RETIRES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. EDWARDS of California. Mr. Speaker, I would like to pause for a moment to reflect on the retirement of a

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truly dedicated public servant, Mr. Bill Hayward, District Director of the Social Security Administration office in Alameda County. I have known Bill Hayward for years and know him to be both sympathetic and dedicated to the public which he serves so well. Bill Hayward's concern is not only for those who rely on the social security system for their economic well being, but also for the entire community he serves. His efforts to make affirmative action employment practices really work are well known in the bay area.

Now, after his years of service, Bill is leaving. He is leaving without fanfare, but with something that is perhaps more important—the respect and affection of all who have had the privilege of working with him and the thanks of thousands who have been served by him and his office. Other public servants could do well to model their service after his. I, for one, will miss him.

FISCAL DISCLOSURE STATEMENT

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. FISH. Mr. Speaker, I welcome the opportunity to join with my colleagues in the New York Congressional Delegation in submitting for the public record a financial disclosure statement.

My statement goes beyond the disclosure mandated by House rules because I believe the public desires and deserves assurance that as an individual privileged to serve in elective office, I am not subject to any potential or actual conflicts of interest.

The New York Congressional Delegation established a special Committee of Financial Disclosures to give this matter the very careful consideration it deserved.

The committee, with my complete endorsement, reached the following conclusions with respect to the financial information that such be disclosed:

- a. The sources of all noncongressional income whether for services rendered or not;
- b. The identity of the creditor of all indebtedness which is unsecured;
- c. The sources of all reimbursements for expenditures—other than from the U.S. Government;
- d. The identity of all stocks, bonds, and other securities owned outright or beneficially;
- e. The identity of all business entities—including partnerships, corporations, trusts, and sole proprietorships—professional organizations—of a non-*eleemosynary* nature—and foundations in which the member is a director, officer, partner, or serves in an advisory or managerial capacity, and the position held in each instance.

Further, the committee concluded, again with my strong endorsement, that the public is entitled to know whether the members of the New York Congressional Delegation have paid appropriate

1973 Federal, State, and local income taxes.

My statement follows:

1973 SOURCES OF INCOME
U.S. Government—Congressional Salary;
Dividends;
Interest;
Honoriariums;
Trustees Commissions;
Capital Gains; and
Income from interest in rental property.

NON-SECURED INDEBTEDNESS

NOTE.—Elizabeth S. Pyne (sister), \$20,000.

SOURCES OF REIMBURSEMENTS FOR EXPENDITURES OVER \$100

(Other than Government and other than reported as campaign contributions)

None.

STOCKS AND BONDS OWNERSHIP

6/20/74—None.

BUSINESS OR PROFESSIONAL ENTITIES IN WHICH I HOLD A LEADERSHIP
(Director, Manager, Partner) position

None.

1973 INCOME TAXES PAID

Federal: \$5,522.95.

State: \$2,630.80.

Local: \$4,040.26.

Total: \$12,194.01.

Mr. Speaker, the New York Congressional Delegation's Committee on Financial Disclosure has addressed itself in a forthright manner to the financial disclosure question. I commend the committee for its conscientious work and I am pleased to be identified with this public reporting.

AMA ENDORSES SOCIALIZED MEDICINE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. RARICK. Mr. Speaker, the American people in their struggle to preserve individual liberty, were handed a major setback by the American Medical Association's action in opposing repeal of the Professional Standards Review Organizations—PSRO's.

It is truly unfortunate that the once prestigious American Medical Association has now gone on record as compromising the personal privacy of patients' medical records and endorsing political medicine.

Under the PSRO scheme, patients' medical records must be computerized in order that HEW can lay down norms to prescribe "equal health care guidelines." This is tantamount to inviting a political overseer into every doctor's examining room, thus making the physician but a delivery tool, prescribing not according to his training, experience, and ethics, but rather adhering to bureaucratic fiat.

Ironically, the major reason suggested for surrender on this critical issue of patients' privacy was that the medical lobby feared that defense of patients' privacy would cost the AMA money. Nothing was mentioned about the concern for patients' rights.

Even more ironic, by the American Medical Association's compromise to ac-

cept Government oversight, the AMA has destroyed its own purpose and effectiveness with both its member doctors and the American people. AMA has now reduced its stature to being but a department of HEW—rather than representing the wishes of its members to the Washington bureaucrats, it has now assumed the role of representing the Washington bureaucrats to its members and the American people.

Thus, another major bridge has been established to destroy historic private medicine as we Americans have known it and usher in socialized medicine. Time will tell whether the medical patients of America and their physicians will bow to the AMA's cop out or continue the fight to repeal PSRO.

Perhaps AMA will favor placing doctors offices in post offices—another Federal service supposedly in the public's interest, that is provided HEW wants it and it saves AMA money.

I include a related newsclipping:

[From the Washington Post, June 27, 1974]

(By Stuart Auerbach)

CHICAGO, June 26.—Despite threats of a membership revolt, the ruling body of the American Medical Association today heeded its leadership and voted not to wage an all-out war against a government-run doctors review program.

The vote supporting Professional Standards Review Organizations (PSROs)—which a committee of the AMA's House of Delegates said had created an "almost schizophrenic division" among doctors—was overwhelming and taken without debate.

AMA trustees and officers had spent most of the organization's annual meeting warning members that fighting USROs would waste the AMA's money and was doomed to failure.

Some officials even predicted that a war against PSROs could mean the end of the AMA as the voice of medicine to the public and Congress.

"I was not willing to see funds committed on behalf of repeal," said Dr. Malcolm C. Todd of Long Beach, Calif., the AMA's president-elect. "It would have taken quite a bit of our resources and I doubt that it would have been successful."

Todd's view was echoed in state caucuses today by such other influential AMA officers as Dr. Robert B. Hunter of Sedro Woolley, Wash., a trustee and head of the AMA's PSRO committee, and Dr. W. B. Hildebrand, of Manasha, Wis., chairman of the House of Delegates' committee on medical services.

Nevertheless, it appeared until this afternoon that substantial number of AMA delegates would insist that the organization push for repeal of the PSRO legislation and would refuse to comply with its implementation.

The delegates swiftly voted, 185 to 57, their approval of a resolution pushing for some amendments to the PSRO law, but not calling for its repeal.

"The delegates finally had enough time to talk it out," said Dr. George B. Martin Jr. of Thief River Falls, Minn., chairman of the committee that held a 4½-hour hearing, listening to 64 speakers, on the PSRO issue Monday.

While most delegates appeared satisfied with the decision, at least one—Dr. John R. Schenken of Omaha—demanded that his name be specifically recorded in opposition to PSROs.

"I don't want my name recorded as being in favor of tyranny," he said.

Hunter said he thought two state medical societies—Nebraska and Louisiana—were still "adamant" against PSROs and might refuse to cooperate with the federal effort.

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"But a majority of physicians across the country will work with the government," Todd said.

In Washington, Dr. Charles C. Edwards, assistant secretary for health of the Department of Health, Education and Welfare, commended the AMA delegates for their "responsive and constructive position."

PSRO legislation was passed in 1972 to allow the government to monitor the quality and cost of treatment given to patients in two large federally financed programs—Medicaid and Medicare. It probably will be expanded in any national health insurance bill to include the entire population.

Earlier, the AMA delegates voted to "exert all efforts" to amend or repeal the Kefauver-Harris amendment to the pure food and drug laws which requires new drugs to be proved safe and effective before they are allowed on the market.

Delegates argued that the amendment is keeping new drugs off the market. The AMA gets about one-third of its revenue from drug company advertising in its journals.

HOUSING REHABILITATION IN NEW YORK CITY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. RANGEL. Mr. Speaker, the special problems of size which are associated with New York City are often, at least we from New York City feel, not totally understood by the Federal decision-makers whether in the executive branch or here in the Congress.

The question of housing rehabilitation is one that is being much discussed as we increasingly realize that the housing needs of our Nation are not going to be fully satisfied by providing new housing stock. It is increasingly clear that we will be dependent on effective rehabilitation programs to save some of the old buildings which we must have to meet the tremendous need in a city such as New York. Federal rehabilitation programs do not appear to be working at the present time to meet the needs either for individuals who want to do their own rehabilitation or for the special problems in New York City where the amount of owner-occupied housing is less than the amount of multi-family housing owned by absentee owners.

John E. Zuccotti, chairman of the New York City Planning Commission, spoke to the problems of rehabilitation in New York City at the Urban Coalition Conference on Rehabilitation that was held in New York City on June 13, 1974. I share his perceptive remarks with my colleagues for our information and benefit.

HOUSING REHABILITATION IN NEW YORK CITY

(By John E. Zuccotti)

There could hardly be a more appropriate time for mounting a full-scale discussion of "Housing Rehabilitation in New York City" than now. As we are all aware, the economic and political realities have largely transformed new houses into a vanishing species, whether publicly aided or private—a phenomenon affecting the entire nation but twice as affecting here. Practical men and women in the housing field, therefore, must focus almost exclusively on Rehabilitation. I might make a case, moreover, for calling

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this conference "Housing Rehabilitation in New York City BY New York City" because, even in the good old days before the moratorium and 8½ percent mortgages (not counting points), the City was forced to rely almost exclusively on its own resources to prime the pump of rehabilitation and neighborhood preservation.

Federal rehabilitation programs have been weighted toward small owner-occupied homes whereas our greatest need has been for help for medium-sized and large apartment buildings with non-resident owners. Sections 115 and 312 were usable in a few areas of the City but, in four years, only 127 buildings received Federal grants or loans.

With their first responsibility to their clients, banks have shied away from granting loans for rehabilitation, red-lining transitional neighborhoods and often refusing to refinance balloon mortgages. For private individuals and companies, non-resident ownership of housing has become less and less attractive compared to other less troublesome, more lucrative forms of investment. Resident owners have sometimes decided that the game was not worth the candle, and have elected to move out and to milk their property until it is derelict.

Such individual decisions exacerbate what has been a major problem here for many years. It is estimated that some 850,000 City units need some form of rehabilitation. Sixty-two percent of our housing stock was built before World War II and 71 percent of our units are multiple dwellings. Even without suburbanization and the massive population migrations of the past three decades, even without inflation and a faltering Federal housing program, it would have been an almost insuperable task to replace deteriorated and destroyed housing with new units. Fire, emergency vacate orders, the demolition of unsafe buildings, abandonment, the clearing of urban renewal areas have all taken their toll. Although we have built 404,000 units since 1960—more than the entire housing stock of Washington, D.C.—we have suffered a housing loss each year of between 25,000 and 45,000 units.

The City has long been aware of the need for a balanced housing program that encompasses rehabilitation as well as new construction. We have launched a whole series of neighborhood preservation efforts. It must be admitted that some of these efforts were abortive, or deserved to be, but there has never been in all recorded history an instance of a single successful solution to a major social problem. Every new approach is designed to correct the flaws revealed when the earlier approach is tested in practice.

The first government-sponsored rehabilitation effort here began in 1956 with studies for the West Side Urban Renewal Program. As you know, this Program relied primarily on new construction but, for the first time, renovation and preservation were given a nod of recognition. Deservedly so. Although only 276 apartments were rehabilitated with Federal help in the urban renewal area, the Program triggered extensive private brownstoning and renovations: since 1961, more than 16,000 West Side apartments have received alteration or conversion permits.

The next step was a program devoted exclusively to preservation—the Neighborhood Conservation Program, initiated in 1959, which picked out seven problem-full sub-neighborhoods as laboratories in which physical deterioration would be reversed and social deterioration would be halted. The Neighborhood Conservation Program represented a refinement on urban renewal in several respects—not only was it exclusively a rehab program, but the neighborhoods were chosen because they were basically sound and therefore eminently salvageable. They were also psychologically viable; the emphasis was on self-help and local initiative. Unfortun-

ately, the Program proved to be inadequately staffed and funded and petered out in the mid-1960's.

The Municipal Loan Program is an interesting specimen of a Program as Learning Experience. Established in the 1960's to provide low-interest loans for the improvement of multiple dwellings, the Program lacked focus and adequate supervision. No attempt was made to cluster the loans to insure that they would have maximum impact on a neighborhood. At best, many rehabilitated buildings flourished only briefly before sinking once again beneath the weight of neighborhood deterioration. At worst, the program was plagued by scandal. Completely reorganized, the Municipal Loan Program is now a respected and useful mainstay of the City's rehabilitation effort. Loans are now granted only after careful processing, site and feasibility reviews. Inspection is continuous. At last count, the Municipal Loan Program had allocated rehabilitation funds for nearly 7,000 dwelling units. The average rehabilitation cost per unit in 1973 was \$10,000.

After the moratorium on Federal funds and extensive studies, the City launched the Neighborhood Preservation Program which, we hope, combines the best of all rehabilitation worlds and incorporates all that we have learned. Five neighborhoods have been designated for help—a small enough number to insure a meaningful impact. At the same time, the neighborhoods are whole districts rather than the smaller sub-neighborhoods of the Neighborhood Conservation Program. Decentralization and self-help are emphasized but, this time, adequate staff has been provided in the communities. Project teams are working in each area and each neighborhood is being thoroughly analyzed to insure rational planning. Built into the program is a partnership between the City and private funding sources: the City provides \$45 million in mortgages and guarantees to encourage the participation of the private sector, particularly banks, through REMIC—the Rehabilitation Mortgage Insurance Corporation established by the State at the City's request.

REMIC is authorized to insure qualified portions of first mortgage loans by banks and other publicly regulated financial institutions within the Neighborhood Preservation Districts. Loans may be given for rehabilitation, refinancing or acquisition.

In response to the Neighborhood Preservation Program, the clearing house banks of New York are about to establish a \$40-million fund for two of the designated areas—Crown Heights and Washington Heights—to be used for rehabilitation mortgages.

We are hopeful, and we are making progress. At the same time, it is clear that we can only inch forward. The total cost of rehabilitating all the units that need rehabilitating in the City amounts to between \$15 billion and \$20 billion. At present, we have only \$85 million, most of it already committed. We are trying to fill some of that enormous money gap.

We are experimenting with the Cooperative Conversion Program which assists low-income groups to acquire and rehabilitate their own buildings. So far, the Office of Cooperative Conversion has obtained \$6.4 millions of City financing—largely through the Municipal Loan Program—for 28 projects. 834 dwelling units have been completed or are in the process of rehabilitation. An additional \$4 million has been committed for five other projects, and 130 buildings are now being evaluated.

It is my impression that the most successful of these conversion projects have been organized and led by non-profit community development corporations such as the Mobilization for Youth on the Lower East Side, the South Bronx Housing Development Corporation and Los Sures in Williamsburg. These

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corporations provide the skill, know-how and sheer full-time help needed to get any complicated project off the ground and operative. In short, they provide leadership. But all of these corporations have relied on foundations or Federal financing—funding sources that are drying up.

Faced with this, the City is now trying to work out a mechanism that might provide financing for such non-profit housing development corporations. It is complicated to establish adequate criteria for performance to screen out the eager but incompetent and leave in the dedicated and highly capable, but it is clearly a task worth doing and it is being actively explored by the Administration.

We are also struggling with an issue that is endemic to all rehabilitation—how to fix up a building adequately without pricing it out of the reach of the people who live there. Gut rehabilitation, costing up to \$35,000 a unit, is out of the question. So we have concentrated on moderate rehabilitation, costing from \$6,000 to \$11,000 a unit. But even this can raise rents too high for the very people the rehabilitation is designed to help. In the South Bronx, where the median income level is \$5,700, the income necessary to support rehabilitation is from \$8,000 to \$10,000. We have gone ahead with one building there because buildings on the same block are being renovated through old Federal programs and it is clearly worthwhile to strengthen that preservation effort. Luckily, no one will have to move because the building is vacant. However, we are concerned that most of the people in that South Bronx neighborhood will not be able to afford these attractive redone apartments, with their new utility systems and structural repairs.

Needless to say, the City has been asked to develop a mechanism to reduce rents in such projects. On social and humanitarian grounds, this would obviously be eminently desirable. But it would cost millions of dollars, and all that I can say at this point is that we are looking into the problem. We are also looking into the possibility of other kinds of rent-reducing mechanisms—such as the City acquiring a deteriorated building and selling it at below cost to a non-profit development group or our granting a 40-year mortgage with the City retaining reversionary interest.

At the Neighborhood Preservation workshop which we held some months ago, everyone was reassuringly filled with positive, useful suggestions. At the same time, I kept hearing the same undercurrent: "We have been developing Neighborhood Preservation programs for years, yet the neighborhoods are still in transition or beyond help. What is the good of it all?"

I can well imagine that, in the course of this conference about Housing Rehabilitation in New York City, there was the same undercurrent of discouragement. Nor would I deny that the problem is immense, and our resources limited. But we can and do chip away at the giant boulder of our housing problem and while I cannot foresee that the problem will be reduced to a mere pebble, I do believe that we are taking some sizable chips—or even chunks—out of it.

**SUSPENSION OF 5-MINUTE RULE
DURING IMPEACHMENT INQUIRY
HEARINGS**

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HUNGATE. Mr. Speaker, on Monday, July 1, the House will take up a

resolution to amend part of clause 27 (f) (4) of rule XI of the Rules of the House. The resolution would suspend the 5-minute rule for questioning witnesses during the Judiciary Committee's impeachment inquiry hearings.

This resolution has the support of the leadership of both sides of the aisle. The Judiciary Committee passed it 31 to 6.

The impeachment inquiry should be thorough and fair. Witnesses who appear before the committee during the inquiry will be interrogated by committee counsel in an orderly fashion which will facilitate committee consideration of the relevant issues. The Judiciary Committee hopes, by suspending operation of the 5-minute rule during the inquiry hearings, to avoid lengthy and repetitious questioning of witnesses.

Chairman RODINO has assured the committee that all of its members can submit the questions they wish in writing. Committee counsel will propound such questions during counsel's interrogation of the witnesses.

Everyone wants to see the impeachment inquiry promptly and fairly concluded. It has decided to suspend the 5-minute rule in order to facilitate the orderly and prompt interrogation of witnesses. The resolution to achieve this has widespread bipartisan support among committee members, and I hope all Members of Congress will support it when it comes to the floor.

**WEST SIDE CITIZENS GROUP TAKES
STAND ON HEALTH BILLS**

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. JAMES V. STANTON. Mr. Speaker, as the debate over national health insurance intensifies here in Congress, the message from my constituents is clear. They are worried about costly "deductibles" and "coinsurance" features of some of the proposed bills. Even minimal medical care is beyond the reach of some of them because of such initial and continuing out-of-pocket expenses.

One group of Clevelanders has organized to do something about health care problems in their neighborhood. The West Side Citizens for Better Health Services, Inc., has organized free clinical care and educational programs. At its June meeting, the group approved a formal statement of its position on national health insurance. I include the statement here as indicative of the sentiments of many citizens on this important issue.

**POSITION ON NATIONAL HEALTH INSURANCE
BILLS**

West Side Citizens for Better Health Services is a group of health workers and residents of the Near West Side of Cleveland, Ohio. We sponsor three free clinics and educational programs in the community.

Our concern about National Health Insurance is based on both our personal experiences as providers and consumers of

health care and on our study of the health industry in the United States.

West Side Citizens for Better Health feels that none of the bills currently before congress are adequate to meet the health needs of this country. Plans which cover catastrophic illnesses, but only slightly ease the burden of routine medical costs, will not help low and middle income people and will perpetuate crisis oriented health care. What we feel is necessary is a comprehensive health plan which will improve not only financial accessibility, but also the quantity, quality and distribution of health care.

Ideally, in our minds, the government would replace the private sector as the provider of health care. But this is not likely to happen at the present time. Therefore, we make the following recommendations for inclusion in National Health Insurance legislation:

(1) The insurance should cover all health care costs without coinsurance or deductibles. Even \$50 or \$100 is more than some people can afford to pay annually for health care. In our experience in our free clinics we have seen patients close to death because they could not pay \$5 or \$10 for necessary medications.

(2) Mechanisms should be set up to include consumers and workers in all levels of decision making concerning health care. Those who use and provide medical services know best what is needed. Their decisions would be in the interest of good health, rather than in the interest of profit.

(3) National Health Insurance should be financed by corporate taxes and taxes on the very wealthy, not by payroll or income taxes. The low and middle income people who cannot afford to pay for health care do not have money available for increased taxes either. It will make no difference to them whether they pay for health care directly to the provider or indirectly through taxes.

(4) Priority should be given to expanded education and use of nurse practitioners, physician's assistants and other health workers skilled in providing basic health services. Their training is not as long or as costly as medical school, and their orientation toward preventive medicine and family practice makes them key parts of a comprehensive health care team.

(5) Cost and quality controls should be implemented so that profit making hospitals, nursing homes and doctors do not take advantage of government subsidies to increase their own wealth.

In summary, we feel that creating a health care system adequate for the needs of this country and consistent with this country's great wealth and technological advancement is a task that requires great foresight and courage. Our present system is resistant to change and will not become, overnight, an equitable and progressive system. We feel it is necessary, therefore, to insure that any health bill passed, even if it is not a complete answer to America's health needs, keeps in mind the long range goal of a healthy society, and follows progressive principles such as those we have mentioned here.

**SENATOR ERNEST GRUENING—
FRIEND OF ALASKA**

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. YOUNG of Alaska. Mr. Speaker, the State and the people of Alaska lost a great and dear friend yesterday with the death of Ernest Henry Gruening. From the time he first set foot on Alaskan soil

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in 1936, Gruening fought to make the great land a better place to live.

Ernest Gruening was a man all Alaskans can be proud of. He was first and foremost a man who fought for what he believed in, be it statehood for Alaska or opposition to the Vietnam war. To many of my colleagues in Washington, D.C., Senator Gruening symbolized Alaska's spirit and courage. Senator HUBERT HUMPHREY once referred to Gruening as "the 20th Century Benjamin Franklin." The compliment was appropriate, because Gruening fought for Alaska with statesmanship, honesty, fortitude and eloquence.

He was a man of many talents—a doctor, writer, editor, Territorial Governor, historian, and Senator—and he used all of these talents to improve the quality of life in Alaska.

His passing is a terrible loss to all Alaskans, but we can and should be thankful for what he has given us. Ernest Gruening has given Alaska and its people a guide and model to look up to and emulate. We must carry on the battle that he fought for nearly 50 years. And if we are to be truly called Alaskans, we must fight for what is right for our State in the manner that Ernest Gruening made his lifestyle. We must fight for what we believe in with honesty, fortitude, eloquence, and statesmanship.

THE INDIVIDUAL AND THE FREE ENTERPRISE SYSTEM AT WORK

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HUBER. Mr. Speaker, if there was ever an argument for the free enterprise system, the success story of the Auto-Train Corp. speaks for itself. It is an outstanding example of what the individual can do if left on his own.

Auto-Train Corp. is obviously most fortunate to have at the top of the organization a man, Eugene Garfield, who is a first rate administrator; a man who can dream, but who also can turn his dreams into reality. It is refreshing to find an individual who so thoroughly enjoys his work, as Mr. Garfield certainly does. More importantly, his enthusiasm for his company carries over to all of his employees. Unlike many Amtrak employees that we hear about, the Auto-Train employees actually enjoy riding trains; even to the extent that two of its workers recently decided to hold their June wedding on one of the Auto-Train cars.

For all of its success, the Auto-Train Corp. now has a future potential rival in the form of the U.S. Government. I would like to suggest that perhaps the answer to the railroad problems in this country is not for the Federal Government to become more involved in rail transportation, but for it to allow more people like Mr. Garfield to operate freely in an open competitive market. Maybe we should install Mr. Garfield as head of Amtrak, rather than trying to compete with him. After all, only the American

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public could stand to gain by such a development.

I am enclosing for the edification of my colleagues, the excellent article on the Auto-Train Corp. by William H. Jones that appeared in the Washington Post on June 23, 1974.

AUTO-TRAIN ENTHUSIASM: AN IDEA WHOSE TIME HAS COME

(By William H. Jones)

SANFORD, Fla.—"Nowhere else in the world could I have done this," said the man who dreamed of passenger trains that would carry riders as well as automobiles across America.

That man, 38-year-old Eugene Kerik Garfield of Washington, D.C., has achieved something few people realize from their dreams: He quit a government job and devoted over a half-dozen years of his life—working at a fast speed over long hours, with little rest—to prove he had a good idea.

And he has proved it, although he is the first to admit that the idea wasn't even his in the first place. What is his alone is the distinction of being one man who believed for many years that a nongovernment enterprise could make money in the railroad passenger business.

Ironically, now that Garfield's Auto-Train Corp. has proved to be a popular and financial success, as well as an energy-efficient means of transportation, the government-subsidized Amtrak wants to get a piece of the action.

That wouldn't happen anywhere else in the world either—a private firm bearing the financial risk of experimenting with a service the government might then find attractive to offer on its own.

While Garfield said in a recent interview on board the newest Auto-Train—a 1,000-mile connection between Louisville, Ky., and this small town near Orlando and Walt Disney World—that he welcomes competition, it is clear that he thinks his own firm will beat the pants off Amtrak if the two are ever placed in direct competition.

Amtrak had planned to inaugurate a Midwest-Florida route from Indianapolis last winter, but the starting date has been postponed every month or two by equipment problems and bad tracks. Garfield said he doesn't expect Amtrak to get started at all on the Indianapolis route—an assertion flatly denied by Amtrak in Washington.

Garfield is not the most popular man at the L'Enfant Plaza headquarters of Amtrak, and not just because he thinks the national rail corporation has gone about its auto-carrying plans with a degree of incompetence—for example, attempting to carry autos in converted freight-designed rack cars, on which autos were damaged in a test run because they broke loose from moorings.

Everywhere Amtrak president Roger Lewis goes, he is asked the question: "Why can't you operate as well as Auto-Train?"

Invariably, Lewis replies that Auto-Train is a very small, specialized case without the problems Amtrak faces in dealing with many railroads, many more trains and a much more complicated and larger labor force.

Nevertheless, there are lessons for Amtrak in what Auto-Train has achieved, in terms of trains that run on time, workers who go out of their way to please consumers, facilities that are clean and equipment that works. To date, Auto-Train Corp. has carried more than 175,000 autos on the Washington-Florida route.

Garfield figured that out to about 1.9 percent of the potential market—showing how far Auto-Train could expand before diluting its near-capacity business of today. And that doesn't include the Midwest market, which Garfield said is 50 percent richer in terms of potential travelers-with-autos bound for Florida and back.

Still to be tapped are other corridors, which Garfield has started to study. Within a dec-

ade, he said, it is safe to assume there will be half a dozen Auto-Train routes. The next addition will be a Chicago-Denver connection, perhaps within a year's time. Garfield is currently considering several choices for the specific routes and said railroads there have been "responsive."

In the summer, people from the Midwest and Northeast could use the train on trips to the Rocky Mountains and on to the West Coast; in winter, the main attraction would be skiing resorts.

A likely addition after Chicago-Denver would be New York-Chicago. Other routes being studied are Los Angeles-Portland, Chicago-Dallas/Ft. Worth and Chicago-New Orleans.

This growing rail empire—each additional route must be approved by the Interstate Commerce Commission and could be opposed by Amtrak—began with a \$3 million federal study in the mid-1960s about automobile-carrying services, based on experience in Europe.

A conclusion of the study was that such a service would be so profitable, it should be left to private enterprise. Garfield, a Florida lawyer who then was an assistant to the Secretary of Transportation, took the report at face value, quit his job and started to round up, in 1969, investors for his Auto-Train Corp.

In mid-1971, he offered 700,000 shares to the public at \$10 each; the issue was sold out and soon started a sharp rise, topping out at over \$60 before sinking back into non-glamor status at under \$9 over-the-counter in today's depressed market. (Auto-Train will soon be listed on the American Stock Exchange.)

When service began from Lorton, Va., to Sanford, Fla., on Dec. 6, 1971, Garfield had opened the first U.S. railroad for passenger service in 50 years.

The main ingredient in Auto-Train's success is enthusiasm, a feeling that can't be faked easily by directives from a distant headquarters. Unlike many Amtrak executives, Garfield and his officers ride the trains all the time. They check out the bathrooms and air-conditioning and sample the food (prepared by Washington's Marriott Corp., the largest airline caterer in the world).

"I'm not convinced that intercity passenger service cannot make money," said Garfield of Amtrak, which probably will carry more than 20 million passengers this year and roll up a loss of more than \$150 million.

"If we give the public the good trains they deserve and expect, and charge for it, they'll pay for it," Garfield asserted. But today, he continued, "Trains are an affront . . . why should we be short-changed? They should be clean—our walls shine because we polish them after every trip. Every public facility but trains maintains high quality standards, hotels are clean, restaurants are judged by service and food quality."

The history of the decline of rail passenger service, Garfield suggested, is related to attitudes that look to the past. What should be done, and what Garfield said he has done in the case of Auto-Train, is look ahead and accept people as they are today—not concentrating on how public attitudes about travel might have been if the railroads had managed to keep passenger trains in lively competition with the automobile and airplane.

"People want to ride the trains, there is a yearning, and when they get to many Amtrak trains, there is a great disappointment and frustration at the quality of service," Garfield concluded.

It is this yearning which Garfield understood and which most government policy-makers haven't perceived. As a consequence, the government has not made a strong commitment to keeping passenger trains alive—except for those in corridors like the Boston-Washington megalopolis, where Metroliners demonstrated that something good on wheels attracts riders.

America's enthusiasm for trains is evident, however, to people who ride them. On the first Auto-Train out of Louisville, for example, people waited in clusters at nearly every crossing, many with cameras ready. Wherever the train passed, people literally stopped what they were doing, looked up for the full train to pass, waved. And, then smiled.

Even those on board the Auto-Train stopped what they were doing when passing one of Amtrak's Miami-New York trains the next day. Everyone cheered, Garfield included. And it's not only an Auto-Train phenomenon. Riders on other trains can see similar responses.

What Garfield did was to accept this railroad enthusiasm and combine it with the average person's attachment to an individual automobile and the government-sponsored survey in the 1960s, which demonstrated that a vast market existed in the Northeast for an "auto-ferry" service—something that would transport a couple or family on train, accompanied by the family car.

He added some airline-style marketing in the belief that the best way to make time pass on a train trip is to keep everyone busy and/or happy.

What has evolved is the basic Auto-Train trip (an adventure if possible), which has been duplicated for both the Washington-Florida and Louisville-Florida routes.

The trains have a speed limit of 79 miles an hour and actually average slightly less than 50 miles an hour en route (including stops). Up to 475 persons are on a full train and up to 186 automobiles, with 36-38 passenger or service cars plus auto-carriers, making Auto-Trains the longest passenger trains in the nation.

Included in the "consist," an industry term for the makeup of a train, are two or three locomotives, a steam generator car, two buffet cars, a kitchen-dormitory car, nightclub car, full dome coaches, half dome coaches and sleepers—nearly all of them purchased from Western railroads and refurbished by Auto-Train.

The main components of the Auto-Train service are:

TRANSPORTATION

Not everybody can ride on the Auto-Train: You have to have a car. Typically, a group in an auto is headed for, or returning from, a Florida vacation.

The auto is taken by an Auto-Train attendant when you arrive at the stations and driven on board separate carrier cars. Passengers, meanwhile, are checked in and directed to their coach or sleeper cars; it is best to pack a few things you'll want on the train in a small bag to take with you, and leave the large pieces of luggage in the auto.

After the train arrives the next day, the auto-carrying cars are detached from the train and moved to the special loading and unloading ramps. Your auto might be out in front of the station in a matter of 10 minutes, or about 45 minutes at the maximum.

In less than 24 hours on the 1,000-mile run between Florida and Louisville (less than 16 hours for a more direct, 850-mile trip between Washington and Florida), you arrive at your destination sans auto fatigue and chipper for a potentially long drive to Miami, New York, Chicago or Detroit.

Depending on how many people travel with each car and how much you value having your own car with you, Auto-Trains can be cheap or expensive.

The base fare between Washington and Florida is \$198 for a car and two occupants, one-way; between Louisville and Florida, the base is \$225. In a much shorter airplane trip, in terms of hours, two persons could travel for less money: \$122.54 from National Airport to Orlando by Eastern Air Lines, for example, one-way for two persons on a night coach, or \$151.28 at other hours. From Orlando to Louisville, by Eastern, the fare is \$110.54 for two by night coach and \$140.54 by day.

For a car of four, however, Auto-Train's rates become more comparable, since the additional cost is only \$25 per passenger. Thus, four persons can travel by Auto-Train to Washington from Orlando for \$248 while the cheapest Eastern Air rate would be \$245.08.

A sleeper on the Auto-Train costs more, however, and the fact that roomette and bedroom space is generally sold out for every trip indicates that many people want to spend more for the privacy of the small quarters. Whether one can sleep more easily in an airline-type reclining coach seat or a bed that rocks back and forth over the rails, is purely an individual matter. Sleeper fares range from \$45 for two persons to \$85 for five, one-way.

Generally, given the state of America's rail industry, which often has shunned maintenance of sagging tracks in recent years to bolster sagging profits, the riding comfort on Auto-Train Corp.'s routes is fair to good, with the best stretch in Northern Florida and Southern Georgia, over welded steel rail.

Auto-Train, in this instance, is a beneficiary of the efficient Seaboard Coast Line and (on the Louisville route) its subsidiary, Louisville & Nashville, over whose tracks the Auto-Trains run, plus the Richmond, Fredericksburg & Potomac between Richmond and Lorton, Va.

As for equipment, Auto-Train is its own master. The Washington firm owns or controls all of its diesel locomotives and passenger cars, as well as auto carriers, and keeps them in operation continually by constant maintenance at shops in Florida.

Within a year, Garfield hopes to place an order for the first luxury rail passenger cars built since the 1950s, at a cost of over \$500,000 each. The cars would have sleeping rooms on two levels, with hideaway sofa beds, lounge chairs, vanities and perhaps a shower in each compartment.

Auto-Train also is increasing capacity to carry automobiles, with prototype tri-level carriers already ordered that can accommodate 12 autos instead of eight on current two-level carriers.

The increased capacity will have a large impact on revenues and profits of Auto-Train, since much of the overhead will remain unchanged. In the 12 months ended April 30, Auto-Train revenues rose about 50 per cent to some \$28 million while profitably increased 100 per cent to at \$1.6 million (\$1.12 a share of stock).

Cleaning crews go through each Auto-Train after every trip and generally do a thorough job, although sometimes short of perfection—windows were not as clean as they should be for sightseeing, and ashtrays were filled to the brim before departure, on a recent run from Florida to Washington.

FOOD

All meals are included in the fare; the only element that could bring added expense is liquor.

If you're expecting the old, first-class dining car approach with waiters, linen and rose on the table, silver and china, plus meals cooked to order (still available on Amtrak's best trains as well as Southern Railway's Crescent between Washington and New Orleans), well, forget it.

What Auto-Train does offer is a passable airline-type fare of several entrees for dinner, with assorted sodas, salad, dessert and coffee or milk. Breakfast includes a variety of rolls, doughnuts and danish, juices, small boxes of cereal and plenty of coffee.

Wine is available with dinners, at extra cost, but there is not the luxury of time to just sit and eat slowly. Unfortunately, there are some 350-400 persons on a normal trip and only two dining cars (actually buffet cars, called Lemon Tree and Purple Plum, in honor of two unorthodox railroad colors selected by Auto-Train, the others being red and white).

To accommodate everyone, dinner is served in shifts and you are assigned a

specific time to eat in a specific buffet car when boarding. Technically, each shift consists of an hour, but there is a feeling of being urged to rush—especially if you're eating dinner on the final shift and the crowd starts to gather for the movie to follow. (More about that in a minute.)

Moreover, there is no overabundance of food and the people who are at the end of the line, for either dinner or breakfast, invariably face a more limited choice, although the hot food remains hot.

Marriott Corp. and Auto-Train have worked on the daily menus over the past two-and-a-half years, refining them to a meal that can be mass produced in advance and put onto each train for further preparation and serving. The end product is similar to what the airlines serve, but a bit more down to earth in terms of what it costs. The menu is not as fancy today as when Auto-Train started, reflecting higher costs of food.

Eating, thus, is treated more as a pleasant necessity on Auto-Train than an event, which it definitely can be on older trains.

ENTERTAINMENT

While eating may be the major happening on an old fashioned train, an Auto-Train features movies, nightclubs with live entertainers, bingo and morning cartoons for the children.

The movies, when it is good ("The Sting" was shown on recent trips), may be the closest thing Auto-Train has to a problem. Even with two showings of the picture, in both buffet cars, not everyone on board can get a seat or even a place to stand or sit on the floor.

The end result is an unfortunate, mad rush to get seats before the movie starts—even as other people are trying to eat their meals. Normally patient hostesses were seen in a state of frustration and anger on my recent trip, as they tried to clean up the dining car while people crowded in on all sides.

I decided to eat normally, as if nothing were happening. My three boys, Jeff, Eric and Tim, quickly fled to a more sane atmosphere and I found myself face to face with a grouchy New Englander who was as determined to peer ahead as if there was something on the movie screen, as I was to continue eating. I lost and got up without finishing coffee.

The nightclub cars often are crowded, too, but the effect is different. One can come and go—things remain lively until 3 a.m. and later on many days—and still enjoy the scenery outside dome cars, the liquor and the guitar players, singers, or piano (or combinations thereof).

A regular contingent of about a dozen entertainers is employed by Auto-Train, under the direction of Billy Dale (a stage name), who sang and played a guitar on the first Auto-Train. He also has a stable of substitute musicians to draw from if someone is sick.

According to John Pence, a guitarist and singer on the recent Florida-Washington train, each entertainer has his own style and each crowd is different. Working for two consecutive days and then resting for three, the entertainers usually get things under way each working night with oldies, which the people join in singing.

Once the crowd is won over by this approach, more modern, hip and esoteric material is accepted. Young and old sing out or just listen and sip. The atmosphere is collegiate and happy, occasionally boisterous.

Playing cards occupies some people on every trip and all-night coffee bars are set up in lounge areas and on sleepers, plus hot water for tea, Sanka and hot chocolate. Reading is another favorite pastime, and a boutique in one car is open for a while after every departure with magazines and souvenirs for sale (there are engine models, hats, shirts, key chains and other items, all red and white and featuring Auto-Train symbols).

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Newspapers are picked up at stops along the way and distributed free throughout the train.

One element in the entertainment package that doesn't work out too well is a Muzak-type batch of recordings, played over loudspeaker at various times and interrupting with dull, repetitive tones the otherwise pleasant clickety-click of the tracks. But, some people like it.

What it adds up to, especially for the older people on board and the children, and many young couples, is a lot of fun. It's a carefree existence without much challenge to the mind, and most people like it that way for the overnight trip.

Who travels on Auto-Trains? Diana Sperry, for one, from Middletown, Ohio, and her 18-month-old son, Joshua, for two. They were on the Louisville-Florida trip recently, headed ultimately for Sarasota, Fla., while Mrs. Sperry's husband reports to Fort Jackson, S.C.

"There's not much for a very young child to do, except walk from one end of the train to the other," said Mrs. Sperry, resting on one trip to the front end of the Auto-Train. "But it's far better than driving. The setup is nice. The seats are not bad."

Mrs. Sperry had heard about Auto-Train through media attention given the Washington-Florida route and called the American Automobile Association for information when she heard a new Louisville route was planned.

She learned something other potential Auto-Train travelers must know: Tickets are sold only by the company and not travel agents. There is a toll-free telephone number connected with a bank of telephones and a computer-based ticket operation at 1801 K St. NW, in Washington, from which tickets are ordered and mailed in advance.

During the winter months, most riders on Auto-Trains are elderly, retired and relatively affluent persons with property in Florida, traveling between the Northeastern states (and now the Midwest) and the South; some 60 per cent of the autos carried in these months are Cadillacs.

Over holiday periods and during the summer, lots of families and children are on board, while the crowd is a mixture in the spring and tending to be more elderly in the fall.

At all times, the crew is young. Except for the railroad operating crew members (employed by the Seaboard or RF&P), the hostesses, hosts, service directors and maintenance people on each train are on Auto-Train's payroll.

Garfield emphasizes promotions from within (the firm now employs 640 persons) as well as his own sense of perfection in promoting employees' enthusiasm, and it appears to work: One couple planned a June wedding in the nightclub car.

Garfield also has outlawed tips. "They're paid well," he said of his employees.

Auto-Train pay is equivalent to or better than comparable work on other railroads—plus fringe benefits and a stock purchase plan. Under consideration is a pension or profit-sharing program. An attempt by a rail union to organize shop workers last year failed, 96-24.

AUTO-TRAIN TIPS

Too much demand remains a big problem for people wanting to ride Auto-Trains, with space sold out on some trains between now and the end of August. There are cancellations, however, and a waiting list. Generally, it is wise to make reservations two to six months in advance to guarantee space, or a year ahead in the case of holiday periods including Christmas and New Year's.

Washington residents should call 785-4000 for tickets and reservations; from the Northeastern U.S., the number is 800-424-8520, from the Midwest, 800-424-8670, and from Florida, 800-424-5410.

Trains depart Lorton, Va., just south of Washington on I-95, and Sanford, Fla., at

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6 p.m. daily headed north and south for arrival at 9:30 a.m.

Between Louisville and Sanford, service is now offered three times weekly, with daily service planned by December. Trains leave Florida at 1 p.m. and depart Louisville at 3:30 p.m., with a travel time of about 22 hours.

THE BRITISH MIRACLE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. EDWARDS of California. Mr. Speaker, in the June 27 edition of the New York Times I came upon an article that I believe deserves the consideration of all Members. "The British Miracle" reports on the vast support that the British Government gives to the arts. This support and the resulting enrichment in the lives of all Britshers is something that the United States could well consider adopting here in our country. Our economy could be helped by this stimulation of economic activity, but the real benefits to the American people would be something incapable of measurement through economic parameters. I commend the article to all my colleagues:

[From the New York Times, June 27, 1974]

THE BRITISH MIRACLE

(By Anthony Lewis)

LONDON, June 26.—Over the post-war years we have had the German Miracle, the Italian, the Japanese—the spurts of economic growth that made those countries newly rich. The British read about all that and longed for an economic miracle of their own, something to end the long slow slide down the international prosperity tables.

No economic magic has turned up here so far, unless it is the vision of North Sea oil in the future. But there has been a miracle of another kind, one that is not often mentioned but that is reason enough for the British to feel a sense of achievement. That is their record in the arts.

Visitors to this country are always struck by the extraordinary richness and variety of theater, music and dance. They may assume that it has always been thus in Britain, but it has not. The rich cultural life has been made possible by a transformation, in the last 25 years, of public and official attitudes toward the arts.

Before World War II, official interest in the performing arts was largely confined to censoring them. Shaw was just one of many who complained of an atmosphere hostile to creativity in ideas or forms. For 100 years and more efforts to build a national theater had got nowhere.

Today the British Government spends about \$42 million a year on subsidies for theater, music and dance. Another \$58 million goes to museums and galleries, and \$4 million for the Film Institute. Other significant sums are spent by local governments, for building new theaters or subsidizing repertory companies.

The figure of over \$100 million in national Government support for the arts is astonishing, considering Britain's size and economic situation. In the United States, Federal spending on aid to the arts is \$61 million in the current fiscal year—a lower figure in a country with four times the population and about twelve times the gross national product.

Account must also be taken of the British Broadcasting Corporation, in a way the most significant cultural phenomenon in this country. While the public television stations

of America struggle against official parsimony, the B.B.C. has revenues of \$33 million a year from license fees imposed by Parliament. The B.B.C. carries on a good music network, its own orchestras, drama and a general creative program that makes its television output the most interesting in the world.

Of course artistic excellence need not depend on public money. One example of an institution that survives on private support is the incomparable Aldeburgh Festival, with its roots in the villages and churches and mysterious countryside of East Suffolk. To hear the music of Benjamin Britten or Henry Purcell in Aldeburgh is to feel the connection of land and art.

But there can be no doubt that the performing arts generally require public subsidy today to survive on a level above the frivolous. It is no accident that the plays of Harold Pinter, Tom Stoppard, David Storey and Edward Bond have usually been produced by the subsidized theater companies: the National, Royal Shakespeare and Royal Court. A new National Theater, an exciting building designed by Denys Lasdun and being built by the national and London governments, is nearing completion on the south bank of the Thames.

In the end it is not buildings or statistics that matter but particular artistic experiences. And so it is appropriate to anchor this attempt at describing something that Britain does well, very well, in the writer's experience of one performance.

It was Verdi's "Falstaff," played at the royal opera house, Covent Garden, the other evening with Tito Gobbi in the title role. "Falstaff" used to be considered an oddity; now performances are besieged. More and more people have come to see this work of Verdi's eightieth year as an ultimate use of music and drama to express human weakness and glory, failure and aspiration.

The crucial thing about the character of Falstaff is that he is not a buffoon. Vain, yes, and gullible, and deceiving, but with a reservoir of wisdom and dignity and force; the force of life, for Falstaff is the symbol of life, of humanity with all its imperfections. That, at least, was what Verdi and his librettist, Boito, saw in the character. They perhaps saw more than Shakespeare.

The other night Tito Gobbi was all those things. He was the butt of the Windsor wives and their outraged men, but he remained larger than any of them; he remained in control. When he sang of how he had been slim enough to slip through a ring when he was page to the Duke of Norfolk, he sang of all our regretted yesterdays, but with spirit undimmed by physical change.

A great performance is always a small miracle. That the arts thrive as they do in this country is a larger one.

THE GREAT OIL SWINDLE, OR: MAYBE NOW CERTAIN BUSINESS LEADERS WILL SUPPORT TAX REFORM

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 20, 1974

Mr. VANIK. Mr. Speaker, yesterday's newspapers disclose the losses sustained by a gold ribbon list of famous Americans who got taken on an investment scheme based on a tax shelter and tax dodge. From early indications, it appears that their loss on the tax free get rich tax gimmick will run as high as \$100 million.

The amazing list includes such individuals as Jack Benny, Lewis Foy,

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president of Bethlehem Steel, Donald Kendall, chairman of Pepsi-Co Inc., and many other giants of the business, legal, and entertaining professions. The list is a veritable who's who of America's big and mighty who dislike paying Federal income taxes.

Their losses are largely paper losses, since their investments were largely made for tax avoidance purposes. Most of their losses would and should have been paid in their income taxes. Their losses are therefore shared by the Treasury.

We should not shed a tear for these fancy losers—nor should we establish a loan program for them to "shore up" their losses.

**INFLATION—PROFESSOR HELLER
ON INDEXING**

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HARRINGTON. Mr. Speaker, recently, as the economy has experienced double-digit inflation, much attention has been paid by economists, policymakers, and the general public to methods of slowing these often-damaging increases in the price level. One method which has been widely debated is wage and price controls—a method which was poorly administered by an administration hostile to its philosophy and which, as an expected consequence, failed to do the job that some policymakers believed possible. Another which has been proposed is the deliberate contraction of the money supply through the maintenance of consistently high-interest rates—a policy which forces certain sectors of the economy, especially the housing industry, to pay a high price for the control of inflation. A third alternative is a deliberate policy of fiscal restraint on the part of the Federal Government—a method which invariably seems to disproportionately affect those social programs designed to foster a higher quality of life for the American people. In addition to these three traditional vehicles, there is much discussion of a new proposal—widely known as the Brazilian plan of indexing or monetary correction—to stem the rising tide of inflation in the United States.

In Brazil, the use of indexing has corresponded to a large decrease in the rate of inflation and substantial progress in the area of economic growth. But it must be understood that this is not necessarily a causal relationship, for, as the distinguished economist, Walter Heller, points out in the following article, other factors unique to the Brazilian experience have contributed to the control of inflation, so that the economic improvements cannot be directly attributed to the indexation procedure. Another very important factor not mentioned in the article which would seriously impair the transferability of the indexation program is that Brazil is ruled by an authoritarian regime which has virtually unlimited power in forcing people to

"tighten their belts" in order to transfer real income to capital at the expense of the workers.

Whether or not we agree, Dr. Heller's comments deserve the attention of each Member as we wrestle with the problem of inflation, and, therefore, I would like to insert his article, "Has the Time Come for Indexing?" from the June 20 Wall Street Journal in the RECORD at this time.

The text follows:

[From the Wall Street Journal, June 20, 1974]

HAS THE TIME COME FOR INDEXING?

(By Walter W. Heller)

In a word caught in the toils of unrelenting inflation, it is small wonder that "indexing" or "indexation" is gaining attention and adherents.

The idea of using a general price index to translate fluctuating money values of payments like wages and interest and of assets like bonds and savings into stable real value is not new, of course. A century ago, the English economist Jevons was searching for just such a stable standard of values. And in recent years, Belgium, Israel and Finland have indexed wages, pensions, rents and a wide range of financial transactions.

Even in the United States, we practice indexing in a limited way. Cost-of-living adjustments provide some insurance against inflation for 32 million Social Security and civil service beneficiaries and 13 million recipients of food stamps. And the wages of about 10% of the labor force are at least partly hedged against inflation by cost-of-living escalators.

What is new is not indexing as such, but the proposal that it be applied across the board. Struck by Brazil's heady economic experience, Milton Friedman urges us to "express all transactions that have a time duration in terms that eliminate the effect of inflation." This, it is claimed, would automatically take both the sting and the honey out of inflation and clear the path for monetary and fiscal measures to bring it under control.

Brazil's widespread use of indexing, or what it calls "monetary correction" has coincided with a marked slowdown in inflation and a strong speed-up in growth. The annual rate of inflation was brought down from about 99% in 1964 to 15% in 1973 (though world-wide inflationary pressures have again pushed it up to over 35% in the early months of 1974). Meanwhile, real growth has averaged better than 10% a year since 1968.

THE BRAZILIAN EXPERIENCE

But has indexing really been the hero of the piece? Does the Brazilian experience apply to conditions in the U.S.? For much of the following analysis I am indebted to Professor Albert Fishlow at the University of California.

After the military takeover in 1964, Brazil applied indexing with a vengeance in an effort to cope with rampant inflation and to get financial markets back on their feet:

Indexes measuring inflation rates of the recent past are used to translate money values into real values for payments of rent, interest and taxes as well as for assets like bonds, savings accounts and both the fixed and working capital of business.

Wage increases are determined by applying an index of expected future price and productivity increases to a base consisting of the average real wages paid in the preceding 24 months.

Profits are determined on the basis of real gains after monetary correction, while the level of exemption and the range of tax brackets under the personal income tax are

redefined each year in accordance with price level changes.

The foreign exchange rate was put on a crawling peg, a system of regular minidevaluations geared to the differential rate of Brazilian inflation.

The measure of inflation generally used for the correction process is the wholesale commodity price index (except in the case of rentals, where the minimum wage is used as the indexing standard). Apart from wages, where the index is applied in an arbitrary way, the system is far from automatic. To implement changes in economic policy, the authorities have adjusted tax privileges, loan repayment terms and real estate rate levels from time to time.

Wage indexing, as used in Brazil, was not a device to help labor keep pace with inflation. In fact, the wage formula, especially during the early years, had a built-in bias toward a reduction of real wages, partly because the correction for future inflation (and productivity advances) substantially undershot the mark and partly because rampant inflation eroded the calculated wage base. As a result, real minimum wages declined some 16% in the first phase of the program up to 1967. In the following five years, average wage gains covered only half to two-thirds of productivity advances. Only in 1972 and 1973 did rough parity prevail.

No one disputes that the Brazilian economy has made impressive strides in the decade since indexation was introduced. But the closer one looks, the clearer it becomes that indexing—in the usually accepted sense of impartial and automatic adjustments to general price movements—made only a marginal contribution to that success. Several facts lead inescapably to this conclusion.

First, the decisive role in reducing Brazil's inflation was played not by indexing but by (a) fiscal discipline that reduced the cash deficit from more than 4% of total output in 1963 to a small surplus in 1973; (b) price and wage controls; (c) the large productivity dividends produced by high rates of growth, and (d) greater international openness and the resulting competitive pressures on the domestic economy.

Second, Brazil's in-name-only indexation for wages was actually a formula for unwinding inflation at the expense of labor. The substantial decline in real wages, especially in the lower-income groups, bears witness to this.

Third, from the foregoing it is clear that the important parts of the program bearing the label "monetary correction" did not serve the cause of equity under conditions of rapid price rise—which presumably is the name of the game in indexing—but precisely the opposite.

Fourth, far from being an automatic correction based on overall price movements and thereby serving as a neutral "rule" to supplant governmental authority in allocating resources and distributing income, Brazilian indexing has been highly discretionary. To think otherwise does not do credit to the ingenuity and innovativeness of Brazilian policymakers. It fails to convey the degree to which rapid growth and disinflation were a product of conscious intervention in the economy.

Fifth, as recognized by such respected Brazilian authorities as Minister of Finance Mario Enrique Simonson, indexing eliminates the usual frictions in the inflationary process and thus may become a "feedback factor" in the rate of price increases. The 1974 jump in Brazil's inflation rate stemming from the global rise in food and energy prices seems to illustrate this point. The country's nimble policymakers already are investigating new ways of blocking this transmission effect.

Although indexing played a minor direct role in Brazil's successes on the growth and inflation fronts, it did help set the stage. By restoring and guaranteeing positive real

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rates of interest to savers, it helped revive capital markets and created the conditions in which new financial institutions could work, thus enabling the market to allocate resources more efficiently. Also, with the help of a broad range of export subsidies and incentives, the crawling-peg exchange rate facilitated a truly impressive growth in Brazil's exports. These consequences were important for Brazil's economic advance. But they are largely irrelevant to the U.S. economy blessed with strong financial institutions and foreign trade.

Indeed, the adjustment of interest rates to inflation via the marketplace, as in the U.S., affords an interest contrast with adjustments by indexing. What is the greater wisdom? To escalate long-term interest rates via indexing in response to the 1973-74 food and fuel price explosion? Or temporarily to offer a negative return on long-term money as our sophisticated capital markets are doing? These markets seem to be telling us that we should not build today's inflation into tomorrow's expectations on an exactly proportionate basis (nor, for that matter, should we ignore projected earnings in the productive sector).

COST-PUSH PRESSURE

An automatic across-the-board indexing system would have promptly translated skyrocketing commodity prices not only into higher interest rates but into higher wages. Thus, it would have put relentless cost-push pressure on the general price level. Under the present system, one has at least a fighting chance to avoid converting the 1973-74 "soft core" inflation—food, fuel, industrial materials and post-Phase 4 pop-up inflation—into a "hard core" price-wage spiral reaching well into the future.

Because of its uneven impacts, then, our existing system throws sand into the gears of inflation. Indexing would oil the gears and speed the process of inflation.

Under present circumstances, a good case can be made for using cost-of-living escalators in wage bargains instead of building the present rate of inflation into those contracts. Labor is thus protected against high rates of inflation, while the public is assured that wages won't be pegged at levels that ignore declining rates of inflation.

But it should be recognized that if across-the-board indexing of wages were required, vexing questions would arise. Would the base, or take-off point, simply be the existing wage level, or would adjustments have to be made for previous wage erosion and wage inequities? Would some nationwide adjustment for productivity also have to be prescribed? And would that not call for price-monitoring?

Beyond this, could a cost-of-living index be tuned finely enough to maintain the even-handedness that is a major objective of indexing? It is probably beyond the capacity of an indexing system, for example, to adjust for the fact that inroads of zooming food and fuel prices have been more serious for modest and low incomes than for high incomes.

Or consider the difficulties in trying to index income tax liabilities as Brazil has done:

Suppose we adjusted personal exemptions and the width of the tax brackets by the cost-of-living index today. It would give too much relief to those for whom food and fuel absorb only a small percentage of income and vice versa.

A tax fix via indexing cuts tax liabilities for those hurt by inflation but imposes no penalties on those, like debtors, who are helped by it.

Indexing reduces the automatic stabilizing force that a progressive income tax exerts by taking more money out of an inflationary economy. In this sense it demands more of discretionary fiscal policy.

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Indexing would also throw a heavier burden on conventional fiscal, monetary and wage-price policies because it is such an efficient "conductor" of the inflationary impact of outside shocks like the quadrupling of Arab oil prices. Such policies are having a hard enough time trying to curb existing inflation without making them compensate for indexation as well.

SOME ATTRACTIONS

This is not to say that indexation has no role to play in the U.S. economy. As the Social Security and food stamp examples illustrate, it has definite attractions as a means of buffering the incomes of groups who have no built-in protection against inflation. Cost-of-living escalators for wages can also play a useful role in an economy where inflationary forces are ebbing. And the federal government might want to issue an indexed security itself and remove legal barriers to private indexing arrangements in financial transactions. Having "purchasing power bonds" as an option would enable the system to respond more efficiently to differential expectations of future inflation among investors and thereby reduce nominal interest rates.

But even with the best of intentions and the most perfect of applications, indexing cannot fairly lay claim to being neutral, automatic or highly equitable. It does not do away with either market power or political power. But it does do away with some of the inhibitions against inflation and some of the frictions that serve as circuit-breakers to slow it down.

In short, carefully targeted indexing in small doses can promote equity without worsening inflation. But in large doses, it is more likely to be an opiate than a cure for inflation.

(Dr. Heller, president of the American Economic Association, is Regents' Professor of Economics at the University of Minnesota and former chairman of the Council of Economic Advisers under Presidents Kennedy and Johnson. He is also a member of the Journal's Board of Contributors, four distinguished professors who contributed periodic articles reflecting a broad range of views.)

SIXTY-EIGHTH GRAND CONVENTION OF THE ORDER OF SONS OF ITALY IN AMERICA

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. RONCALLO of New York. Mr. Speaker, I am pleased to extend my congratulations to the Grand Lodge of the State of New York Order of Sons of Italy in America and, in particular, to Joseph G. Bologna, grand venerable.

The members of the Order of Sons of Italy of the State of New York are today beginning their 68th grand convention at the Concord Hotel in Kiamesha Lake, N.Y. I congratulate the delegates and the 12,000 members of the order for the fine work they have dedicated themselves to in the past year and for the renewal of their dedication for the forthcoming year in achieving their objectives which not only enhance their qualities of citizenship but continue to make them better citizens in a great country. They are to be congratulated for their work in projecting Americanism among new immigrants; for their work among the youths of the State of New York and certainly for their many charitable

endeavors in the support of Boys Town of Italy; their fight against Cooley's anemia and their endeavors in awarding educational scholarships throughout the State.

I salute my worthy brothers.

PROFITMAKING SCHOOLS ALSO LURE VETERANS

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. BELL. Mr. Speaker, the ongoing series of articles by Eric Wentworth in the Washington Post this week continues to provide evidence for the indispensability of H.R. 11927, the Postsecondary Education Consumer Protection Act, which Mr. Pettis, my distinguished colleague from California, and I introduced in December of last year. The fact that veterans, seeking further education under the GI bill, are also victimized by the at times fraudulent claims of certain proprietary schools further argues for the speedy consideration and passage of this bill. I respectfully bring to the attention of my colleagues Mr. Wentworth's third article, describing how certain schools lure our veterans, the text of which follows:

[From the Washington Post, June 26, 1974]
SCHOOLS LURE VETERANS WITH TOOLS AND TVs

(By Eric Wentworth)

"Build and keep one of today's most advanced color TVs!" urged Bell & Howell in its three-page advertisement in the April Reader's Digest. "It's the perfect spare-time project ... an enjoyable way to learn about the exciting new field of digital electronics!"

The ad, one of many Bell & Howell has been running, invited readers to send in for more details and a free booklet about GI Bill benefits.

The GI Bill, according to George P. Doherty, who headed the company's education ventures until resigning recently, has been subsidizing about two-thirds of the 150,000 students taking Bell & Howell correspondence courses in color-television technology, other electronics fields and accounting.

Bell & Howell, in fact, is one of numerous companies selling correspondence courses in subjects from color-television technology to motel management that have found the GI Bill a bonanza for enrollments.

Veterans pursuing conventional classroom educations receive fixed monthly benefits regardless of their expenses—a system causing repeated outcries as tuition and living costs soar. But those taking correspondence courses are reimbursed for completed lessons at a flat 90 per cent of the tuition, whatever it happens to be and whatever—such as expensive "build and keep" television sets—it happens to cover.

The market subsidized by the GI Bill is immense. When Congress launched the present program eight years ago, it provided benefits not only for Vietnam veterans but for all those who had been mustered out as far back as 1955. And, for the first time, it extended coverage to active-duty servicemen.

All told, the present GI Bill has rendered some 9.7 million young and not-so-young Americans eligible for benefits. Through last June, the Veterans Administration had spent some \$8.1 billion on training benefits for more

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than 4.1 million of those eligible—making the GI Bill by far the largest federal student subsidy program.

VETERANS' EDUCATION

Companies selling education for profit—including big corporations such as Bell & Howell which have entered the field since the current GI Bill began—have taken advantage of this student market in a massive way. While most people might think of veterans using their benefits to study on college campuses, nearly one in four has been spending them on commercially sold correspondence courses.

In 1972, according to Veterans Administration data published last fall by Educational Testing Service, 12 profit-seeking schools each enrolled more GI Bill students than the University of Maryland at College Park.

Advance Schools, Inc., of Chicago led the VA list with 51,114 GI Bill correspondence students, more than the total student bodies—part-time as well as full-time—of American, George Washington and Georgetown universities combined.

Commercial Trades Institute, owned by Montgomery Ward, was second with 34,800 GI Bill students. Further down the list were two Washington-based schools owned by McGraw-Hill: Capitol Radio Engineering Institute with 8,564 GI Bill enrollees and National Radio Institute with 7,901.

The University of Maryland at College Park, with the largest GI Bill enrollment that year among all public and private nonprofit institutions, had only 4,381.

Companies in the correspondence school business have captured a big share of the market through aggressive selling. Their ads appear in Army Times, Argosy, Action Comics, Popular Mechanics, Popular Electronics, Penthouse, Front Page Detective, Glamour, Hot Rodder, Ebony, National Enquirer and a host of other publications.

These ads extol the high pay and status, even the excitement and glamor, that supposedly await students completing the course. Cleveland Institute of Electronics, promoting its color-television course, claims, "You'll Be Dynamite."

The ads also state "Approved for Veterans" or similar wording assuring readers that the courses qualify for GI Bill benefits.

Some companies exploit the GI Bill blatantly. Recently, for example, Commercial Trades Institute display boxes crammed with "take one" cards appeared in a laundry and a delicatessen on Wisconsin Avenue here. The red-white-and-blue cards, headed "Attention All Veterans," with an American flag in one corner, read, "It will pay you to learn about your benefits under the GI Bill. Specialized home study training for those who qualify. Tools and equipment furnished and are yours to keep."

Veterans could mail in one of the pre-addressed cards for more information about courses in color-television servicing and six other subjects.

THE 590 SALESMEN

Some correspondence school companies rely wholly on ads and promotional mailings. Advance Schools, on the other hand, uses 590 fulltime salesmen operating out of 147 district offices. Bell & Howell uses both ads and salesmen, of which it has 400 for its electronics courses and another 100 for accounting.

The European edition of Stars and Stripes published a special series last November on how some correspondence school salesmen, including retired military officers, were preying on enlisted men overseas. Stars and Stripes reporters found salesmen gaining illegal entry to military bases, signing up soldiers without worrying whether they could benefit from the courses, inducing them to evade required counseling with base educa-

tion officers, and even supplying them with exam answers to hasten their progress.

Two years ago, the VA and Congress decided the GI Bill was making it all too easy for profit-seeking correspondence schools to sell their courses—and both taxpayers and consumers were suffering as a result.

A special General Accounting Office report showed 75 per cent of the veterans and servicemen whose GI Bill benefits had stopped were dropouts. Only about half of those who finished their courses and sought training-related jobs were successful.

One could well conclude, though the GAO didn't say so, that there had been a massive waste of tax money in GI Bill subsidies to veterans who dropped out of their courses.

Though GI Bill benefits were supposedly covering 100 per cent of tuition at that time, the GAO found some 134,000 dropouts had paid an estimated \$24 million out of their own pockets. This occurred because VA based benefits on lessons completed, while schools accredited by the National Home Study Council—as most were—based student charges on the elapsed time since they first enrolled.

Congress adopted a package of reforms. GI Bill benefits would cover 90 per cent, instead of the full 100 per cent of tuitions. A "cooling-off period" would require GI Bill students to reaffirm their intentions in writing at least 10 days after signing an enrollment contract. And servicemen would have to consult with base education officers before applying for benefits.

Congress also accepted the National Home Study Council's refund-policy reform for accredited schools, which would tie refunds to percentages of lessons completed.

The reforms took effect Jan. 1, 1973, and had a marked effect. VA reported that new enrollments in commercial correspondence courses during the first six months fell 27.8 per cent, from 130,937 a year earlier to 94,495. New enrollments by servicemen alone dropped dramatically, from 26,190 to 12,803.

"Somebody out there has been saying something right to people about commercial correspondence courses," Col. John J. Sullivan, Pentagon adult education director, told a gathering of military-base education officers last fall in Dallas.

PROBLEMS PERSISTED

Serious problems, however, have persisted. Dropout rates have remained high. Even Bell & Howell, promoted as the "Cadillac" of correspondence schools, reported that at most 50 per cent of those who sign up for its courses actually complete them.

The Stars and Stripes articles, a recent Boston Globe series, and The Washington Post's own investigations confirm that sales abuses still occur.

And, in particular, the fact that GI Bill benefits for commercial correspondence courses remain pegged to tuition rates—even at 90 per cent instead of 100 per cent of those rates—helps perpetuate the program's heavy costs.

To the extent tuition rates cover marketing as well as instructional costs, the GI Bill subsidizes both.

A study funded by the Carnegie Corp. six years ago estimated medium-sized correspondence schools were spending 40 to 45 per cent of their budgets on sales and promotion, and less than half that amount—17 per cent—on direct instructional costs.

A Washington Post reporter mailed in coupons or letters answering the ads of some three dozen commercial correspondence schools to learn about their promotional methods. They responded with salvos of folksy form letters and elaborate glossy brochures.

National Camera, which runs a camera repair school based in Colorado, was the most prolific. It sent a total of 14 pieces of mail over an eight-month period in response to one inquiry.

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Getting no response to its initial mailings, LaSalle Extension University wrote, "When you first inquired about the LaSalle course in motel/hotel training you had taken a positive step toward a bigger future. And now, for some reason, you have faltered along the way."

EYE-CATCHING EQUIPMENT

Many companies promote their courses with a heavy stress on expensive or eye-catching hardware which they would supply with the lessons. They seemed to include such equipment as much to sell the course as to enhance its educational value. In extreme cases, they seemed to be selling equipment rather than education.

This seemed most notably the case with Bell & Howell, Cleveland Institute of Electronics, National Technical Schools, International Correspondence Schools and others selling color-television technology courses in which they featured deluxe "build and keep" construction kits as well as assorted testing equipment.

Anyone can buy such kits by mail order from the Heath Co. in Benton Harbor, Mich., which supplies detailed and readable manuals for step-by-step assembly, maintenance and trouble-shooting. Richard Shadler, Heath's contract sales manager, confirmed that his company sells "Heathkit" color television sets at volume discounts to Bell & Howell and several other schools for them to use in their correspondence courses.

If you buy and build the \$599.95 GR-900 or \$649.95 GR-2000 "Heathkit" sets from Heath directly, of course, you pay the full price yourself. If you're a serviceman or veteran and acquire a modified "Heathkit" through Bell & Howell's \$1,595 correspondence course, however, the GI Bill will cover 90 per cent of your total course cost.

Bell & Howell's Doherty conceded someone could sign up for the course under the GI Bill more to get a 25-inch-screen color television set at a government-subsidized bargain than to get an education in electronics. But there were obstacles, he insisted: the 170-lesson course was difficult and time-consuming, GI Bill benefits were paid only for lessons completed, and students received their "Heathkit" components only in the last quarter of the course.

In addition, the GI Bill is supposed to subsidize only veterans and servicemen whose studies have an educational, vocational or professional objective for which they are not already qualified—and they must state their objective on the benefits application form. Courses with a "recreational or an avocational purpose" aren't supposed to qualify for benefits.

LOCAL RESIDENTS

Nonetheless, Washington Post telephone survey of local residents taking the Bell & Howell course under the GI Bill turned up Pentagon civilians and military officers, business executives, airline pilots and even dentists who said they had enrolled for a hobby, to acquire a new television set, or to learn to repair sets they already owned.

"We don't require them to take a lie detector test," a Veterans Administration official commented.

Aside from \$600 television kits, other companies offer a variety of valuable if less glamorous hardware. National Radio Institute included a "handsome window air conditioner that serves as a training unit as well as a welcome addition to your home" in one of its courses.

Belsaw Institute's \$275 locksmithing course included a \$125 Belsaw Machinery Co. key machine-code cutter and other tools and supplies—total retail value \$215, or 78 per cent of the tuition.

The North American Correspondence Schools, owned by National Systems, spiced up their courses with a \$129.50 adding machine for accounting, and "three big drafting Kits" for drafting.

True, anyone taking vocational or technical training learns more effectively with access to the tools and equipment giving "hands on experience." Students who attend classes at a school get that access in the school's labs or shops. Correspondence students can't do that, so the schools instead mail them what amounts to their own individual laboratories.

It can be argued that since the schools can't control what happens to equipment in the hands of farflung correspondence students, it makes sense to let the students keep what's sent to them.

"We don't want to go all over the country recovering TV sets from all our students and then have a massive repair operation," Doherty said in explaining why Bell & Howell has correspondence students "build and keep" their color televisions.

Students taking a comparable course through on-site training at one of Bell & Howell's DeVry Institutes of Technology use school equipment instead and don't get sets to keep. "A couple of resident instructors are watching over the students," Doherty said, "and the amount of damage is held to a minimum."

There are, however, exceptions to the "build-and-keep" approach in correspondence courses. National Camera mails tools, test instruments and camera components to its correspondence students on temporary loan—requiring refundable cash deposits as high as \$233.10 in various phases of the course.

"Their cost, if you had to pay for each item," National Camera informs its students, "would nearly double tuition fees. To keep tuition cost at a minimum, this equipment is loaned to you."

DIAMONDS LOANED

Likewise, the non profit Gemological Institute of America loans out on the honor system a series of diamonds worth up to several hundred dollars apiece for students in its appraisal course to grade and mail back.

Even Bell & Howell itself, according to Doherty, makes an exception in one of its other correspondence courses, on electronic communications. Because one piece of equipment costs \$1,000 and is needed for only one phase of the course, he said, the company loans it out under a \$100 deposit rather than letting students keep it and pay extra tuition cost.

Some schools padded their offerings with less expensive but less essential paraphernalia which would still add something to tuition costs.

The North American School of Travel, for instance, embellished its travel-agent course with a Rand-McNally globe, wall map and atlas plus a set of Holiday Magazine guidebooks.

Modern Upholstery Institute, an unaccredited California school state-approved for GI Bill students, showed how fuzzy the line can be between educational essentials and non-essentials in correspondence study.

The school started out offering a \$255 course, which veterans could take with 90 per cent GI Bill subsidies. The course included more than 125 lessons, upholstering tools, and six kits of materials to make an ottoman, boudoir chair and other furnishings.

Failing to make a sale, the school then offered a "compact" upholstery course in which students would grade their own lessons. The compact course, no longer qualifying for GI Bill benefits, cost \$150 with only four kits (no boudoir chair or club chair) or \$124 without any kits.

The school claimed that the compact course allowed it to slash costs "without reducing its instructional value in the slightest degree." (Ultimately, the school came up with a "streamlined" course for only \$76 in which all the lessons—and a set of tools—would be mailed in "one giant package." Still, it

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claimed, "not one single vital bit of information has been omitted!")

BONUS DISCOUNTS

North American schools were among the front-runners when it came to offering bonus discounts up to \$150, or gifts, to students mailing in enrollment contracts by certain deadlines. Their gifts included a "deluxe travel bag" from the School of Travel and a pair of binoculars from the School of Conservation.

Cleveland Institute of Electronics offered up to 17 "free gifts" worth a total \$165.25—including an electronic pocket calculator—for prompt enrollments. And Technical Home Study Schools in New Jersey, also for prompt enrollments, offered an 18-volume "Encyclopedia of Good Decorating" from its Upholstery and Decorating School, and more than 100 key blanks from its Locksmithing Institute.

Still another came on which several companies used involved opportunities for post-graduate training. Students who could afford their own travel and living expenses could take advantage of the opportunities without extra tuition.

North American School of Conservation offered "a thrilling week, or more" of lectures, field trips and "leisure fun" at its "summer camp in Wyoming's breath-taking scenic beauty."

ENVIRONMENTAL CENTER

Its rival outdoor-careers school, the National School of Conservation (acquired since by Technical Home Study Schools) last fall was offering a week-long "remarkable living and learning experience . . . and, yet, it's like the vocation of a lifetime" at an environmental study center in Wisconsin's North Woods.

Less recreational but perhaps more educational, National Camera offered a two-week "resident seminar" at its Englewood, Colo., headquarters; National Technical Schools offered up to a full month's "workshop training" at its school in Los Angeles; National Radio Institute offered one week's training at York Institute in Pennsylvania for its air conditioning, refrigeration and heating students; and North American School of Drafting offered 50 hours' training at Cleveland Engineering Institute.

School owners, in short, have been able to charge tuitions that cover a wide array of embellishments while GI Bill benefits pay 90 percent of whatever those charges happen to be.

This government generosity persists at a time when veterans attending conventional colleges complain bitterly that their benefits—based on flat monthly rates regardless of tuition and other costs—are not meeting their needs. It's a time, as well, when young Americans are finding other federal student aid funds in generally short supply.

THE FIGHT AGAINST BIRTH DEFECTS

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. SYMINGTON. Mr. Speaker, today I am introducing with my colleagues, PAUL ROGERS of Florida, Dr. TIM LEE CARTER of Kentucky, and JOHN SEIBERLING of Ohio a joint resolution to establish January as "March of Dimes Birth Defects Prevention Month." In taking this step we will be offering the support of Congress and focusing the attention of the Nation on the volunteer

effort which is aimed at solving the No. 1 child health problem in the United States.

THE FACTS ABOUT DEFECTS IN THE UNITED STATES

This problem affects all of our lives. Every year about 250,000 babies are born in the United States with some type of defect—mental or physical. This amounts to almost 1 in 14 births or 700 babies a day—about 7 percent of all live births. Official statistics indicate that of those born alive more than 60,000 die each year in infancy, childhood, or in adult life as a direct result of birth defects. A 10-year study conducted at the University of Florida College of Medicine suggests that birth defects cause some 129,000 deaths a year, more than twice the officially reported number. Birth defects are implicated in fully half the deaths of preschool children and are responsible for the death of almost two-fifths of elementary school age youngsters.

In addition, there are some 500,000 spontaneous abortions, stillbirths, and miscarriages each year due to defective fetal development.

Altogether, more than 560,000 lives a year are destroyed by birth defects. Only heart disease claims more lives.

Clearly, this is a major health problem which warrants the consideration of every Member of Congress. In this regard, I urge my colleagues to support the work of our House Health Subcommittee chaired by the able PAUL ROGERS of Florida as extension and improvements of existing health laws come to the floor for final action.

THE COST IN DOLLARS

As a result, birth defects are estimated to cost the United States some \$80 billion annually in lost lifetime earnings. Because this loss begins with birth, rather than late in life, it is more than four times greater than for any other disease. In addition, some 1,200,000 are hospitalized in the United States each year for the treatment of birth defects at an estimated cost of over \$800 million.

It is estimated that approximately 15 million Americans suffer from birth defects serious enough to affect their daily lives. These include 3 million mentally retarded, 4 million diabetics, 1 million with congenital bone, muscle, or joint disease, 500,000 totally or partially blind, 750,000 with impaired hearing, 350,000 with congenital heart or circulatory defects and 100,000 with severe speech problems.

We are losing ground in our fight to maintain international leadership in the development of preventive medicine, prenatal and neonatal care.

JANUARY IS MARCH OF DIMES MONTH

For nearly 40 years, the March of dimes has had a concentration of public education and publicity during the month of January. Each year, January has been proclaimed "March of Dimes Month" by numerous Governors and mayors. The following States have declared a March of Dimes Month in January at least once since 1970: Alabama, Alaska, Arkansas, Colorado, Connecticut, Hawaii, Illinois, Idaho, Indiana, Iowa,

Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, and Wisconsin.

This tradition began with the establishment of the President's Birthday Ball honoring President Franklin D. Roosevelt on January 30, 1934. The proceeds of the President's Birthday Ball were used to finance the fight on polio through the National Foundation and the annual campaign to support the National Foundation became the March of Dimes.

With its victory over polio, the National Foundation/March of Dimes began in 1958 to focus its full resources on the campaign against birth defects. Its efforts are directed both to the prevention of birth defects and to the treatment of those born with disease or damage due to prenatal factors.

PROGRAMS FOR PREVENTION OF BIRTH DEFECTS

Every child should enter the world undamaged by defects, events that take place during pregnancy. Statistics prove that a program of prevention is a necessity.

Programs of prevention require great emphasis on prenatal care. The National Foundation/March of Dimes through its more than 2,300 chapters covering every county in the United States, has initiated numerous programs at the local level to see that expectant mothers receive adequate prenatal care. Working with all elements of the community, prenatal care projects have been established that now help bring medical services and health education to families in an increasing number of localities. The National Foundation helped initiate nationwide programs such as "Operation Stork," "Better Infant Births," and "Stork Nests" in conjunction with other volunteer groups. It has cosponsored prenatal care clinics with hospitals and public health departments in inner city and rural areas. Beside adequate medical care, the prenatal care programs stress the importance of nutrition to mothers both before and during pregnancy and to the newborn.

Congress has also responded to these problems through the passage of the maternal and child health services provisions of the Social Security Act. This act has resulted in the establishment of 61 maternity and infant projects in 34 States and 8 intensive care projects for high risk infants. The National Foundation/March of Dimes programs have acted as referrals to these projects.

In addition, Congress has established the special supplemental food program for women, infants, and children—(WIC program)—under section 17 of the Child Nutrition Act of 1966. The National/March of Dimes has been working closely with the Department of Agriculture and the local communities to implement this program and to develop appropriate systems of evaluation.

Next year, our House Health Subcommittee with the bipartisan leadership of PAUL ROGERS and Dr. TIM LEE CARTER will continue its support of Public Health Service Act research funds for work into the causes and treatment of birth defects as part of the total Federal medical research effort.

The National Foundation/March of Dimes makes extensive grants each year for research into the underlying causes of birth defects and also into the best methods of diagnosis and treatment. The internationally famous Salk Institute for research has been built and largely supported by March of Dimes funds.

The National Foundation/March of Dimes sponsors a network of medical service programs throughout the country. Through these programs children with birth defects receive diagnosis and treatment by teams of medical experts. More than half of the programs also provide genetic counseling. At others, high risk pregnancies are monitored and intensive care is given to critically ill newborns. These programs are administered by hospital medical centers.

EDUCATION AND PUBLIC INFORMATION

The education and training of professionals to provide the broad range of services required is another goal. The National Foundation/March of Dimes provides leadership in this area with symposia to educate family practitioners in genetics and courses for nurses in intensive care of critically ill newborns as examples. Fellowships are awarded to outstanding investigators and clinicians and scholarships are made available in the health specialties. Of particular importance is the dissemination of knowledge about birth defects and their treatment through the publication of original articles and reprints, the distribution of audiovisual films on genetics and the publication of a "Birth Defects Atlas and Compendium" as a resource tool for doctors.

Of equal importance is the dissemination of knowledge to the public and especially to the prospective mother. The National Foundation/March of Dimes volunteers throughout the country carry the word in person and through hundreds of thousands of pamphlets and booklets to all parts of the community. Prospective mothers must know the importance of early and regular medical attention in pregnancy and why it is her best safeguard in reducing the risk of maternal complications and hazards to her unborn baby.

FOCUSING ON THE NEED

In the crusade against birth defects, it is necessary for the people of the United States to consider fully the nationwide problem and its effect on present and future generations. By authorizing the President to designate January of each year as "March of Dimes Birth Defects Prevention Month" will be the vehicle through which information about education, nutrition, and prevention of birth defects is transmitted to the public. I urge my colleagues to support this resolution.

U.S. SANCTIONS AGAINST SOUTHERN RHODESIA

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. CULVER. Mr. Speaker, I am pleased that the Committee on Foreign

Affairs today reported favorably S. 1868, a bill to restore the United States to full compliance with United Nations sanctions against Southern Rhodesia. The purpose of the bill is to repeal the Byrd amendment and thereby disallow further imports of chrome ore, ferrochrome, and nickel from Southern Rhodesia, and return the United States to full compliance with U.N. economic sanctions in accordance with international treaty obligations.

In 1965 Ian Smith established a white minority regime in Southern Rhodesia. The following year the United Nations Security Council, acting under chapter 7 of the U.N. Charter which provides for Security Council sanctions when there is "a threat to the international peace and security," voted to impose mandatory economic sanctions against the regime. In 1968 the Security Council voted to make the sanctions comprehensive by prohibiting all trade with Southern Rhodesia. In both instances the United States voted in favor of the sanctions.

In 1971 the U.S. Congress violated that position by an amendment to the Defense Procurement Act that allowed the importation of any commodity determined to be strategic and critical which was imported from a Communist country. The effect was to authorize the importation of chrome ore, ferrochrome, and nickel from Southern Rhodesia. The United States thereby became the only nation besides South Africa and Portugal openly to violate the Security Council sanctions.

The principal argument advanced in favor of the Byrd amendment was that it was in the U.S. national interest to keep the United States from becoming dependent upon the Soviet Union for imports of chrome ore.

However, since passage of the amendment, the Soviet share of U.S. chrome imports has risen from 24 to 53 percent. Furthermore, the United States has vast supplies of chrome in its strategic stockpiles—so vast, in fact, that last year President Nixon declared 3.9 million tons to be in excess and proposed legislation to release that amount for public sale.

Furthermore, U.S. security interests are not tied to Rhodesian chrome. Peter Flanigan, assistant to the President for International Economic Affairs, has said:

Access to Rhodesian chrome and other minerals is not an important element in U.S. security or in our overall foreign economic policy . . .

Likewise, Secretary of State Henry Kissinger, in a February 8, 1974, letter to a Republican colleague on the Foreign Affairs Committee, said:

I am personally convinced that the Byrd Provision is not essential to our national security, brings us no real economic advantages, and is costly to the national interest of the United States in our conduct of foreign relations.

The Byrd amendment has several adverse effects. It reverses the policy of two U.S. Presidents in support of self-determination for the majority of Rhodesians. It is a violation of international law and is a bad precedent set by a country which claims allegiance to international law. Thereby it weakens the sanctions and the

United Nations itself as an instrumentality for peaceful change.

Further the Byrd amendment creates hostility toward the United States among black African countries. It gives the Smith regime not only a morale boost, but it also is the largest single source of foreign exchange—some \$43 million. Finally, it leaves the impression that the United States is not willing to sacrifice even a small economic interest in order to penalize a regime which flouts principles of democracy, racial equality, and self-determination.

It is time for Congress to return the United States to compliance with the economic sanctions against Southern Rhodesia and thereby with international law. Only with the strong moral leadership of the United States can the United Nations serve as an important vehicle for the resolution of conflicts among nations and peoples. It is in the long-term interests of the United States to promote a strong and effective United Nations.

Mr. Speaker, I urge early and favorable congressional consideration of S. 1868.

CONGRESSIONAL BUDGET REFORM

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. MIZELL. Mr. Speaker, I am today completing the mailing of my monthly newsletter for June. For the benefit of my colleagues I insert at this point a copy of it in the RECORD:

CONGRESSIONAL BUDGET REFORM

This month the House of Representatives approved a measure reforming congressional budget procedures. Since my first term, I have been urging action to reduce unnecessary and wasteful federal spending, and with this action I think we are moving in the right direction. Because of the impact of this bill—because of its potential to bring federal spending under effective congressional control, to reverse the trend of deficit spending and to halt the inflationary spiral—I want to explain its provisions to you.

Heretofore, the budget procedures of the Congress have been disjointed and counterproductive. After the approval of authorizing legislation in both Houses, appropriations are recommended in the President's budget for newly authorized programs and existing programs. The Congress has had neither the expertise nor the technological capacity to adequately analyze and review these numerous intricate and complicated proposals. The decentralized, separate authorization and appropriations approach has not permitted Congress to get an overview of the total budget picture, resulting in the passage of individual bills which feed inflationary fires.

If properly implemented, the budget reform bill will help alleviate the problems inherent in the old system by enabling Congress to more carefully consider the overall federal budget and to take timely action to insure a reasonable and responsible fiscal policy.

Under the new system, a congressional budget office will have the expertise necessary to analyze the volume of intricate data accompanying the President's budget and individual spending proposals. The beginning of the fiscal year will be moved from the current July 1 to October 1 to assure ade-

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quate time for orderly and thorough consideration of spending measures.

After submission of the President's budget, Congress must review his recommendations and adopt a tentative budget by May 15, setting overall target totals for appropriations, spending, taxes, reduction of the federal debt, and so on. After setting this total budget goal, appropriations committees will be permitted to present their spending bills which will be measured against the goals set forth in the tentative budget. The budget committees and the Congress must accomplish this review by September 15, and if over-spending would result, the budget committees can dictate changes in the appropriations to insure that expenditures are kept within non-inflationary bounds.

The battle for passage of this measure in the House was long and arduous. Final Senate action is expected soon. When signed into law, its enactment will be a significant step toward controlling the spiraling federal budget and eliminating deficit spending because it will reduce the chances of passing inflationary bills due to inattention. The new process should also reduce the present confusion surrounding the budget and curb unnecessary delay in the budget process. But these aims will not happen by magic; they will require diligent and responsible action by the Congress in its implementation of this measure if its potential for restoring sanity to our fiscal policy is to be realized.

SOVIET RESETTLEMENT OF LITHUANIAN FARMERS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HUBER. Mr. Speaker, in yet another step designed to bring Lithuania into line with the Soviet Union, a decree was announced that would move 100,000 Lithuanian farmers from their homes so that farm units may be enlarged in line with the traditional Soviet thought that bigger is always better. This is yet another blow to the family and Lithuanian tradition of individual farmhouses. Now they will have to move to centralized farm settlements. One can certainly expect the farm production in the area to fall, as a consequence. I commend the article from the *Christian Science Monitor* of Friday, June 21, 1974, to the attention of my colleagues:

SOVIET RESETTLEMENT—100,000 LITHUANIAN FARMERS FACE FORCED MOVE TO VILLAGES TO FREE ADDITIONAL ACREAGE

(By Leo Grulow)

Moscow.—Approximately 100,000 Lithuanian farm families are to be moved from their ancestral farm cottages to central farm settlements so that the fields where their houses stand may be planted.

Plans to compensate the farmers for loss of their homes and to grant them loans for building new houses in the central settlements were announced in a decree issued by the Lithuanian Council of Ministers.

The decree, reported in Lithuanian newspapers, was declared to have the approval of the central Soviet government in Moscow.

In Russia proper, where the feudalism lasted into the 19th century, rural dwellers always lived in villages, with houses clustered around a manor house and strung along one or several lanes, though the farm fields lay far away.

Collectivization made no change in this housing pattern, except that the manor house usually became the farm center or club.

In the Baltic regions the farmer's cottage—like an American farm house—lay in the center of his fields and at a distance from neighbors. Although the fields have been collectivized, farmers continue to reside in their separate family cottages.

Such farm houses had previously been condemned and their occupants moved when the land around them was scheduled for drainage and improvement. Now all isolated farm cottages will be subject to condemnation, whether the land on which they stand is to be drained or not.

Most of the cottages to be torn down are in the southern and eastern parts of Lithuania, where drainage and land improvement are not needed and hence such cottages had hitherto been left untouched.

Commissions will appraise the cottages and their private gardens to establish the compensation due. Upon moving to state or collective farm central settlements, the farmers are granted 15-year home-building loans up to 3,500 rubles (about \$4,250). The state or collective farms are to pay 35 percent of the loan. The new homes may be either privately purchased or co-ops.

The decree set no time period or schedule for the vast program to move farmers into central settlements. It simply announced the provisions for compensation and loans and the procedures to be employed. The resettlement undoubtedly will be spread over many years.

Lithuania, one of the most prosperous regions in the Soviet Union, is strongly Roman Catholic and its people are noted for their independent spirit.

For several years, the far southern Soviet Republic of Moldavia—another region where farmsteads used to be isolated from one another—has been moving rural families from their dispersed cottages into centralized farm settlements.

The resettlement there has been linked with a program to merge farms into larger units under combined corporate management.

Under this system, groups of large, specialized farms, both state and collective, are integrated with packing and processing plants into regional corporations. Some of these large units have been building "agrocities" to house the farmers.

The Moldavia corporate farming plan is being extended experimentally to other parts of the Soviet Union, including some places in the Baltic region.

IMPEACHMENT—A PRIMITIVE POLITICAL WEAPON

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. BOB WILSON. Mr. Speaker, from time to time I have submitted for the RECORD various articles about the impeachment process which, of course, is of major concern to our colleagues at this time. I now include as a portion of my remarks another article by O. R. Strackbein entitled "Impeachment—A Primitive Political Weapon." This gives a very good summary of the impeachment procedures and some of the problems involved with them in days gone by.

The article follows:

June 28, 1974

IMPEACHMENT—A PRIMITIVE POLITICAL WEAPON
(By O. R. Strackbein)

The impeachment procedures relating to the Presidency of this country are patterned after the British system. There the House of Commons brings the charges, and if these are sustained, the case goes to the Lords for trial. Here the House of Representatives replaces the Commons, and the Senate, the Lords, in the process of impeachment and trial.

In England impeachment has fallen by the wayside. The latest Prime Minister who was threatened with it was Lord Palmerston who was in office in mid-nineteenth century. The preliminary motion to develop evidence on which to proceed was itself, however, defeated; so nothing came of it.

In the earlier 1800's only two charges that might have led to impeachment of high officials were lodged. One (1805) was against Lord Melville, First Lord of the Admiralty, and the other against Lord Ellenborough, Lord Chief Justice of the King's Bench. Neither motion survived the House of Commons. In other words, no one has been impeached in Britain in nearly two hundred years.

One cause of the atrophy of the impeachment muscle is thought to lie in the nature of the parliamentary system wherein the Prime Minister and his Cabinet may be turned out of office by a vote of no confidence. Instead of waiting to the end of the set term of office an interim turnover may be accomplished. While this was nothing new, since upsetting of a going House was an old practice, it can only be surmised that experience with the impeaching process was so unhappy that it was set aside in favor of the vote of confidence. In any event impeachment in Britain represents a relic of history that can now quite safely be regarded as archaic.

This obsolescence followed that of a previous prevalent practice: namely, decapitation. This was a political instrument of the sharpest edge, not only in England, but, notoriously in France during the Reign of Terror. During the 15th, 16th and even the 17th centuries in England beheading was a favorite means of ridding the scene of political opponents if they could but be captured. During the War of the Roses, when York battled Lancaster and vice versa, a lordship's gory head not infrequently was seen to adorn city gates and parks, usually mounted on a pike, as convincing evidence of who was boss or, more certainly, who was not. Not even queens escaped. Mary lost her head to her younger sister Elizabeth in mid-16th century. It was almost sure to be the one or the other. A hundred years later Charles I of England made his last bow on the block.

From beheading to impeachment represented progress in the process of amelioration that set in during the first half of the last century that saw the execution of poachers and the imprisonment of debtors vanish. At about the same time the settlement of private encounters by dueling moved away from the crimson path to less gruesome endings. Oddly enough, while in England impeachment went out, we, in this country, are on the verge of reverting to the primitive usage of the rusty instrument.

In England, the origin of impeachment "lie in the 14th century, when it grew up as a means of initiating criminal procedures based on 'clamor' or outcry." So says the Encyclopedia Britannica.

"The Good Parliament of 1376 proclaimed the first recognized cases of impeachment", says the same source. The most important case was that of William, Lord Latimer. The latter had been "closely associated with the government of the aging Edward III, which was under hot attack." His case, says Britannica, revealed "a characteristic which persisted; subsequent victims of impeachment

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(in Britain) have often been political figures. Usually they have been royal ministers as well."

After the trial in 1459 of Thomas, Lord Stanley "impeachment fell out of use" for a long period, nearly two hundred years. In 1620-21 Sir Giles Mompesson was successfully impeached in the reign of James I who tried unsuccessfully to prevent the action.

"Flourishing their new-found weapon the Commons attacked much more important victims." Among these were Francis Bacon and the Earl of Essex. "Their success (i.e., that of the Commons) was dramatic; for thus the chief officers of the crown were overthrown." Those were the days, of course, of intense struggle against the monarchy.

The political character of impeachment was showing its true color.

The account (Britannica) continues: "By it (i.e., impeachment) unpopular ministers and favorites, such as the Duke of Buckingham (1626), Archbishop Laud (1640), the Earl of Strafford (1640-41), the Earl of Clarendon (1667) and Danby (earlier: 1678-79) were brought down or at least brought into jeopardy."

Between 1620 and 1715, indeed, "there were about 50 cases of impeachment." The account then notes that "in attacking royal ministers the Commons were in effect attacking their policies." (Emphasis added).

The next sentence in the account throws some light on the current dispute about the questions of Presidential impeachment on grounds other than a criminal act. It says: "Yet they (the Commons) could proceed by impeachment only if a minister could be convicted of a crime."

On this point the account dwells long enough to say: "Strafford's case had shown that a wary minister was often hard to trap in a net. A minister might be punished severely for some trivial offense which had been cozened up and which was not the real point at issue."

Probably the most celebrated of the British impeachment cases was that of Warren Hastings who was the Governor General of India. His situation was not political in the sense of the impeachment of Andrew Johnson in 1868 in this country. Warren Hastings, however, was pursued by a bitter enemy in the person of Sir Philip Francis, who had been appointed by Lord North (Prime Minister and well known in American history books on the American Revolution) to the supreme council of Ft. Williams, Calcutta. With two colleagues he engaged in "a long and bitter struggle with Warren Hastings," which after the death of his (Francis') two colleagues "culminated in a duel between him (Warren Hastings) and Francis (1780) in which the latter was wounded."

Quoting further from the Encyclopedia: "Francis returned to England in 1781, having failed to realize his ambition to wrest the Governor-Generalship from his rival" (Warren Hastings). (Emphasis added).

He (Sir Philip Francis) back in England became "tireless in the publication of anonymous pamphlets," and won the support of public opinion, "turning it against Hastings; and he was the moving spirit in Hastings' impeachment."

This account adds the observation that the acquittal of Hastings which occurred only after 7 years (1788-95) was a bitter blow to Sir Philip "and in 1796 (the year after the acquittal) Francis (a member of the House) lost his seat at the general election."

This account concludes by saying: "Francis was a man of vast ability, but rancorous, unforgiving and prone to malignity."

On the subject of impeachment as a whole the account has this to say: "Never were the limitations of impeachment more clearly shown than in the case of Warren Hastings. It was then proved beyond doubt in a complicated case the instrument was far too

blunt and its use could entail interminable delays. Moreover, the new criminal process against a royal minister which was incapable of being stopped by the King had at length passed away."

In our own country impeachment has also had infrequent use, most of it against Federal judges (7 of 11 cases—6 being against district judges and one against a Supreme Court Justice). The first one (1797) involved a United States Senator. The impeachment was dismissed but he was expelled from the Senate. (Encyclopedia Brit.)

The most celebrated case after Supreme Court Justice Samuel Chase (1803) was, of course, that of President Andrew Johnson. That this proceeding was politically motivated bears of little or no doubt. Johnson sought to follow Lincoln's moderate policy toward the Confederate States. The Radical Republicans were bitterly opposed to such moderation. In the 1866 Congressional election Johnson campaigned vigorously and not softly against these Radical Republicans but they captured the House overwhelmingly and had enough votes for impeachment. After a first failure impeachment was voted in 1868. The Senate fell short by one vote of the two-thirds needed to convict.

What had been proved? That a politically dominant House motivated by strongly held policy objectives, holding the advantage of a majority position, could find grounds for impeachment.

That impeachment has been discredited in England seems clear enough. Since 1806 or 168 years ago the instrument has been discarded. A move against Prime Minister Lord Palmerston in mid-century over a hundred years ago, as noted, did not survive the preliminaries.

In this country we have had the singular experience of 1868, so far as impeachment of a President is concerned. The British experience has spanned nearly six centuries, but has been so largely negative that it has been abandoned. Our own experience has been so meager outside of the impeachment of judges that no guidelines worthy of the name have been established. "The principal criticism directed at the impeachment process (in this country) is that it is cumbersome and anachronistic. An impeachment trial occupies the entire Senate from 16 days to 6 weeks, fills 1000's pages of testimony and involves conflicting and troublesome political pressures." (Ency. Brit.)

Impeachment is not a product native to the United States. Moreover, its incorporation into our Constitution represented a lack of faith in the very system of checks and balances associated with the separation of powers that distinguished our Constitution from all its forerunners. Only if this system of 1787 which incorporated the foremost thought of the 18th century political philosophers, should fall, could a surety in the form of impeachment as a remedy against treason, bribery or other high crimes or misdemeanors, become necessary. Only such a confession of failure or fear of it would justify the impeachment process.

The adoption of impeachment by the British was part and parcel of the struggle against the monarchy. We, however, threw off the monarchy and have had none since the establishment of our republic. Why then should the people hold in their hands a weapon that was generated by the struggle against monarchy?

The impeachment provision of our Constitution sits like some alien bastard-form in the midst of our governmental structure. By assigning the initiation of impeachment to the legislative branch, a thoroughly political body and then mixing a judicial seasoning to the trial in the Senate by bringing the Chief Justice in as the presiding officer, the process invites or makes inevitable practices that are severely condemned and strongly

guarded against in our system of jurisprudence. The process is not only grotesque in re-mixing the separated powers, but is at odds with the tireless efforts in our judicial system to prevent the intrusion of partisan passions and prejudgment of guilt or innocence into the premises.

Our legislators, the prosecutors and judges in the impeachment process, are elected every two years—all the members of the House and one third of the Senate. Our news media, both press and electronic, are deeply immersed in the shaping of public opinion, which in turn is an immeasurable but anxious concern of all the candidates for Congress. When the impeachment process, even preceding the official preliminaries, is beset by the "clamor" or "outcry" of the media, the influence on candidates and prospective candidates, cannot be brushed aside as an innocent or neutral accompaniment of the quest of justice.

The impeachment process as we have it, and as the British also had it, invites unworthy political passions and animosities to infect the healthy tissue of our Constitutional system. It plays into the hands of mob psychology that is responsible for the obfuscation of principles of justice through emotional outcries, such as led Walter Bagshot to write over a hundred years ago: "The accusations which are brought against a public man in his own age are rarely those echoed in after times."

Impeachment is a process by which a high public official is charged "in his own age" and tried by those who are saturated with the "clamor" and "outcry" of the day. If in "after time" the accusations are seldom echoed, it does the victim little good if he was sentenced "in his own age".

The British who, so far as our practice and form are concerned, initiated us into the pursuit of impeachment have long thought better of it, and have abandoned the semi-barbaric process, if nonuse for a century and a half or more can be interpreted as abandonment.

Shall we be far behind?

THE PSYCHOLOGICAL IMPORTANCE OF IDA

Hon. PETER H. B. FRELINGHUYSEN
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES
Thursday, June 27, 1974

Mr. FRELINGHUYSEN. Mr. Speaker, a bill authorizing the U.S. contribution to replenishing the funds of the International Development Association is expected to come to the floor shortly. I trust we shall approve this bill.

Some critics of the International Development Association base their opposition on the whole concept of aid-giving through multilateral institutions. Recently I came across a persuasive editorial in the *American Banker* which discusses the psychological importance of multilateral aid, with particular reference to the International Development Association. I commend this editorial to my colleagues' attention:

[From the *American Banker*, June 21, 1974]

THE PSYCHOLOGICAL IMPORTANCE OF IDA

The House Banking and Currency Committee took a long step toward restoring a minimal level of international respectability in aid to the world's poorest nations when it voted to honor the United States commitment to \$1.5 billion over four years to the

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International Development Association. Since the Senate has already approved the measure, all that now remains is for the full House to agree, and the mischief that was done last January when the replenishment of IDA was repudiated by Congress will have been fixed.

The case for IDA, which is the soft-loan agency of the World Bank Group, is compelling in the simplest terms. It makes loans to countries which need help the most, at rates and maturities which they can afford. For many, it is the link between hope and despair—despair which has been particularly aggravated by the surge in oil prices. But it also represents a particularly useful vehicle for the implementation of U.S. aid in its most altruistic form, unencumbered by doubts among the recipients as to its political price.

An interesting analysis of the attitudes of the citizens of the countries receiving aid emphasizes the special value of IDA as a way to filter out political distractions, so as to get on more directly with the job at hand. Kenneth J. Gergen and Mary J. Gergen, writing in the current *Psychology Today*, stress that the way aid is given does much to shape the way the recipient uses it (the full text of their article is reprinted in the adjacent column as Required Reading).

"When the U.S. gives aid directly to other countries—bilateral as opposed to the multilateral aid of organizations like IDA—we tend to trap ourselves," they write. "Recipients dislike us because they suspect our motives."

"The American people, surveys show, think of our aid as unselfish and humanitarian, and a picture of the clasped hands of brotherhood appears on our shipments overseas. Unfortunately, the recipients of these shipments don't necessarily believe us," they point out. "Sophisticated recipients, including foreign officials and others whose opinions carry weight, are aware that direct American aid is usually given to secure economic political and military advantage."

"Our aid has gained us votes in the United Nations, the use of military bases, protection for American business overseas and automatic markets for U.S. exports. These may be reasonable aims but they are not exactly unselfish, and the recipients understand our intentions. They may even understand them better than the American people do," the Gergens note, "since recipients read the fine print. In any case, they react accordingly, and may come to dislike us and misuse whatever aid we give." Public opinion research, they continue, "indicates that if an aid-giving country has a reputation for being technologically inferior, warlike, unfair to minorities, irreligious, or deranged in its family relations, then reactions to its aid prove negative. The aid appears as unnecessary, undesirable, ineffective."

The Gergens then assert that "the evidence implies that the U.S. has either not known, or has disregarded, the psychological implications of assistance."

"Bilateral aid, in which the U.S. gives directly to other nations is a method surrounded with difficulties. It appears manipulative—which it is—and tends to be corrupted by our own domestic foibles and by our extraordinary wealth. The self-serving restrictions we put on direct American aid serve as another goad to conflict, and the esteem of recipient nations continues to suffer."

"It is for these reasons that we consider the cutoff of IDA funds a tragedy," they declare. "This organization, and other cooperative, multilateral organizations like it, constitute the greatest opportunity for successful foreign aid. As a participant in IDA, America's manipulative intent is minimized, our national foibles are less likely to interfere, and the humiliating and impractical grip on recipient nations loosens. Moreover,

because ID's recipients are all members of the organization, it does not cripple the self-esteem which everyone seems to need."

U.S. TAXATION LEADS TO SOCIALISM

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. COLLINS of Texas. Mr. Speaker, have you stopped recently to think how fast our tax policy is taking America into a socialistic state? Three of my friends sent me the same article on this subject of repressive taxation.

Everyone knows taxes are too high. Very few understand the economic impact on our proximity to becoming a Socialist state.

This article brings out the fact that we have no capital accumulation today because of our excess current consumption in the pursuit of social justice. By discouraging growth, the future will hold no social justice or tangible benefits as we drift into a controlled Socialist state.

Socialist countries produce less. The standards are lower. Education slackens. New innovations decrease under socialism. Why would America allow itself to turn its back on the great American private enterprise system. As Congress passes these excessive tax laws and tax increases, I am reminded of the Scripture which says, "God forgive them, they know not what they do."

So for you good colleagues who have thought this matter out, I commend you. Let us spend less money through this Congress, and reduce taxes for a greater future tomorrow.

Here are some comments written by a working economist for Value Line. Value Line is an advisory service for investors. Here is the June 14 comment on capital market and the lack of capital funds. The cause is plainly due to overspending by Congress leading to overtaxation by Congress. Here is Value Line's analysis: COMMON MARKET AND LACK OF CAPITAL FUNDS

American capitalism is truly in crisis. It must sink into socialism or overhaul its tax structure. Entrepreneurial capital simply cannot form in the present environment.

By entrepreneurial capital, we mean risk or equity capital. The rewards for risk capital are dividends. To pay a 6% dividend on its common stock a corporation today must earn 12% or more before income tax. To pay 9%, the going near record-high interest rate on long term bonds, a corporation need earn only 9% pre-tax. Explanation: corporate income available for dividend payment is taxed at the rate of about 50% to 58% by federal, state and local authorities; income available for interest payment is not taxable to the paying corporation.

But growth is fatally discouraged by current taxation. Growth is seldom free of risk, yet the investor who takes risk pays at least two taxes on his return.

First, the company in which he has invested pays a tax of 50% to 58% on its earned income or profit; second, the investor personally pays income tax on the dividends his corporation distributes to him after it has deducted 50% or more tax from its own earnings.

If the price of a stock rises in anticipation of an increase in dividends even in the face of such taxation, the investor pays tax on the "capital gain" when realized, even though alternative investments of equal value could not be bought for the same after-tax net sale price.

In reality, corporate profits are taxed at even higher rates than 50% to 58%. (The regular corporate tax rate is 48%; state and local taxes carry the rates closer to 60%.) Yet last year about 15% of the so-called profits of corporations reflected nothing more than the rise in the cost of their inventories. If you have a \$1.0 million inventory that inflates within a year to \$1.2 million, you pay tax of 50% to 58% on the \$200,000 inventory "profit", which leaves you with \$1.1 million or less to replace inventory that now will cost you \$1.2 million. The "profit" is illusory, but the 50% to 58% tax paid on it is real. It leaves the corporation in this instance short \$100,000 or more of capital.

Profits stated after allowance for depreciation are also partly fictitious. If you have a plant that cost \$1.0 million 15 years ago and your company set aside \$1.0 million free of tax into a reserve which was invested at 5% annual compound interest (subject to income tax of 50% for 15 years) you would then have \$1,450,000 with which to replace your old plant that now, thanks to inflation, will cost you \$2,500,000 in this instance, your profits in the 15 years have been overstated by \$1,050,000 and on this fictitious profit you have paid real taxes of 50% or more.

As evidence of the diminishing reward available to the entrepreneurial class, the percentage of the Gross National Product which has been going to stockholders in the form of dividends from 1929 to the present. The percentage was as high as 6% in 1930 and 1931, fell to 3.4% in 1941, dropped to 2.2% in 1944 and 1945 and has fluctuated between 2.5% and 3.1% from 1945 to the present. In 1973, the "cut of the pie" for stockholders was a meager 2.2%, exactly the same as in the war years 1944 and 1945 when tax policy purposely sought to discourage capital formation in private enterprise. The goal then was to strain every nerve and sinew and direct every resource to the production of weapons. Today the need for productive capital is desperate. The Government saves nothing, spending more than it takes in. Corporations save what they can after heavy taxes that bear not only on their real earnings but on their illusory profits as well. Their liquidity has been seriously impaired.

The reason interest rates are so high is that capital is in short supply. In order to achieve a high level of current prosperity and in a vague pursuit of "social justice", income tax rates have been greatly escalated. As a result capital accumulation has been sacrificed to current consumption. Not much was added to the ordinary citizen's purchasing power by the process of siphoning off income in high brackets. The only real advantage was to assuage the jealousy of those who resented conspicuous success.

What will be the consequences of this discouragement to growth, this deficiency of equity capital, the ensuing inflation (or depression) and the mounting interest rate?

There are really only two possibilities. One is to dismantle the American political economy and accept socialism, a system under which the state owns all the means of production and accumulates all the capital. Americans for the most part would not take kindly to such a system if they could see it coming. Its ultimate invasion of personal liberty can easily be foreseen.

The socialist state is unlikely to be an efficient provider. When the Government owns and operates everything, everyone profits from its successes and everyone loses by its failures. Nobody in particular, just everybody in general. Everybody being responsible,

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nobody is responsible. Wherever the hand of bureaucracy has reached out, industry has languished.

A man would no longer be able to work at an occupation of his own choice, for the government would decide the overriding requirements that called for him to work at a place and time decreed by the ruling bureaucracy.

Privately endowed schools and colleges would disappear, because there could be no wealthy individuals to support them. Education would be provided by the State. Who controls the State would also control the mind of the people.

A socialist dictatorship in America is neither inconceivable nor impossible. In fact, if present tax policies persist, it is inevitable. The prospect is so repulsive that we must assume the country will not accept it.

The alternative calls for restructuring the very steep tax rates on ordinary income, elimination of the double tax on dividends, repeal of the capital gains tax and allowance for realistic depreciation before tax as compared to fictitious depreciation as at present. If these things are done, capital could form again in the hands of private entrepreneurs.

No one can control a Government that owns all the means of production. Its power would be absolute. Our progressive income tax makes no sense at all in an area of capital shortage and price inflation.

The situation is so critical that we are driven to conclude that the lawmakers must reverse the tax policy. If they do, consider what could happen to common stocks which at their current low prices have already discounted in large measure the end of capitalism.

LET IT ALL HANG OUT

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. McCLORY. Mr. Speaker, notwithstanding that the House Judiciary Committee has now voted to make public all of the closed-door proceedings which have occurred during the past 6 weeks, an effort appears to be planned to continue to keep our Judiciary Committee meetings closed—even during the interrogation of witnesses by counsel for the committee and for the President.

Mr. Speaker, it is about time for our committee to open its doors to the American people—to let in the press and other media so that they can witness first-hand what is going on in this historic impeachment inquiry involving the President of the United States.

Mr. Speaker, I hope, indeed, that the chairman and majority members of the committee will not concoct some excuse to force the curtain to be drawn over our proceedings. The public's right to know was never more urgently needed than at this time in our history. The President's counsel has urged that the hearings be open, the media are unanimous in their desire to witness and report our hearings. The Members of the House themselves can gain a clearer picture of our investigative work, if we open the doors of our committee room so that the public can look in.

Mr. Speaker, the Chicago Tribune today published an editorial in support of

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what I am saying here. I commend it to all of the Members of the House.

The editorial follows:

LET IT ALL HANG OUT

It's hard to quarrel with the decision of the House Judiciary Committee to make public the estimated 7,800 pages of evidence assembled during its 18 days of closed hearings on the impeachment of President Nixon.

At the rate the juicier parts of this evidence were being leaked to the press and television, it wouldn't have been long before much of it was public knowledge anyway—and since the leaks have generally been by anti-Nixon members of the committee, the public would have had a distorted and one-sided view of the evidence.

Even the White House recognizes [about a year and a half too late] that it is in the President's own interest not to hide the dirty linen any longer—to "let it all hang out," as they said in the transcripts. And since the reason for secrecy in grand jury proceedings is to protect the prospective defendant from biased publicity, the attitude of the White House eliminates the major reason for secrecy.

The question of impeachment is so important, indeed, that the public ought to have access to as much as possible of the evidence presented. And for this reason, it seems to us that the impeachment proceedings—in the committee, on the House floor, and in the Senate—should be broadcast live by television, just as the hearings of the Ervin committee were.

The objection to TV coverage of normal sessions of Congress is a legitimate one; namely, that members will be tempted to play to the grandstands instead of concentrate on the matter at hand. We're not so sure this applies now. The people are divided in their attitude toward President Nixon, they are just about unanimous in their desire to see the Watergate issue resolved as soon as possible, one way or another. We doubt that they will tolerate any grandstanding; such grandstanding as there was in the Senate committee hearings—most notably by Sen. Montoya, the New Mexico Democrat—annoyed viewers and was counterproductive. It could even be that live coverage would inspire congressmen to conduct their business more efficiently than usual.

Public television's handling of the Ervin committee hearings showed that it can be done with dignity and at great benefit to the people.

SERBIAN-AMERICANS COMMEMORATE THE BATTLE OF KOSOVO

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. ANNUNZIO. Mr. Speaker, June 28 is the day Americans of Serbian descent and Serbs all over the world commemorate the heroism of their countrymen who sacrificed their lives at the Battle of Kosovo in 1389, in defense of their religion and their national existence. Celebrated on June 28 under the Gregorian calendar, the Battle of Kosovo resulted in the subjugation of Serbia by Moslem Turkey.

Though under the domination of Turkey for the next 345 years, the Serbian people maintained their cultural integrity and remained dedicated to the

liberation of their land. Throughout those long and difficult centuries, thousands of Serbs always volunteered to fight in the armies of other nations allied against the Turks. Serbian heroism at the Battle of Kosovo was immortalized in a cycle of national songs, because it was during this battle that both the Serbian tsar and the Turkish sultan were slain. The Serbian knight, or voyvode, Milosh Obilich, who killed the sultan, is celebrated as a legendary figure to this day.

During the many centuries of domination by more powerful neighbors, the Serbs continued to assert their national identity. As late as 1804 many of the foremost leaders of the country were massacred, and it was not until after the Russo-Turkish War of 1877-78 that the Serbian nation became independent.

In 1918, the Kingdom of Serbs, Croats, and Slovenes was formed, headed by the Serbian royal dynasty, and in 1929, the name of the state was changed to Yugoslavia.

When the Communists came to power in 1945, after the devastating war, the observance of the anniversary of the Battle of Kosovo was officially abolished. Nevertheless, the noble ideals embodied in this historic battle for freedom remain alive in the hearts of Serbs everywhere.

Mr. Speaker, the spirit of Kosovo, the spirit to persevere and to overcome tremendous odds, serves to strengthen the resolve of the heroic Serbian people to achieve self-determination, just as it has preserved their culture throughout the centuries. Americans of Serbian heritage have perpetuated this spirit through their unwavering support for the ideals of freedom and human dignity and have contributed their talents to the strength and greatness of America.

I extend my greetings to Serbian-Americans in my own 11th District of Illinois, which I am honored to represent, in the city of Chicago, and all over the Nation as they commemorate the Battle of Kosovo, and I salute them as they continue to inspire the world with the grand and noble ideals of the spirit of Kosovo.

AMERICAN-SOVIET RELATIONS

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. LOTT. Mr. Speaker, with the visit to the Soviet Union during the coming week by President Nixon, we shall undoubtedly hear a good deal of discussion of American-Soviet relations and see extensive television footage covering the event. In the course of being nearly overwhelmed for the moment with news from the Soviet Union, we should focus our attention upon important long term questions that should be candidly faced in the weeks and months ahead in our various negotiations with the leaders in the Kremlin.

Over the past several years under the

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general label of détente, extensive trade and other contacts have taken place between Americans and the Soviets. During the next week, a great service would be rendered to the American people if many of our reporters visiting Moscow with the President would deftly probe as penetratingly as possible just what have been the results of the accommodations we have previously made with the Soviet Union.

In particular we must fully understand what is the current strategic balance between the United States and the U.S.S.R. and whether our policies, particularly in trade, are expected to have a deleterious effect upon that balance.

Many Members of this body have in the past criticized the amount of money being spent on national defense, even though as a percentage of our entire budget this sector has been declining dramatically over the past few years to less than one-third of our budget. Nonetheless, the only accurate way to assess our defense needs is to understand what the intentions and capabilities of our potential adversaries are. Naturally the Soviets figure most prominently in any such equations.

If we can still deem the Soviet Union an adversary in the world, then quite clearly any assistance we render to them that can increase their offensive capability against the United States will have to be offset by additional defense expenditures here in the Congress.

Through the policy of détente we may be able to negotiate some mutually beneficial disarmament arrangements, but the concentration in such negotiations must be on their mutuality. With mutual reductions of military capabilities, we can have as much security at a lower cost. But even if we can negotiate such agreements in the future we should not make the very serious mistake of allowing the language surrounding these agreements to mislead the American people into thinking that the Soviet Union has altered its own objectives in the world.

Rather than détente, the Soviet Union has preferred to use the terminology "peaceful coexistence" to characterize its current policy. Thus as a *Pravda* editorial has stated, détente or peaceful coexistence

does not mean the end of the struggle of the two world social systems. The struggle between the proletariat and the bourgeoisie, between world socialism and imperialism will be waged right up to the complete and final victory of communism on a world scale.

Just 2 weeks ago the leading Communist theoretician Suslov reiterated this point by referring to the continuing "antagonism between the two world social systems."

The Soviet leaders have similarly stated quite bluntly that détente should not lead people to believe that they are altering their social system or beating their own existing swords into ploughshares. The President of the Soviet Union, Nikolai Podgorny, warned the Western world early this month that his country was not going to change its present authoritarian system in the course of any negotiations:

In exchange for détente certain Western leaders hope in vain to gain unilateral military advantages for themselves or to make the Soviet Union and other socialist countries change internal structures to the prescriptions of bourgeois democracy.

Besides such statements as the above we have seen the dramatic examples of individuals and entire religious or nationality groups within the Soviet Union suffering from persecution by the Communist authorities. All of the evidence thus seems to indicate that the Soviet Union remains a rigid totalitarian society which continues to perceive the world in the narrow class struggle matrix conjured up by Karl Marx.

Prof. Zbigniew Brezinski has succinctly summarized both the illusion and reality of détente with the Soviet Union. He writes that one initially thought of détente as bringing—an increasing sense of shared ideals, with many in the Communist countries, looking to us for inspiration. Détente today, instead, is a conservative balance-of-power arrangement, devoid of any moral content.

If détente has become primarily a balance-of-power arrangement between the United States and the Soviet Union, then we ought to examine all of our decisions pertaining to the Soviets in light of how they can potentially affect that power balance.

In this regard America's trade policy with the Soviet Union to date has been little less than a disaster. Most Americans are quite aware of the tremendous havoc that was wreaked upon our economy through the wheat deal concluded with the Soviets. Prices for consumers in this country for food products have been suffering ever since the consummation of that agreement. More broadly, the extensions of massive amounts of credit to the Soviet Union for payment of their purchases has undoubtedly assisted in boosting the rate of borrowing for all purposes in the United States.

Even more disconcerting is the fact that so much of the material exported can be employed by the Soviet for military purposes. At the same time that the Soviets have continued to assert the reality of divided world and their own expansionist designs, we have been providing them the means whereby they can realize their ambitions. If we only exchanged consumer goods with the Soviet Union then the word trade would have some meaning. But given the nature of the advanced technological equipment and processes that we have been transferring to them on credit, the terms military assistance are not an exaggeration.

Through, the computer technology, precision machine tooling equipment and entire production assembly plants, we have prompted their military capabilities dramatically in recent years. Since they have continued to proclaim implacable hostility to the so-called capitalist world there has been more than a little irony in the type of trading arrangements concluded.

Capitalism bailing out communism would only be ironic if the consequences of such actions do not portend real tragedy. Because of our trade policies Ameri-

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cans are much less secure now than would have otherwise been the case. And to the extent we are less secure because of increasing Soviet military capabilities it means that our own extensive expenditures for national defense may well have to reflect substantial compensatory increases in the years ahead. Thus not only have we provided the Soviet Union with the means to keep pace with us militarily and done so on credit provided at the expense of American consumers and industry, but we then must allocate more of our taxpayers money for national defense in order to meet the new challenges of our adversaries.

The time has obviously come to bring in a halt to this insane if not suicidal process. The House of Representatives has acted through the passage of the Trade Reform Act last December to curtail the subsidization of the Soviet system as long as they remain a rigid totalitarian regime. It is now time for the administration to recognize the clear wishes of the vast majority of the American people and bring to a halt the long series of dangerous concessionary agreements that have characterized our negotiations with the Soviet Union. Let us have genuinely mutual agreements to limit the arms race, but we must terminate our well-disguised foreign aid program to our principal adversary in the world today.

STREET LESSONS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HELSTOSKI. Mr. Speaker, as a result of a variety of incidents over the past few years, many people unfortunately have come to view policemen as unenlightened, uneducated, and insensitive. However, as Dr. George L. Kirkham, assistant professor of the School of Criminology of Florida State University recently found out, no point of view could be further from the truth.

In an effort to see what life as a policeman was really like, Dr. Kirkham joined the Jacksonville-Duval County, Fla., force, after an intense period of physical and academic training. Dr. Kirkham subsequently wrote:

Night after night, I came home with a sense of satisfaction and contribution to society that I have never known in any other job.

The story of George Kirkham is a powerful one. Not only is it the story of one man's prejudices, but it is an overpowering tribute to the honesty, bravery, and perseverance which characterize the daily performance of thousands of policemen throughout the country.

Mr. Speaker, an excellent article by Dr. Kirkham concerning his experience and entitled "A Professor's 'Street Lessons'" appeared recently in the FBI Law Enforcement Bulletin. An adaptation of Dr. Kirkham's article was published recently by the American Mercury magazine. In view of the fact that his

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story is extremely moving and highly relevant to each of our constituencies, I would now like to take this opportunity to share this material with my colleagues:

A PROFESSOR'S "STREET LESSONS"

(By Dr. George L. Kirkham)

As policemen have come under increasing criticism in recent years, I cannot help but wonder how many times they have clenched their teeth and wished they could expose the critics to some of the harsh realities of police work.

Members of the academic community, including myself, a criminologist, have been quick to find fault with the police. We have fashioned a stereotype which ignores the good and focuses on the isolated and the bad: the brutal cop, the racist cop, the grafting cop, the discourteous cop. What we do not see, however, is the image of thousands of dedicated men and women struggling against almost impossible odds to preserve our society and everything in it which we cherish.

For some time, first as a student and later as a professor, I found myself troubled by the fact that most of the critics haven't themselves been policemen. This was pointed up when some of my students—many of them former policemen—would respond to my frequently critical lectures on the police with the argument that I could not possibly endure what a police officer has to endure.

I decided to take up this challenge and work as a policeman myself, as a means of establishing once and for all the accuracy of what I and other criminologists had been saying about the police all along.

My plan—which meant becoming a full-time policeman for four months in the summer, and a part-time one during the academic year when my teaching duties resumed—not surprisingly brought skepticism from family, friends and colleagues. After all, at age 31 I had a family and an established career.

A student recommended that I apply at the consolidated, 800-man force of Jacksonville-Duval County, Florida, an especially progressive department. I followed up the idea, since Jacksonville, with half a million residents, impressed me as a city experiencing many of the major social problems of our time: crime and delinquency, racial unrest, poverty, and mental illness. It is a diverse city, and one with a fairly typical inner-city slum area and black ghetto. It seemed a good place to experience the stresses and strains of today's city policeman.

POLICE DEPARTMENT AGREES

The leadership of the police department was receptive. I made it clear that I did not want to be merely an observer, but a fully sworn, fulltime (although unpaid) member of the department for some months. I also said I wanted to spend most of this time working as a uniformed patrolman in those inner city beats most characterized by violence, poverty, social unrest and crime.

They agreed to my plan, with the stipulation that I would first have to meet all the requirements that any other police applicant would. They also stipulated, and I agreed, that for the sake of morale in the department, every officer must know in advance who I was and what I was doing.

The experiment began with the required 280 hours of police academy training. For 4 months, 4 hours each evening, I attended the academy, along with 35 younger classmates. At first I stood out as an oddity in the class, but with time I was accepted by the group.

When graduation came, I was indistinguishable from other officers in every respect, including my .38 revolver, badge and uniform.

I had always suspected that police officers greatly exaggerate the amount of verbal disrespect and physical abuse to which they are subjected in the line of duty. During my first few hours as a street officer, that bubble was burst.

As a college professor, I had grown accustomed to being treated with respect. I somehow assumed that this would carry over into my new role as a policeman. I was, after all, a representative of the law, identifiable to all by the badge and uniform I wore as someone dedicated to the protection of society. Surely that would entitle me to a measure of cooperation.

I quickly found that my badge and uniform, rather than serving to shield me from such things as disrespect and violence, only acted as a magnet which drew me toward many individuals who hated what I represented.

Several hours into my first evening on the streets, my partner and I were dispatched to a bar to handle a disturbance complaint. Inside, we encountered a large and boisterous drunk who was arguing with the bartender and refusing to leave.

As someone with considerable experience as a correctional counselor and mental health worker, I hastened to take charge of the situation. "Excuse me, Sir," I smiled pleasantly at the drunk, "but I wonder if I could ask you to step outside and talk with me for just a minute?" The man stared at me through bloodshot eyes in disbelief for a second, raising one hand to scratch the stubble of several days growth of beard. Then suddenly, he swung at me, missing my face and striking me on the right shoulder.

I couldn't believe it. What had I done to provoke such a reaction? Before I could recover from my startled condition, he swung again—this time tearing my whistle chain from a shoulder epaulet.

After a brief struggle, we had the still shouting, cursing man locked in the back of our cruiser. I stood there, breathing heavily with my hair in my eyes as I surveyed the damage to my new uniform and looked in bewilderment at my partner, who only smiled and clapped me affectionately on the back.

"Something is very wrong," I remember thinking to myself in the front seat as we headed for jail. I had used the same kind of gentle, rapport-building approach with countless offenders in prison and probation settings. It had always worked so well there. What was so different about being a policeman?

ENLIGHTENING EXPERIENCE

In the days and weeks which followed, I was to learn the answer to this question the hard way. As a professor, I had sought to convey to students the idea that it is a mistake to impose authority, to make decisions for other people, or rely upon commands to accomplish something. As a police officer myself, I was forced time and again to do just that. For the first time in my life, I encountered individuals who interpreted kindness as weakness, as an invitation to disrespect or violence. I encountered men, women, and children who, in fear, desperation, or excitement, looked to the person behind my uniform for guidance, control, and direction. As one who had always condemned the exercise of authority, the acceptance of myself as an unavoidable symbol of authority came as a bitter lesson.

I found that there was a world of difference between encountering individuals in mental health or correctional settings and facing them as the patrolman must—when they are violent, hysterical, desperate. When I put the uniform on, I lost the luxury of sitting in an office, calmly discussing with a rapist or armed robber the problems which had led him into trouble with the law. Such offenders had seemed so harmless in the

sterile setting of prison. The crimes which they had committed were long past, reduced like their victims to so many printed words on a page.

Now as a police officer, I began to encounter the offender for the first time as a very real menace to my personal safety and the security of our society. The felon was no longer a harmless figure: He was an armed robber fleeing from the scene of a crime, a maniac threatening his family with a gun, someone who might become my killer crouched behind the wheel of a car on a dark street.

AUTHORITY AND CIVILIZATION

Like crime itself, fear quickly ceased to be an impersonal and abstract thing. It became something which I regularly experienced.

I recall particularly a dramatic lesson in the meaning of fear which took place shortly after I joined the force. My partner and I were on routine patrol one Saturday evening in a deteriorated area of cheap bars and pool halls when we observed a young male double parked in the middle of the street. I pulled alongside and asked him in a civil manner to either park or drive on, whereupon he began loudly cursing us and shouting that we couldn't make him go anywhere. An angry crowd began to gather as we got out of our patrol car and approached the man, who was by this time shouting that we were harassing him and calling to bystanders for assistance. As a criminology professor, some months earlier I would have urged that the police officer who was now myself simply leave the car double-parked and move on rather than risk an incident. As a policeman, however, I had come to realize that an officer can never back down from his responsibility to enforce the law. Whatever the risk to himself, every police officer understands that his ability to back up the authority which he represents is the only thing which stands between civilization and lawlessness.

The man continued to curse us and refused to move his car. As we placed him under arrest and attempted to move him to our cruiser, an unidentified male and female rushed from the growing crowd and sought to free him. In the ensuing struggle, someone tried to grab my revolver, and the now angry mob began to converge on us.

Suddenly, I was no longer an "ivory-tower" scholar watching typical police "overreaction" to a street incident—but I was part of it and fighting to remain uninjured and alive. I remember the sickening sensation of cold terror as I struggled to reach our car radio. I simultaneously put out a distress call and pressed the hidden button on our shotgun rack as my partner sought to maintain his grip on the prisoner and hold the crowd at bay with his revolver.

How harshly I, only a few months before, would have judged the officer who now grabbed the shotgun. I rounded the rear of our cruiser with the weapon and shouted at the mob to move back. I flashed through my mind that I had always argued that police-men should not be allowed to carry shotguns because of their "offensive" character and the potential damage to community relations as a result of their display. How steadily as a criminology professor I would have condemned the officer who was now myself, trembling with fear and menacing an "unarmed" group of people with an "offensive" weapon. But circumstances had dramatically changed my perspective, for now it was my life and safety that were in danger, my wife and child who might be mourning.

POLICE OFFICERS' RIGHTS

As someone who had always been greatly concerned about the rights of offenders, I now began to consider for the first time the rights of police officers. As a police officer, I felt that my efforts to protect society and

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maintain my personal safety were menaced by many of the very court decisions and lenient parole board actions I had always been eager to defend.

I grew weary of carefully following difficult legal restrictions, while thugs and hoodlums consistently twisted the law to their own advantage. I remember standing in the street one evening and reading a heroin "pusher" his rights, only to have him convulse with laughter halfway through and finish reciting them, word for word, from memory. He had been given his "rights" under the law, but what about the rights of those who were the victims of people like himself? For the first time, questions such as these began to bother me.

As a corrections worker and someone raised in a comfortable middle-class home, I had always been insulated from the kind of human misery and tragedy which become part of the policeman's everyday life. Now, the often terrible sights, sounds, and smells of my job began to haunt me hours after I had taken the blue uniform and badge off. Some nights I would lie in bed unable to sleep, trying desperately to forget the things I had seen during a particular tour of duty: the rat-infested shacks that served as homes to those far less fortunate than I, a teenage boy dying in my arms after being struck by a car, small children clad in rags with stomachs bloated from hunger playing in a urine-splattered hall, the victim of a robbery senselessly beaten and murdered. In my new role as a police officer, I found that the victims of crime ceased to be impersonal statistics.

The same kinds of daily stresses which affected my fellow officers soon began to take their toll on me. I became sick and tired of being reviled and attacked by criminals who could usually find a most sympathetic audience in judges and jurors eager to understand their side of things and provide them with "another chance." I grew tired of living under the ax of news media and community pressure groups, eager to seize upon the slightest mistake made by myself or a fellow police officer.

As a criminology professor, I had always enjoyed the luxury of having great amounts of time in which to make difficult decisions. As a police officer, however, I found myself forced to make the most critical choices in a time frame of seconds rather than days: to shoot or not to shoot, to arrest or not to arrest, to give chase or let go—always with the nagging certainty that others, those with great amounts of time in which to analyze and think, stood ready to judge and condemn me for whatever action I might take or fail to take.

I also found myself forced to deal with human problems which were infinitely more difficult than anything I had ever confronted in a correctional or mental health setting. Family fights, mental illness, potentially explosive crowd situations, dangerous individuals—I found myself progressively awed by the complexity of tasks faced by men whose work I once thought was fairly simple and straightforward.

ENORMOUS DAILY PRESSURES

For all the human misery and suffering which police officers must witness in their work, I found myself amazed at the incredible humanity and compassion which seems to characterize most of them.

As a police officer, I found myself repeatedly surprised at the ability of my fellow patrolmen to withstand the often enormous daily pressures of their work. Long hours, frustration, danger, and anxiety—all seemed to be taken in stride as just part of the reality of being a cop.

PERSONALITY CHANGES

My personality began to change slowly, according to my family, friends, and colleagues, as my career as a policeman progressed. Once quick to drop critical barbs

about policemen to intellectual friends, I now became extremely sensitive about such remarks—and several times became engaged in heated arguments over them.

My police experience continues, but so far I have concluded that society demands too much of its policemen: not only are they expected to enforce the law, but to be curb-side psychiatrists, marriage counselors, social workers, and even ministers and doctors. I found that a good street officer combines in his daily work splinters of each of these complex professions and many more.

Certainly it is unreasonable for us to ask so much of the men in blue; yet we must, for there is simply no one else to whom we can turn for help in the kind of crises and problems policemen deal with. No one else wants to counsel a family with problems at 3 a.m. on Sunday; no one else wants to enter a darkened building after a burglary; no one else wants to confront a robber or madman with a gun. No one else wants to stare poverty, mental illness, and human tragedy in the face day after day, to pick up the pieces of shattered lives.

As a policeman myself, I have often asked myself the questions: "Why does a man become a cop?" "What makes him stay with it?"

The only answer to this question I have been able to arrive at is one based on my own limited experience as a policeman. Night after night, I came home and took off the badge and uniform with a sense of satisfaction and contribution to society that I have never known in any other job. Somehow that feeling seemed to make everything—the disrespect, the danger, the boredom—worthwhile.

VISIGOTHS PLUNDER AND PILLAGE THE HOUSE

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. MEEDS. Mr. Speaker, the following article in the *National Observer* by James M. Perry contains some rather harsh criticism of the House. Unfortunately most of it is well deserved.

The retreat of the administration and the House from what many consider to be the most important remaining environmental issues—land-use planning—leaves a significant void in legislative accomplishment in the field of environmental protection.

And the performance of a majority of Democrats on congressional reform, to put it mildly, was not our finest hour.

I ask unanimous consent to insert the article by Mr. Perry:

VISIGOTHS PLUNDER AND PILLAGE THE HOUSE

(By James M. Perry)

This bill, said William J. Randall of Missouri, would have Washington telling all the farmers in west-central Missouri, whom, he said, he was privileged to represent, just where they could locate each and every one of their feed lots.

This bill, said Joel Broyhill of Virginia, "would rip away from our citizens the last vestige of their rights to have and to hold private property." It's a can of worms, he said, maybe just as bad as bussin' little kids all the way across town to school.

This bill, said William M. Ketchum of California, is "a frightening piece of legislation that brings the Federal Government into the backyards of every American household."

From hearing all this blather, one might think the Visigoths were at the gates. In fact,

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the talk was about the Land-Use Planning Act, once a centerpiece of President Nixon's domestic program, written, in part by Nixon's own people, and supported by such radical organizations as the National Association of Realtors, the National League of Cities, the U.S. Conference of Mayors, the National Governors' Conference, the AFL-CIO, the National Parking Lot Operators, the Mortgage Bankers Association, the American Retail Federation, and the International Council of Shopping Centers.

The Visigoths, it turns out, weren't at the gates. They were inside the House of Representatives, down on the floor, and they prevailed. By a vote of 211 to 204, the booboisie decided it wasn't necessary to give the land-use act a hearing. Offered a cheap shot, they took it: They voted against holding a debate on a measure that Richard Nixon once solemnly declared was the nation's "greatest [domestic] need."

BUREAUCRATS AND GUIDELINES

Actually, the land-use act, passed earlier in the Senate (where it was sponsored by that dangerous enemy of free enterprise and private initiative, Henry Jackson), is a cream puff. What it does is make available about \$100 million a year to states interested in drawing up state-wide land-use plans that might slap those greedy little fingers hell-bent on destroying our wetlands or covering our countryside with "slurbs." As usual in these programs, certain guidelines (you get bureaucrats, you get guidelines) are established for the states that decide to accept the Federal largesse.

It's a toothless old cat, though. The states, themselves, would have to pass legislation to impose meaningful sanctions on the despilers and the desecrators. Already, in fact, states such as Hawaii, Vermont, Florida, and Oregon have land-use acts 10 times tougher than this Federal pussy cat.

Yet, among the Visigoths—freed, lately, it seems, by Watergate—this simple little land-use act churned up the biggest storm of high nonsense and low comedy we've seen around here since H. R. Gross campaigned to turn off John Kennedy's eternal flame. Credit the U.S. Chamber of Commerce for most of it. Dan Demming, a Chamber lobbyist, saw the bill as a foot in the door, the camel's nose under the tent, the tip of the iceberg, the calm before the storm. Worse things too.

Before you could say John Birch Society, Demming had aroused every right-wing outfit in the land, from the Liberty Lobby and the American Conservative Union to the Cattlemen's Association and the Farm Bureau.

THE PROGRAM'S CENTERPIECE

Finally, too, they got to Richard Nixon. Rep. Sam Steiger of Arizona, a rancher himself, took the case against the land-use act—which, remember, was the centerpiece for the President's entire domestic program—to the White House. He and other conservatives argued with the President, and he caved in. Nixon, it is said, was soon convinced that he'd be doing conservatives a favor, and they might just be in a position pretty soon to do an even bigger favor for him.

"The land in America," says Rep. Morris Udall of Arizona, sponsor of the land-use act, "may well turn out to be the most lamentable casualty of Watergate."

Well, that's pretty much nonsense too. This bill wouldn't have saved what land we have left. It really wouldn't have done much of anything, except cause a great many planners and bureaucrats to draw up thousands of those fancy, multicolor maps with all those acetate overlays. Long ago, the states took the lead in land-use planning, and our best hopes remain with the states now.

It does show, though, the continuing intransigence and general dismay of the House of Representatives. The members wouldn't even debate this bill. Earlier, they wouldn't debate a bill that would have allowed all of

us to register to vote in Federal elections by mailing a post card. Millions of Americans don't vote now, because registering to vote is so damn difficult. This would have made it easier, but there are powerful forces that don't want a big vote in this country. And so the House wouldn't debate the bill.

There is practically no honest man in America who doesn't believe we need some meaningful reform of the way we run our political campaigns, but Rep. Wayne Hays won't allow a bill to come to the floor of the House because he doesn't want to reform the campaigns he has to run in himself. The Judiciary Committee meets three days a week to consider the most dramatic matter to come before the Congress in a century—impeachment of the President. And as soon as each session is over, some of the members run for the nearest exit to leak the latest documents to their favorite reporters.

The so-called debate on the land-use act, Richard Bolling of Missouri admits, was "sickening." He says you get a few like that every session and "that's what discourages the younger members so much. They see something like that and they decide to get the hell out of this place. A lot of guys get driven out of politics because some parts of it are so disgusting. What you need is a lot of stamina—and some convictions about what you're doing."

Bolling ought to know. This is his 13th term in Congress and most of that time he's been trying to reform the way it works. His most recent effort, a major reorganization of the committees of the House, was sidetracked the other day when the Democrats, voting secretly in their caucus (in fact, the vote to hold a secret vote was secret), sidetracked the proposal by 111 to 95. Bolling knows what happened. To get it passed, he and his allies needed the support of the AFL-CIO. They didn't get it, because one union leader, Paul Hall of the Seafarers, was outraged at the proposal in Bolling's tentative report to do away with the Merchant Marine and Fisheries Committee. In the final report, that committee was preserved. But it was too late. The forces of darkness were closing in, and the Democrats succumbed.

JUST THE FIRST STEP

It is, of course, a conservative Congress. Post-card registration died because it would have made it easier for blacks and browns and old people and working people to vote, and the conservatives don't want that. Land use died because conservatives truly believe that land-use planning is the first step towards Federal control of private land.

Bolling thinks the House of Representatives, ideologically, is a little to the right of Richard Nixon. There are 248 Democrats, but about 60 of them are out-and-out conservatives. There are 187 Republicans, and about 10 of them are moderates. So you have 188 moderate or liberal Democrats, aligned with 10 moderate Republicans. That adds up to 198 moderates and liberals, 20 short of a majority. "It's a coalition Congress," says Bolling, and the biggest chunk in the coalition is conservative—by a vote of 237 to 198.

That explains some of it. Consider then, the nature of the beast.

"Most of my colleagues," says Bolling, "really want to get along. Politicians mostly need to be loved, like most other people. So, if something is going to be tough or disagreeable or hurt people's feelings, they don't want to do it. If you want to get anything done here, you've got to bring pressure from the outside."

LESS THAN EDIFYING

On land use, the biggest guns were rolled up by the Chamber of Commerce. On committee reform, the AFL-CIO tipped the scales, even if most of its leaders really didn't mind a little reform.

Watching this Congress is not altogether an edifying sight. The members are timid

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and fearful; they know the voters hold them in the meanest kind of contempt. Instead of elevating their standards, to meet the criticism, they seem to depress them, to please each and every special interest. As Dick Bolling says, a good man needs a lot of stamina to survive politics these days.

Well, Watergate may leave us a decent legacy. Already, more than 35 members of Congress have announced they won't be seeking re-election, and I don't suppose more than a handful will be missed. In November, we presume, the Republicans—the "conservative" party—will take a beating, so that the national Democrats—the less-conservative party—will have a working majority.

That doesn't happen very often. It means the national Democrats will have a chance to do something. Finally, they'll have the votes; finally, they'll have no excuses. If they perform satisfactorily, maybe they'll elect a President two years later. If they perform unsatisfactorily, no doubt we'll have a Republican President in 1977, and more coalition politics in the Congress. Right now, I wouldn't bet on the Democrats.

ADDRESS BY ARTHUR G. HANSEN

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. LANDGREBE. Mr. Speaker, in today's mail I received the following speech.

Because of its positive thrust, its emphasis on optimism, rather than cynicism, on hopes for our future rather than in the pessimism of the past.

I feel compelled to share it with you, Mr. Speaker and my colleagues:

ADDRESS BY ARTHUR G. HANSEN

A few weeks ago Purdue University held its 122nd Commencement at West Lafayette. As is customary at these exercises, the president of the University has the assignment of addressing the graduates. This is a great challenge for anyone living in these times.

What should the topic be for this address? What can be said that is not "old-hat" or replete with cliches? What can be said that is not already known and recognized by today's youth? As I pondered these questions, I asked myself what was personally bothering me the most these days and then how I was reacting to those concerns. Hopefully, I felt there might be value in simply sharing personal thoughts and a personal philosophy. This I proceeded to do.

Likewise, when I thought about remarks that I might make to you this evening I had the same set of concerns. Interestingly enough, I came up with about the same set of answers—namely, to share with you some of the same thoughts I shared with the graduates—with a little different twist.

Briefly, what I told the graduates was that I was weary of the tremendous emphasis in recent times about what was wrong with our country. Quite honestly, I felt that it was not telling the true story about our national character and was totally out of line with our national heritage. I said that I was tired of seeing some people continually pointing the finger of blame at someone else and of taking no personal responsibility for the situations that they decried. I said that I was fearful of increasing attempts to regulate our lives to save ourselves from each other and that the American people did not need to be underestimated and babied in this way.

Most important of all, it was my feeling that this country of ours was no stranger to

serious challenges—our history is replete with them—and that we have repeatedly met them and met them well. Moreover, we are not strangers to disputation and discontent.

Confrontation and debate have been our lifeblood and the airing and resolution of conflict situations has been precisely the mechanism that has made us energetic and capable of finding new answers to questions that plague all societies. To dwell on where we have gone wrong is simple for our mistakes are many but to overlook our successes in the process is self-defeating and basically destructive of our national character.

What I really hoped to get across to those graduates and I hope to you tonight is that we, as a Nation, are facing one of the toughest, most complex periods this country has ever faced. There will be no simple answers to our problems.

We will kid ourselves if we think we can solve the inflation problems, the energy problems, the economic problems, the governmental structure problems, the urban problems, and the equality problems by some simple expedient. In fact these problems are all interrelated and interdependent. It will take our best thought and the highest dedication of our people to pull us through the years ahead.

But that is exactly what should make us smile and look upward rather than to wear a sad countenance and look downward.

If anything characterizes the people of this Nation it is the ability to face reality, accept the truth, and tackle a problem. Anyone who shields us from reality, does not tell us the truth, and proclaims that we do not have the strength and courage to lick our problems deceives us at worst or underestimates us at best.

Now what does all of this have to do with the purpose for which we are gathered here this evening? The answer is simple. At a time when many people are saying that the individual is helpless and cannot participate in shaping the future I would say that all of you here tonight can provide a strong counter-example if you should choose to do so.

I said earlier that the future will demand the best thought of our people if we are to meet our challenges. And how shall we proceed to insure that this shall come to pass? One of the ways is to prepare our young people with the best education possible—to give them the sophisticated tools to find answers—to help them view problems critically and rationally rather than emotionally—to help provide them with value structures, a knowledge of the best thoughts and ideals of people of all times and ages—to give them perspective and understanding.

Second, let us encourage those who are dedicated to finding new knowledge and putting that knowledge to socially relevant ends. Need I say that this has been one of the prime goals of our great universities—and Purdue is numbered among them.

"But," you may well ask, "does Purdue have the fertile ground in which to sow the seeds of education, the appropriate harvester of new knowledge, and the dedicated servants who return the fruits of its endeavors to those who give it sustenance?" My answer is an unqualified, "Yes!" I will not recite to you the multitude of reasons for my pride in our students—the fertile ground for the seeds of education.

Suffice it to say that you will find few universities with a more serious and dedicated student body.

What more can I say than to point out that more than one-quarter of our students are honored each year as distinguished students—students who are taking tough and demanding courses of study.

Well, perhaps there is more that I can say. These students are also both involved and sensitive. Their contributions and services to tornado victims this last spring caused the Lafayette Journal and Courier to write

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an editorial entitled "The Purdue Students Are Something Else." I can only enthusiastically agree.

And what of our faculty who are contributing each day to our fund of knowledge and who serve our society in so many ways? Quite simply, we have sought the best, tried to provide the best for them, and then let their record speak for itself.

Having said this about Purdue, its students, and its faculty, what else needs to be said and, in particular, how does all of this relate to you? The answer is simple. Purdue as a major university faces an uncertain future. Our public support has been strained to the limit.

I see no way that we can continue to keep our high standards and contribute as we have in the past without a lot of people saying, "We will pitch in and help."

And now may I make the circle complete by returning to my opening remarks. We can all join together in making the future what we want it to be. The preservation and encouragement of higher education in one university is obviously not the complete answer. But it is a positive and forward-looking specific step and at least one answer to the question, "What can I do?"

Of course, there is more that all of us need to do. Each of us has talents, time, and treasure to share in restoring this nation to its position of leadership. It will take sacrifice, determination, and most of all commitment—and if any people can pull it off, we can. All that I am proposing is that we begin with action rather than continue with breast-beating.

We at the University would like nothing more than to have you work with us. We will help to build the programs that you deem worthy. We will welcome the chance to tell you of our hopes and our dreams and engage in meaningful dialogue about them.

We want you to join a team of faculty and students that is on the move and who now need you as co-workers.

It is customary to say to graduates at a commencement, "Go forth and help make this world better than it was when you found it." It may well be that we say these words to reassure ourselves about the future.

Certainly we need the challenge as much as do our young men and women and at no time more than now. These are exciting times and they bring to mind some words I read many years ago from the poem, "Ulysses":

"There lies the port
The vessel puffs her sails
My sailors—friends that have toiled and
wrought with me
'Tis not too late to seek a newer world."

We extend a hand to you this night and ask you to join us in a great adventure.

STATE MUTUAL SAVINGS AND LOAN ASSOCIATION CELEBRATES 85TH ANNIVERSARY

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HANNA. Mr. Speaker, starting this week, State Mutual Savings and Loan Association of Los Angeles, Calif., is celebrating its 85th anniversary. For 85 years, State Mutual has been servicing the needs of the people of southern California. Today, there are more than 74,000 savers at State Mutual's 14

offices in 4 southern California counties helping to provide funds for over 20,000 loans. Since it first opened for business 85 years ago, State Mutual has provided more than half a million loans enabling families to buy the homes of their choice and financing shopping centers, hospitals, motels, restaurants, and office buildings.

It is my great pleasure to take this opportunity to commend State Mutual and its president, John S. Griffith, Jr., for their demonstrated commitment to the encouragement of the economic growth and prosperity of southern California over the past 85 years.

A QUESTION OF PRIVILEGE

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, I regret that I was not allowed an opportunity to discuss my appeal from the ruling of the Chair today on my question of privilege relating to the Bolling Committee Reform Amendments. Despite the fact that the hour-rule of debate is normally afforded such an appeal, the motion to table my appeal was adopted, thus preventing any discussion whatsoever. I thus intend to insert after these remarks a copy of the defense I was prepared to offer in support of my appeal.

I frankly feel this appeal was fully justified given the failure of the Chair to cite any precedent which challenged my arguments or the precedent which I had cited. The Chair relied heavily upon "Hind's Precedents," volume III, section 2610, which begins:

A charge that a committee had been inactive in regard to a subject committed to it was decided not to constitute a question of privilege.

That precedent completely misses the point of my question of privilege. For my main argument is not that the Rules Committee has been inactive in giving consideration to a rule making the Bolling reform proposal in order; the point is that the Rules Committee does not even have a request for a rule before it, some 3 months after the reform resolution was reported. And central to my argument was my contention that this clearly violates clause 27(d)(1) which requires that a chairman seek a rule on a measure reported from this committee. The Chair did not even see fit to address that point, brushing it off by claiming that the Chair was not aware as to whether a rule had been requested or not. The Chair should have been aware of this, having listened to me on my point of order, for I was simply stating a matter of fact.

In concluding this preface to my prepared remarks on the appeal, let me simply state that an appeal clearly was justified in this instance, not only because a question of privilege of the House should not be taken lightly, but

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because a Speaker, under the precedents, "is constrained to give precedent its proper influence" (II, 1317; VI 248), and furthermore, "preserving the authority and binding force of parliamentary law is as much the duty of each Member of the House as it is the duty of the Chair" (VII, 1479). In this ruling, precedent was not given its proper influence and, therefore, the House had every right and obligation to preserve the authority and binding force of parliamentary law. In short, Mr. Speaker, an entirely new precedent was established in this body today, and it is one this House will come to regret.

The text of my prepared remarks on appealing the decision of the Chair follows:

APPEAL FROM THE RULING OF THE CHAIR

Mr. Speaker, I appeal the ruling of the Chair and ask that I be heard on my appeal under the one-hour rule of debate as afforded in the *Precedents*, Volume V, section 4978.

Mr. Speaker, it is not common practice to appeal a decision of the Chair to the House, but at the same time it is a clear right of the House which should be exercised when the situation warrants, and this is clearly such a situation. Section 6002 of Volume V of the *Precedents of the House* states that, "The right of appeal insures the House against the arbitrary control of the Speaker and can not be taken away from the House."

Moreover, Mr. Speaker, it is an established precedent of this body that the Speaker "is constrained to give precedent its proper influence" (Volume II, section 1317 and Volume VI, section 248); and yet, in view of the nearly identical precedent which I had cited in connection with my resolution, I am afraid that proper weight and influence has not been given to this important precedent.

Another reason why an appeal is especially justified and necessary in this situation, it seems to me, is that we are dealing here with "a question of privilege of the House" in which the very integrity of the proceedings of this body is involved. We are dealing here with a matter which goes to the very heart of our representative form of government and the free and proper operation of the legislative process. That is why this is a question of highest privilege.

There was a time, Mr. Speaker, when the House and not the Speaker decided whether or not a question of privilege was involved; and here I cite *Hinds' Precedents*, Volume III, sections 2527 and 2718. In other words, this wasn't just another point of order, but rather a question of highest privilege involving the rights of the House, and therefore one which the House itself should make a determination on. At other times, the Speaker, rather than making a ruling as to whether a matter was privileged, submitted the decision to the House (*Hinds'*, Volume III, sections 2597, 2648, and 2709).

However, over the years this changed and Speakers assumed authority to decide whether a matter involved a question of privilege. And so, the footnotes to clause IV, of House Rule I today state that—

"(The Speaker) rarely submits a question directly to the House for its decision Even as to questions of privilege he usually, in later practice, makes a preliminary decision instead of submitting the question directly to the House."

When a Speaker does not submit a question of privilege to the House for a decision, we are left with no alternative but to appeal the ruling of the chair on such an important matter. And I think it would be most unfortunate and tragic if the full House did not have an opportunity today to go on record on the question of whether the integrity

of our proceedings is being subverted and undermined by the deliberate delays on consideration of the Bolling-Martin Committee Reform Amendments.

The question is really quite simple. Either a majority of the House is being denied an opportunity to work its will on a measure duly reported from committee several months ago—being denied this opportunity by a distinct minority operating outside legitimate legislative channels—or it is not. And the resolution of this question is again quite simple: either a majority of this House will act to return this important reform to legitimate legislative channels, or it will, by its inaction today, permit this travesty of the legislative process to not only continue in the present instance, but to be repeated in future situations. What could be more critical to the integrity of the proceedings of the House than this very question?

I will not bother to repeat the analogous precedent upon which I have based my question of privilege. Suffice it to say, another select committee in 1891 had duly reported a resolution to the House and yet for 2½ months that resolution was not properly reported back to the House.

Congressman Cooper, who raised that question of privilege in 1891, and who was upheld by the Speaker after a point of order had been made against it, said on the House floor, and I quote:

"I ought not to be required to argue that this is a privileged question, because if a member of a committee can take a bill which he is directed to report to the House, or a report of the proceedings of a committee which he is required to bring into the House, and put it in his pocket or lock it up in his desk and keep it there until one session of Congress has adjourned and another has met and half passed, then there is no security for the proceedings of the House and there is no longer any power in the House to protect itself against the conduct of its Members."

And the Speaker in that instance ruled it was plainly a question of privilege because the resolution should have been reported back to the House in a reasonable time, and yet it wasn't.

What would be more analogous to the situation with which we are confronted today. Instead of taking the committee reform resolution to the House Rules Committee and on to the House floor, the chairman put it in his pocket and went off to caucus; and the caucus in turn put the resolution in its pocket and went off to God knows where; and the Caucus tied the hands of the Democratic members of the Rules Committee and said, "don't you dare act on this until we return from God knows where."

Mr. Speaker, we're not just talking about a right of the House here today. We're talking about a specific rule of this House, Rule XI, which states that not only will a chairman promptly report a bill approved by his committee, but he will take such other steps as are necessary to bring the matter to a vote—and that clearly means obtaining a rule on the measure according to the authors of that rule.

I think it's a bit ironic that several years ago it was the chairman of the Rules Committee who was accused, rightly so, of putting bills in his pocket and leaving town. Today the Rules Committee has nothing in its pocket and is bound and gagged. At least in the old days you could see the pockets of the culprits holding back bills; today those pockets aren't even visible, since the resolution in question is tucked away in a pocket behind the closed doors of a secret caucus that put it there by a secret ballot vote. What happened to all this sunshine we were boasting about just last year?

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In conclusion, Mr. Speaker, for the sake of the integrity of this body I urge my colleagues to vote down the decision of the chair and thereby reverse that ruling so that we may have a direct vote on my resolution.

LOUISIANA—FIRST IN FORESTRY AGAIN

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HÉBERT. Mr. Speaker, my Louisiana colleague, the Honorable JOHN RARICK, is most knowledgeable about forestry and agriculture and serves our State and the Nation well on the House Agriculture Committee where he is chairman of the Forestry Subcommittee.

He has written an article on forestry in Louisiana which appeared in *Forests and People*, the official publication of the Louisiana Forestry Association.

I feel it is of such import that all Members of Congress should have access to it, therefore, I am inserting it in the RECORD at this point:

LOUISIANA—FIRST IN FORESTRY AGAIN

(By John R. Rarick)

Louisiana, the birthplace of forestry in the South, set the pace for forestry again in 1974—this time for the entire nation.

On February 5, Louisiana became the first state in the nation to plant trees under the new Forestry Incentives Program. Created by Congress last fall, the program is designed to increase forest production on lands of small forest owners by sharing the cost of tree planting and timber stand improvement. In Louisiana, the federal share is 75 percent.

In achieving its latest forestry record, Louisiana also set a record in cutting red tape! In the first of many fast-paced events, Erle Barham, chairman of the Agricultural Stabilization and Conservation Committee (ASC), called a meeting on Jan. 28 of the State Program Development Group and the ASC state committee. Tree planting was approved as an incentives practice and word went out to the parish ASCS offices on February 1. Four days later—on February 5—the first application was received and the first trees were planted on that day.

Tree Planter No. 1 nationally was Randy Browder, age 21, of Chatham. Owner of a 110-acre farm in Jackson parish, Mr. Browder planted 13,000 loblolly pine seedlings on 19 acres of his land.

Actually, the state's early start on the program reflects an exemplary cooperative effort. Spearheaded by State Executive Director Willie F. Cooper of the ASCS and State Forester James E. Mixon, the program has depended upon many agencies and organizations for its success. The ASCS has handled administrative procedures, in addition to dispensing the funds. The Louisiana Forestry Commission and U.S. Forest Service have prepared the technical guidelines. The Commission also has written management plans, produced the seedlings, and inspected and approved the completed projects. The Louisiana Forestry Association, Extension Service, and Soil Conservation Service have publicized the program and contacted landowners individually.

The result? As of April 17, the last date of record for this printing and only two- and a-half months after the incentives program's start in Louisiana, 197 landowners have

signed up planting 6,251 acres. Additionally, 97 landowners have signed up for improving timber stands on 6,233 acres. This means that 20 years from now the timber bank of Louisiana will have 382,620 additional cords of wood available for processing into consumer products. Beyond that, if these stands are thinned periodically and held until age 45, an additional 293,342 cords will have been produced and marketable timber on the sites will total approximately 267,834 thousand board feet.

For the immediate present, total cost sharing funds distributed or in the process of being distributed to participating landowners amount to \$256,894. This is almost the total amount allocated to Louisiana for the forestry incentives program for the entire year.

This marks an auspicious beginning in the state's—and the nation's—race to avert a timber shortage 20 years hence. The key to increasing our wood supply is the nonindustrial landowner, who can't afford or hasn't the desire to invest his money in a long-term venture such as tree farming. In 1971, the Louisiana Forestry Commission surveyed pine and hardwood forest conditions on ownerships of less than 5,000 acres and found that 1.6 million acres needed planting. The acreage needing timber stand improvement amounted to slightly more than that. The conclusion was that 40 percent of the lands in such ownerships was in need of either planting or timber stand improvement if they are to produce the wood products they are capable of growing.

These findings are borne out by a portion of the current Louisiana Forest Survey being conducted by the Southern Forest Experiment Station. Survey results for southwestern Louisiana, just recently published, show that farmers and other private, non-industrial forest landowners own about 2.5 million acres of the 4.5 million acres in that portion of the state. It shows, also, that while forest industry and the Federal government rapidly are planting their holdings, small landowners are not. Intensive forestry practices are needed on 1,400,000 acres, just in southwestern Louisiana!

If the same needs prevail throughout the state (as preliminary survey data suggest), this represents a potential timber supply that Louisiana cannot afford to ignore. Some measure of what we can expect after planting these areas can be found in the current survey data. They show that industrial tree planting was largely responsible for a 40-percent increase in pine cubic volume and a 33 percent rise in pine sawlog volume in southwestern Louisiana during the past 10 years.

Not only will the state and nation benefit from the program, the landowners will profit, also. To get a better grasp of the timber investment picture in Louisiana, I asked the Southeastern Area of the U.S. Forest Service's office of State and Private Forestry to compute an investment analysis, using present-day timber prices and expenses. For purposes of the analysis, assumptions were: (1) moderately productive land; (2) taxes of 75 cents per acre per year; (3) site preparation and planting costs of \$60 per acre; and (4) product prices of \$7 per cord for pulpwood and \$75 per thousand board feet for sawtimber. Without cost-sharing help, which in Louisiana amounts to 75 percent of the site preparation and tree planting costs, a landowner would realize a return of 8.1 percent on his investment at the end of 30 years. With cost-sharing help, he can realize a return of 12.9 percent. This is a marked difference in returns but, if the landowner plans on keeping his timber only 20 years, the difference is much greater: a return of 3.9 percent without cost-sharing, as compared to 10.5 percent with cost-sharing.

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Price assumptions used in the foregoing analysis are conservative when considering future markets for timber in the South, for the outlook is optimistic. In the first place, demand for wood products is increasing, not only in the South and the nation but the entire world. The U.S. Forest Service's latest timber review says that the demand for softwood sawtimber is expected to rise 53 percent during the next three decades. This should result in higher stumpage prices and more markets.

Another factor is that land for growing trees is decreasing. The timber review indicates that an average of one million acres of timberlands will be diverted to other uses each year for the next 50 years in the United States. Diversion of forestland in Louisiana to soybean and cattle production will continue to take its toll.

Influx of wood-using industries in the South should continue into the foreseeable future, because climate and rainfall are ideal for timber growing in the South. Too, southern forests are near the major product markets. New markets for small logs recently were created by development of the chipping headrig—a development which is chiefly due to the work of Dr. Peter Koch here in Louisiana. The headrig, which is revolutionizing sawmill operations in the South, can convert small logs into cants with one run-through and manufacture the entire waste into pulp chips, leaving neither sawdust nor slabs in the process. As increasing numbers of mills install such headrigs, small logs in the South will become more valuable.

Judging from the response by Louisiana landowners at the outset of the Incentives Program, the demand for pine seedlings and forestry assistance during the next 10 years should be tremendous. This will necessitate a stepped-up tree nursery program by the Louisiana Forestry Commission; possibly even more nurseries will be needed. This, of course, should present no great difficulty for an agency that produced 133 million seedlings a year at the height of the Soil Bank program during the early 1960's. The Commission's production now stands at about 57 million seedlings due to limited demand.

Hopefully, the Commission's production will consist solely of genetically superior seedlings toward the end of the decade, offering landowners planting stock that will produce up to 20 percent more wood at time of harvest. If a portion of the nursery output also could consist of disease-resistant strains and possibly some high-gum-yielders as well, landowners could capitalize on these bonuses to the benefit of the entire state.

Admittedly, the easy part of Louisiana's planting job has been done. Most of the open land that should be in forest has been planted, as indicated by the latest Forest Survey. But, judging by success of the reforestation program undertaken in Virginia over the past two years, the task of preparing difficult sites—and securing the number of contractors needed to do it—is not impossible. The record shows that drum chopping was necessary on 13,000 acres of lands planted to trees in Virginia during 1972, and most of it was done by private contractors. That state found, as reforestation work builds in volume, the number of enterprising, private contractors soon grows to accommodate the workload.

However, site preparation calls for more than bulldozers and drum choppers. Much of the unwanted species on pinelands must be deadened, and this means securing approval for chemical use, both aerially and by injection. At this writing, the Environmental Protection Agency is considering the question of 2,4,5-T for forest use, with a decision expected sometime this summer. Its importance is emphasized by the fact that research—much of it by Homer Brady and

Fred Peevy here in Louisiana—has proved the utility of this chemical for cull tree control and already developed workable techniques for its use.

Not all the acreage needing reforestation in Louisiana will be planted, some will be direct seeded. Here again, we have the techniques at our disposal because of research accomplished on our own home grounds by William F. Mann and Harold Derr. Since 1954, more than one million acres have been seeded in the South, including many sites where planting of seedlings would be difficult.

Direct-seeding as a viable means of reforestation took another leap forward recently with development of an aerial row seeder by Auburn University. This offers a fast, economical means of establishing plantations in row-fashion. Another innovation that may prove to be a valuable auxiliary to planting utilizes containerized seedlings. Growing seedlings in containers offers possibilities of extending the planting season, as well as further mechanizing the planting operation.

I am pleased to have had a role in passage of the forestry incentives legislation, because I am excited about its possibilities for Louisiana. By our natural resources, we shall perish or prosper. If we have the wisdom to fulfill the potential of our renewable timber resources during the next 30 years, Louisiana will always be blessed by a strong, grassroots economy.

SKYROCKETING INFLATION

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HEINZ. Mr. Speaker, the first half of 1974 is quickly coming to a close, yet we are still faced with the majority of the problems which have arisen during these critical times—skyrocketing inflation, diminishing energy reserves, growing food prices, an unfair tax system, and wasteful Federal expenditures are just a few of the items contributing to an ever multiplying dilemma. Perhaps at no other time has it been so important that I and other elected officials know what our constituents are thinking and can act quickly and with determination to resolve the major concerns confronting all of us.

To learn more about the concerns of people in the 18th Congressional District of Pennsylvania, I sent a questionnaire to every household. I received the questionnaire answers from 30,000 people. They show, above all else, an overwhelming desire for Washington to stop ignoring the people and get going on solving the Nation's problems.

Mr. Speaker, in order to provide some insight into the way citizens in Allegheny County, Pa., feel about the problems before us, I insert the following text of the questionnaire and its results in the Extensions of Remarks:

QUESTIONNAIRE

[All numbers are in percent]

1. Oil profits: I don't think oil companies should get rich off an "energy crisis" that has caused hardship to so many. I've strongly advocated an excess profits tax on the oil industry and have introduced legislation to permit reasonable profits but prevent profiteering. Do you approve of this approach?

Yes, 79; No, 8; unsure, 13.

EXTENSIONS OF REMARKS

2. Environment vs. energy? I believe clean air, water and energy are vital resources we must conserve. While I support limited changes in the Clean Air Act to help attain energy self-sufficiency, I'm opposed to gutting clean air laws that protect the public's health. Do you agree?

Yes, 80; No, 5; unsure, 15.

3. Social security taxes: Someone earning \$12,000 a year pays a \$702 Social Security tax (the rate is 5.85%). I think this is a tremendous burden. By cutting the rate, increasing the base, and using some funds from other tax revenues to make up the difference, we could lower this tax on working people. In principle, do you agree with this idea?

Yes, 71; No, 14; unsure, 15.

4. Attacking high prices: Wage and price controls haven't worked—except on wages. I think we should attack the real causes of inflation such as stupid wheat deals, wasteful spending, government deficits financed by printing money, and export policies that cause shortages. In addition, I am urging new tough anti-trust laws to force the kind of competition that cuts prices. Do you approve?

Yes, 83; No, 2; unsure, 15.

5. Federal spending priorities: I have voted twice to put a brake on total Federal spending. Also, I have tried to hold the line or reduce military spending, foreign aid, and farm subsidies. Besides checking to see if I'm on the right track, I'd like to know your priorities on how you want your tax dollar spent. Mark following programs: More, Less, Same:

	More	Same	Less
Education	54	30	16
Welfare	22	33	45
Social security	49	38	13
Manpower training	33	35	32
Foreign aid	2	10	88
Public works	26	37	37
Housing	34	34	32
Health	63	29	8
Mass transit	67	21	12
Military spending	11	28	61
Sewers	50	40	10
Revenue sharing	35	40	25

6. Campaign financing: We need changes to make elections fairer and more competitive. Congress will soon vote on public financing of both primary and general elections for the U.S. Senate and House of Representatives. Do you favor this kind of support from Federal tax revenues?

Strongly favor	27
Mixed feelings	35
Strongly oppose	24
Unsure	14

7. Service to you: I'm presently receiving (and trying to read!) between 500 and 600 letters and telegrams a week, plus many phone calls. Many of these concern questions or problems of individual interest. If you have been in touch with my office during the past year, how would you describe the service you received?

Excellent, 16%; Satisfactory, 18%; Unsatisfactory, 2%. No contact or not responding, 64%.

If you checked "unsatisfactory," I would appreciate your notifying me of the specifics by letter addressed to: Congressman John Heinz, Constituent Service Complaint, 324 Cannon Bldg., Wash., D.C. 20515. This will help me and the Congressional staff serve you better. Thanks!

8. National health insurance: My Public Health and Environmental Subcommittee is working on national health insurance. I feel strongly that Congressional action is overdue to protect Americans in the event of catastrophic medical problems. How do you feel?

Strongly agree	54
Somewhat agree	25
Don't agree	7
Unsure	14

9. Transportation flexibility: I can't help but feel our priorities are wrong when we've spent \$60 billion of your tax money on interstate highways since 1958 and less than $\frac{1}{10}$ th of that amount on mass transit and railroads. Do you favor my efforts to change this?

Yes, 72; No, 6; unsure, 22.

10. Food prices: The Labor Dept. has told us the average family is spending \$60.65 for the same weekly groceries \$50 bought a year ago. Those of you I talk to seem to think store prices are higher than this. How do the government's figures seem to you?

Much too low	36
Too low	39
About right	23
Unsure	2

The question of impeachment: As you know, the House Judiciary Committee is investigating impeachable offenses by the President and whether he should be tried by the Senate. Sometime this year, I expect to be called upon to vote on these questions. The House of Representatives has a strong legal, moral and political responsibility to be influenced only by the evidence and findings from this investigation. Nevertheless, many of you undoubtedly have strong feelings on these subjects and may wish to share your thoughts with me.

For impeachment	29
Against impeachment	28
Use your judgment	30
Resign	5
Not responding	8

GILMAN URGES COMMITTEE REFORM

HON. BENJAMIN A. GILMAN
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. GILMAN. Mr. Speaker, I rise in support of the privileged resolution offered by the gentleman from Illinois (Mr. ANDERSON) providing for immediate consideration of House Resolution 988, the Committee Reform Act of 1974.

House Resolution 988 is the culmination of 14 months of hard work and careful deliberation undertaken by a bipartisan Committee on Committees, whose existence was suggested by the Speaker and authorized by a vote of the full House.

Twenty-eight years have passed since the last major House reform measure was implemented. During those 28 years, governmental concerns and priorities have altered considerably, but the House committee structure has not kept pace with those changes. A blatant example of the ineffectiveness of existing committee structure occurred during the height of the critical energy shortages when energy legislation was dispersed among 14 of the House committees, thereby thwarting any organized, consolidated effort to deal with the crisis.

Despite our recognition of the urgency of committee reform, this proposal may never see the light of day unless we pass this privileged motion now before us.

It is regrettable that the leadership which was so vocal in support of House reorganization thereafter voted in closed caucus to further delay this critical reform. In an unrecorded vote on May 9, the Democratic caucus decided to send the committee reform proposal back to an appointed committee for further consideration. This unwarranted delay which may kill the bill, is an arrogant demonstration by the majority party to block a proposal which might inhibit its vested powers. It is unfortunate, indeed, that these Members failed to rise above partisanship in evaluating the needs for these proposed reforms.

This committee reform bill, as reported from the Committee on Committees, is not ideal. However, it does recognize some of the major reforms needed for more effective House procedures. It calls for the creation of a Budget Committee with the responsibility of overseeing Federal spending, an urgent priority as the ever-rising spending programs continue to pour forth from the Congress. Proliferation of expensive, ineffective programs is becoming increasingly burdensome to our Government and to our taxpayers. In a recent speech, Vice President Ford made a succinct assessment of the unabated growth of Government and its inherent dangers, stating:

A government which is large enough to give you everything you want is a government which is large enough to take away everything that you have.

Lending credence to the Vice President's comments are all the new offices and bureaus being created daily in legislation proposed in this very Chamber.

Those who control policy and the legislation which is brought to the floor of the House continue to rely upon the Federal bureaucracy for the answers to our social and welfare needs. Accordingly, proposals to put Federal funds under local control, where an area's critical needs would be obvious to local officials, is often dismissed with the purely categorical, target programs being funded and re-funded.

While it is easy to ask where all this ends, it is difficult to answer that question. We are involved in a governmental whirlwind which is engulfing not only our hard earned tax dollars but also our personal freedoms to decide how these dollars are best spent.

While I recognize that the Committee Reform Act is not a panacea for controlling government growth, failure to consider this measure which gives the Congress a better grasp of its problems demonstrates a lack of responsiveness by the Congress to the true concerns of their constituents.

With recent polls indicating that the American citizen's opinion of Congress is at an all time low, it is unfortunate, indeed, to note that worthy reform measures such as House Resolution 988 are being blocked by those who fear some dilution of their powers.

Accordingly, Mr. Speaker, I urge my colleagues to rise in support of the Anderson resolution which would allow this measure to be fully debated and considered by the entire House.

June 28, 1974

WHY WOMEN WORK

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Ms. ABZUG. Mr. Speaker, the search for self-identity is leading an increasing number of women today into the job market. They seek more than the money of the job, although that is often an important factor. They also seek the identification and fulfillment of a career.

One of these women is Joy F. Bloomfield. In a column in the current issue of the *National Observer*, she notes:

Women have begun to realize that they, too, need and want the satisfactions and rewards that paid work provides in addition to money.

Although a wife and a mother, that is not her career any more than her spouse's career is that of being a husband and a father. Ms. Bloomfield is a professional librarian who holds three academic degrees and brings much skill and talent to her job. She is the head of the *National Observer's* library.

Mr. Speaker, I am pleased to insert in the RECORD at this point Ms. Bloomfield's "Observations" column:

IDENTITY OR PAY: ANOTHER VIEW ON WHY WOMEN WORK

(By Joy Bloomfield)

On this page two weeks ago, my friend and colleague Barbara J. Karras observed, "No woman has to achieve identity." The fact of the matter is that many women can find no self-identity unless they work. They find little fulfillment in being someone's wife and someone's mother, and they need to make a place for themselves apart from the family. Many women are no longer satisfied to have their places in society determined by their fathers', husbands', and, finally, their sons' abilities and achievements. They want to determine their own social status.

If "the typical intelligent married woman already has plenty of self-esteem, considering the way she applies her talents" to the various homemaking tasks, as Barbara contends, the women's liberation movement would have died in infancy. Women would still be clamoring to become housewives and mothers and not demanding separate credit in their own names or the retention of their maiden names after marriage or "contracts" spelling out the rights and duties between them and their husbands.

I, for one, am tired of being reminded how many different jobs I do as a wife and mother. No one deems to praise or judge a father and husband for his expertise as a home repairman, plumber, child psychologist, or lover. He is judged on his *paid* work. A woman deserves to be judged on the same basis as a man.

A key element of the women's liberation movement is equality, but not simply the equality of equal pay for equal work. Pay, like it or not, is a principal measurement by which respect, identity, and social status are gauged in our society. It is as important for the social status and respect that accompany it as for what it will buy. Equal pay for equal work means equality of respect and status will follow.

John Gerstner, whose essay on "The Many Reasons Why We Work" [June 8] prompted Ms. Karras' remarks, was not distinguishing between men and women when he wrote, "Today's social scientists say we now work

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not just for money (although few would downplay its importance) but for a whole range of other human needs and satisfactions." Women have begun to realize that they, too, need and want the satisfactions and rewards that paid work provides in addition to money.

And that, Barbara, is the real reason why so many women are leaving home to seek jobs.

EXPORT-IMPORT BANK AND SOVIET TRADE WITH UNITED STATES

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. ASHBROOK. Mr. Speaker, trade between the United States and the Soviet Union is steadily growing. American taxpayers are financing a good portion of it through subsidized credits from the U.S. Export-Import Bank. At the same time, the Soviets are greatly expanding their military forces. New developments are taking place in many of their military capabilities.

Too many in the U.S. Government seem determined to help the Soviet Union outstrip the United States economically and militarily. Distinguished Russian author Alexander Solzhenitsyn has written:

No, it is not any difficulties in perception that the West is suffering, but a desire not to know, an emotional preference for the pleasant over the unpleasant. Such an attitude is governed by the spirit of Munich.

I have risen from the floor of this body many times to discuss the developing trends and dangers in United States-U.S.S.R. trade. The Soviets continue to need U.S. technology to develop their industrial base. That industry is the basis for the development of Soviet military power.

American aid in these efforts has been extensive over the past 7 or 8 months. Monsanto Co. and a New Jersey firm have signed a \$25 million agreement with the Soviet Union for the design and technology of a chemical plant in that country. The chemical produced by the plant will be acetic acid which is considered a major building block to the petrochemical industry. This process of making acetic acid has only been developed very recently by Monsanto.

The planned financial arrangements under the agreement are also beneficial to the Soviets. They will only provide a 10 percent down payment with the remainder to be financed in the United States.

Occidental Petroleum and El Paso Natural Gas Co. have been negotiating with the Soviet Government to develop Soviet gas resources. Financial support is supposed to come from a consortium of American banks with the additional help of the U.S. Export-Import Bank.

The U.S.S.R. has also placed orders and bought oil-extracting and other petroleum industry goods. In the proceedings of a United States-Soviet trade conference of last year it is stated that

the Soviet Union still places "a heavy emphasis on the importation of advanced western machinery equipment and technology."

In January of this year the U.S. Eximbank authorized four subsidized credits totaling \$37.7 million for the Soviet Union. The projects involved include iron ore pellet plant equipment to be supplied by Allis-Chalmers Corp., gas reinjection compressors by the International Harvester Export Co., transfer line equipment for truck engine pistons by LaSalle Machine Tools and machining friction drums for farm tractors by the Jones and Lamson Co. It would seem that the transfer line equipment for the manufacture of truck engine pistons would be able to be used in the manufacture of military trucks. How this benefits the United States I am not sure.

In addition to these purchases of technology and equipment, the Soviets have also relied on more underhanded means. Recently, the *New York Daily News* told how a neutron generator was sold by an American firm to an imaginary Turkish university. The strategic generator was then diverted to Moscow.

In the month of May, the U.S. Export-Import Bank announced the authorization of a \$180 million low-interest loan to help finance a fertilizer manufacturing complex in the Soviet Union. This deal was announced at a time that farmers throughout our Nation suffer from a serious fertilizer shortage. The American taxpayer subsidizes the Ex-Im Bank's low-interest credits to the Soviet Union.

The Boeing Aircraft Co. and the Soviet Union have signed a protocol in Moscow to formalize its discussions on joint aviation projects. These projects may include construction of an aircraft plant in the Soviet Union and development of new passenger aircraft and helicopters. Already there is an exchange of scientific and technical information taking place between Boeing and the Soviet Union.

While the agreement is only supposed to cover civilian Soviet aircraft it is vital to remember that the technology used in building civil aircraft is also very easily adapted for military use. Boeing plays an important role in American military aviation.

While the American taxpayer is subsidizing the development of Soviet industry, the Soviet Government is starting to undercut, with their imports, prices of some goods right here in the United States. It has been reported that Soviet tractors are for sale in the South. These tractors sell for \$5,600. One farmer reported that the same American tractor would sell for \$7,000.

Technical trade with the Soviet Union has been growing by leaps and bounds over the past year. It is time that our Government review the whole policy of trading with the Soviet Union. It does not make sense for the United States to build the Soviet industrial base and the Soviet military machine and at the same time request higher defense budgets to meet the growing Soviet threat.

ARTHUR F. SAMPSON WINS
SILVER SHOVEL AWARD

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. HARSHA. Mr. Speaker, I would like to call attention to the recent awards presentation of an important construction industry group, the Subcontractor Trade Association. The association makes annual awards to individuals who have made outstanding contributions to the building industry.

This year's recipient of the Association's Silver Shovel Award was Arthur F. Sampson, Administrator of the General Services Administration.

I am extremely pleased to see direct evidence that the Federal Government has recognized and is dealing with the complex problems faced by building subcontractors. All too often the subcontractor has been the forgotten man of the construction industry.

I have worked closely with Art Sampson since his appointment as Administrator of the General Services and know that he has provided strong leadership in strengthening and improving the entire construction industry. I want to congratulate Mr. Sampson on this award and hope that others will follow his leadership. Mr. Sampson has indeed earned this entitlement for he has done an outstanding job.

I would like to submit for the RECORD a brief background on the awards presentation:

BRIEF BACKGROUND

Arthur F. Sampson, head of the U.S. General Services Administration, has received the Subcontractor Trade Association's 1974 Silver Shovel Award for "outstanding leadership" in the construction field.

The organization cited Sampson for his "significant contributions in the planning, innovation and execution of the massive construction programs needed by our country." GSA is charged with designing, constructing and maintaining federal facilities nationwide. In fiscal 1973, Sampson's agency supervised 773 construction projects valued at \$1.7 billion.

At the annual Silver Shovel Award banquet June 8 in New York, Sampson expressed his gratitude on being recognized by the national trade association. "Our real reward and satisfaction is yet to come, however. This will be when the construction industry recognizes subcontracting the way we do at GSA."

Sampson called subcontractors the "backbone of the building process," noting that \$1 billion of GSA's \$1.3 billion new construction projects is subcontractor work.

"Over the years," Sampson said, "we've been listening to subcontractors and their problems, and we've been striving to build a better relationship with subcontractors. Our construction management program and systems buildings projects are designed with subcontractors in mind. We've altered our change order processing, our retained percentage philosophy and weatherproofing requirements to create a better partnership between GSA as an owner and our subcontractors."

Sampson said, "All of these changes are designed to encourage subcontractors to take a more independent and adventurous role on the building team."

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The Subcontractors Trade Association Inc. is affiliated with the American Subcontractors Association. Its purpose is to improve the economic well-being of subcontractors in the New York City metropolitan area.

As GSA administrator since 1973, Sampson has received numerous awards from national professional organizations. He was recently elected to the board of directors of the National Fire Protection Association which cited his "many developments in fire protection."

FOREIGN AID TO RUSSIA

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. GAYDOS. Mr. Speaker, in the past our business dealings with Russia have not been too successful. Now, the administration is considering a \$180 million loan to help finance a fertilizer complex in Russia.

I believe the editorial views of the Pittsburgh Press are of value to the Members of Congress. Therefore, I present the editorial of May 26, 1974, which follows:

FOREIGN AID TO RUSSIA

In a foolish and unnecessary foreign-aid blunder, the Nixon administration has granted a \$180 million loan to the Soviet Union to help finance a huge fertilizer complex there.

The loan was made by the Export-Import Bank on instructions from President Nixon.

It carried the bargain interest rate of 6 per cent. Six per cent at a time when the most credit-worthy American corporations must pay about twice as much to borrow money!

In an effort to justify its dubious deal, the Ex-Im Bank points out that the credit will help U.S. companies export \$400 million in goods for the fertilizer project and eventually will bring "needed fertilizer to the U.S."

All that may be true but it misses a basic point:

By granting credit to the Soviet Union at half the rate charged domestically and to many friendly countries, the U.S. taxpayer is subsidizing and giving foreign aid to the Kremlin's industrial base.

There is nothing wrong with expanding trade with Moscow in nonstrategic items. But financing that trade with long-term loans at sweetheart rates is indefensible.

It may be news to the White House, but it isn't to U.S. intelligence agencies, that the Soviet Union can well afford to pay cash or to arrange for normal commercial credits for what it wants to buy in this country.

Russia is a major exporter of oil and oil products to hard-currency areas.

It will get a windfall profit of \$1.5 billion to \$2 billion in 1974 from the fourfold boost in crude prices imposed by the Arab oil cartel.

With commodity prices setting records, Moscow will earn extra billions through its extensive timber, gold and diamond exports.

Since mid-1973, it has sold \$2 billion to \$4 billion in weapons to Egypt and Syria, these sales financed by Saudi Arabia and paid for in hard currency.

This means that while the Soviet Union would like bargain credits from the United States if we are stupid enough to grant them, it can and will pay cash to countries with backbone in their trade policies.

Russia tried to pull an "Ex-Im" type deal on West Germany for an iron and steel com-

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bine in Kursk. But when Bonn remained firm, Moscow agreed in March to pay \$1 billion in cash for the project.

Similarly, it is paying \$48 billion in cash to a British firm for a new plastics plant.

Only this month the Soviet Union gave Argentina \$600 million in credits for a vast electric power project.

Can anyone explain why Russia should get a \$180 million loan from the United States when Russia can afford to lend Argentina \$600 million.

Obviously something is very wrong.

Either the White House doesn't know how to do business with Russia (remember the wheat deal?) or Mr. Nixon is so eager to make his visit to Moscow next month a success that he is giving away the store.

Whatever the reason, the Ex-Im giveaway should be blocked by Congress.

Why subsidize a foreign power that is basically inimical to America's future, freedoms and friends?

A LOSS FOR THE AMERICAN SPIRIT:
SENATOR ERNEST GRUENING

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. CONYERS. Mr. Speaker, a true spirit of individualism is a rare commodity in 20th-century America. This week, we mourn the loss of one of the few pioneers of our age with the passing of my good and admired friend, Ernest Gruening.

Senator Gruening was a pioneer of the body and of the spirit. After a varied and successful career, he and Alaska discovered each other in 1936. From that time until his death, he devoted himself to the people of his adopted State, serving first as their Governor and then as their Senator. More than any other person, he was responsible for the social and economic development of Alaska and for its eventual admission to the Union. Senator Gruening and Alaska became so much a part of each other that the memory of one will always call the other to mind. What finer tribute can a person enjoy than to become synonymous with the land and the people he loved?

But Senator Gruening's commitment extended far beyond his adopted State to all the people of the United States and to the people of Asia whom he sought to protect from the ravages of senseless devastation at the hands of American military power. In the history of the Senate, Ernest Gruening will be remembered as a pioneer—as a man of foresight and principle who recognized our impending calamity in Vietnam and had the courage to oppose it almost singlehandedly. Had we recognized his wisdom in 1964, when he opposed the Gulf of Tonkin resolution, millions of Americans, Vietnamese, Cambodians, and Laotians might still be secure in the sanctity of their homes.

Senator Gruening's fight for Alaska at home and for peace abroad were complemented by his unflagging commitment to racial justice. In so many ways and for so many years, he demonstrated a depth of

courage and wisdom in which any man could take pride. I have been honored to know him as a trusted friend and adviser, and I shall miss him deeply as will everyone who cherishes principle in an age of empty pragmatism.

EXIMBANK

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. DENT. Mr. Speaker, it is interesting to note all of the various attempts being made to renew the Export-Import Bank Charter, whether for 30 days or 30 years or \$30 billion. Whatever quarter it is coming from it is an ill conceived gesture toward a balance of trade. I think this editorial from the Wall Street Journal of June 28 pinpoints the problems inherent in the current U.S. policy of subsidizing other nations' production projects to the exclusion of needy American businesses. It is time to halt this sweetheart loan company's transactions.

A LONG LOOK AT THE EXIMBANK

The authority of the Export-Import Bank expires today, which simply means that until Congress renews its authority the bank cannot make new loan commitments. How nice it would be if Congress took its time, say a year or two, before acting one way or another. It might even find that U.S. economic interests would be served by liquidation of the bank, which by our reckoning stays in business by sleight of hand and covert use of the taxpayers' money.

After all, the only thing the bank really does is subsidize exports. No matter how you slice it, it is a subsidy to provide 7% money to finance sale of a widget or an airplane to Ruritania or a computer to the Soviet Union, when an American businessman can't finance purchase of either for less than 11 1/4 %. The bank gets privileged rates in the private capital market because the United States puts its full faith and credit behind the loans. Why the U.S. government should give the Ruritanian businessman a sweetheart deal that it won't give an American, save those at Lockheed, is beyond us.

The alleged economic justification for the bank's operation, which Ex-Im Bank Chairman William J. Casey pushes with great fervor, is that it imports the U.S. balance of trade. Granted, an export is an export. But Mr. Casey would have us look at only one side of the transaction. There's no way he could persuade us that wresting capital away from Americans, then forcing it abroad through the subsidy mechanism, does anything but distort relative prices, misallocate resources and diminish revenues, with zero effect, at best, on the trade balance.

Sen. Lloyd Bentsen of Texas sees part of the economics when both sides of the transaction are analyzed. He has an amendment that "would prevent Ex-Im financing of those exports involving the financing of foreign industrial capacity whenever the production resulting from that capacity would significantly displace like or directly competitive production by U.S. manufacturers." He has in mind Ex-Im's subsidizing of a foreign textile or steel plant that competes with its U.S. counterpart, to the detriment of our balance of trade.

Senator Bentsen thinks it's okay to subsidize finished products, like airplanes, which

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the Ex-Im Bank does plenty of. But Charles Tillinghast Jr., chairman of TWA, doesn't like the idea. He says TWA is losing piles of money flying the North Atlantic against foreign competitors who bought Boeing 747s and such with subsidized Ex-Im's loans. If TWA got the same deal, it would save \$11 million a year in finance charges. Mr. Tillinghast is currently pleading for a government subsidy so he can continue flying the North Atlantic and providing revenues in support of, ahem, our balance of trade.

Even if Ex-Im Bank subsidized only exports of goods and services which could not conceivably come back to haunt us directly, we see adverse economic effects. Subsidizing the export of yo-yos to the Ruritanians gives them a balance of trade problem that they correct by subsidizing the export of pogo sticks to us. Taxpayers both here and in Ruritania are thereby conned by this hocus pocus into supporting lower prices for yo-yos and pogo sticks than the market will support. In fact, all our trading partners have their own Ex-Im Bank to achieve exactly this end.

Two and three decades ago, when the Ex-Im Bank was a modest affair, its impact was relatively trivial. Now, it has \$20 billion of lending authority and is asking Congress to bump this to \$30 billion. By 1971, its impact on federal budget deficits had grown so large that Congress passed a special act taking the bank's net transactions out of the federal budget, so the deficit would look smaller. But the transactions have the same fiscal effect as a deficit, and the same drain on the private capital market. In the fiscal year just ending, the bank took \$1.1 billion out of the capital market. In the next fiscal year, it expects to take \$1,250,000,000 out of it.

There being no economic justification for the bank, Congress should feel no qualms about letting its authority lapse for a few years to watch what happens. The Russians, eager to continue getting something for nothing through the Ex-Im Bank, would be mildly unhappy. But they'd adjust by getting into the private capital markets with the underprivileged. We'd be surprised, too, if our trading partners didn't follow suit by scrapping these nonsensical subsidies. And if they don't, why should we complain about their taxpayers sending us subsidized pogo sticks?

GEN. RICHARD CAVAZOS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. DE LA GARZA. Mr. Speaker, I am very happy and indeed honored to report to you and to the Members of the House of Representatives that July 4, 1974, will be a red, white, and blue, All-American Day in Kingsville, Tex.

This progressive, and indeed patriotic, community in my district, has distinguished itself in many ways—the most prominent of which has been the service rendered our country in war and peace by the young men of Kingsville—many of whom have fought and died in the defense of our country.

In a way, Kingsville will honor all of them when it pays honor to Brig. Gen. Richard Cavazos.

Mr. Speaker and my colleagues, General Cavazos—one of the most dedicated Mexican American military men in the Nation—was born on the King Ranch where his father, the late Lauro Cavazos,

was foreman of the Santa Gertrudis de la Garza division for 35 years.

General Cavazos attended schools in Kingsville and graduated from King High School. He served in both the Korean and Vietnam conflicts and has received the Distinguished Service Cross; the Silver Star; Legion of Merit; Bronze Star; the Distinguished Flying Cross; eight Air Medals; a Purple Heart; and many other decorations. He is presently serving in Mexico City as a defense military attaché.

I will be a proud participant at all the events honoring General Cavazos, as will be many distinguished guests from throughout the State of Texas.

Mr. Speaker, I respectfully invite you and my colleagues to join with me in extending our best wishes and an official "well done" to Brig. Gen. Richard Cavazos.

FAIRNESS TO ALL VETERANS, NOT A FEW

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. TEAGUE. Mr. Speaker, in an editorial which appeared today in the Washington Post, that newspaper called for fairness to veterans. Its version of fairness to veterans is for the House to accept a Senate-passed proposal which would distribute nearly three-quarters of a billion dollars among a select group of veterans attending high cost schools.

In my view, this is not fairness but on the contrary, patent unfairness. Our veteran programs have always operated on the premise of equal benefits for equal service. I can see no justification for the exception which the Senate proposes.

My response to the editors of the Washington Post appears below:

JUNE 28, 1974.

Editor,

Washington Post,

Washington, D.C.

DEAR SIR: The Washington Post, in today's editorial entitled "Fairness to Veterans", has laid down the premise that failure to accept in toto the Senate amendments to the House passed Veterans Education and Training bill would represent a lack of patriotism and gratitude for the service of Vietnam veterans.

The Post in its editorial, perpetuates an erroneous contention that it has advanced before, that Vietnam veterans are not being treated as well as veterans of previous wars. We certainly would all have cause for just concern if the contention that Vietnam veterans are not being fairly treated was true, but it is not.

Vietnam veterans are actually receiving greater benefits than those provided veterans of World War II and Korea. When adjusted to equal dollars, we are expending more money for each Vietnam veteran in training than we spent on the veterans of the two previous wars. In addition, we have created a series of special benefits that were not available to World War II and Korea veterans. The Vietnam veteran has available a work-study program, a tutorial assistance program, a military PREP program; he receives free high school education at no charge against his

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entitlement; and now is being given a longer period of training with no requirement for prompt initiation of training which was required of veterans of World War II and Korea.

The crux of the matter is that the Senate and the Washington Post are supporting a provision which has been rejected by Congress on three previous occasions, that would provide an additional subsidy for a relatively small number of veterans attending high cost educational institutions. Approximately 30% of the veterans enrolled in training are in high cost schools. Studies by the Office of Education indicate that individuals choose private schools largely for two major reasons—religious conviction and family tradition. Tuition charges are considerably down the line as a major factor in the choosing of a school.

Apparently the Senate, the Washington Post and the American Legion see equity in a scheme which would give additional subsidy to the individual who chooses the high cost school, yet would deny equal benefits to another veteran with income and family problems who attends a low cost public school. Stated in simpler terms, the veteran from a wealthy family may be living in a dormitory on a campus of an Ivy League school, and have abundant resources of his own, and according to the Washington Post, the Senate and the American Legion, should receive a special additional tuition payment totaling \$3600, while another veteran with a wife and child struggling to meet his family obligations, confronted with transportation and household expenses, who is attending a low cost community college or public university, would be denied the equal benefits enjoyed by the student in the high cost school.

In its editorial, the Post pointed to the support of the American Legion for the tuition subsidy program and quoted a statement by their National Commander which appeared recently in its magazine, "It is ironical to think that it was the sins of the colleges and universities a generation ago which has been invoked to deny an education to the Vietnam veterans who need help the most". The editorial infers that most of the opposition to this proposal comes from me, and that I am motivated by old fashioned, outdated ideas developed as a result of investigations conducted twenty-five years ago. It is ironic that the Post glibly asserts that the Senate bill gives the Veterans Administration power to combat tuition abuse when such is not the case, and at the same time is running a series of articles exposing racketeering and abuses in educational programs. If the Post will ponder its own articles carefully, it can easily reach the conclusion that dishonesty in education is extremely difficult to curb when federal dollars are involved with few strings attached.

The American Legion appeared before the Veterans Affairs Committee and offered a proposal which had no safeguards built into it. It proposed to return to the old World War II scheme of furnishing books and tools and tuition subsidy, and proposed no increase in the education and training allowances for veterans going to low cost schools. The Legion plan would cost about three-quarters of a billion dollars, with most of the funds going to a minority of veterans enrolled in high cost schools. The Legion proposal would be of minor benefit to the vast majority of veterans attending public colleges and universities.

A Select Committee of Congress, the Comptroller General of the United States and the Administrator of Veterans Affairs compiled a thousand pages of reports of abuses that occurred under the old World War II system. Yet, twenty-five years later the American Legion came before the Committee offering the same old program without any solution

at all as to how the veterans and the taxpaying public could be protected. Both the House and the Senate wisely rejected the Legion proposal. However, the tuition supplement scheme in the Senate bill, which differs somewhat from the Legion bill, is fraught with potential for abuse. No assurances have been offered that safeguards against abuse have been developed. As a matter of fact, the Veterans Administration has issued an urgent warning that the Senate bill is poorly drafted, gives little guidance for administration and will be an open invitation to administrative difficulties and exploitation. Right at the time when the Veterans Administration is having difficulty administering veterans education programs, largely as a result of the advance pay plan which was supported by the same groups that are now pushing the tuition supplement plan, these groups are now proposing to further complicate the situation with a tuition reimbursement plan which if adopted will render the program virtually impossible to administer.

Aside from these considerations there is the point of simple equity and justice. It is not fair to provide different benefits to veterans with equal service simply because one veteran is fortunate enough or through his personal desire chooses a high cost school. There is also the question of equity to the taxpayers. The Senate bill, if accepted in total by the House, as recommended by the Washington Post, would provide \$25,300 in benefits, including \$10,000 in loans, to a veteran on the basis of two years service. Upwards to a million veterans would receive these benefits based on only 18 months service. Several million retired military careerists would receive these benefits in addition to their military retired pay.

There is no argument about the proposed 18% increase in the veterans' education and training allowance. The House has already offered to agree to most of the Senate amendments and the bill would provide a billion and one-half dollars a year new education benefits for veterans. We have balked, however, at a discriminatory scheme weighed in favor of a relatively small number of veterans attending high cost schools and we can find no rational basis to argue that 18 to 24 months military service should generate, at the taxpayer's expense, \$25,300 worth of education benefits.

Since I am the author of the Korean G.I. Bill, the War Orphan Scholarship Program and the House sponsor of the Vietnam veterans program, I also have more than a passing interest in keeping these programs functioning properly. I think that most veterans and members of their families and the public generally believe that a scholarship of approximately \$9,000, based on 18 to 24 months service, is a fair and important contribution by the Government to the veterans' rehabilitation.

For a while it was popular to argue that the veterans' education program was inadequate and Vietnam veterans were not participating to the extent of World War II and Korea veterans. The Post was in the forefront of this argument for a while. Of course, it was hogwash and now that Vietnam veterans have established a record of participation in numbers greater than veterans of the two previous wars we hear no more about it. Now the Post is taking up the argument that for the program to be fair, we must pay a special subsidy payment of three quarters of a billion dollars a year to selected veterans going to high cost schools.

The peddling of a tuition subsidy scheme for a relatively small number of veterans enrolled in high cost schools on the basis that Vietnam veterans have not been fairly and equitably treated is a serious exercise in intellectual dishonesty and is unfairly misleading to the veterans and public alike. The

editorial department of the Washington Post could stand a little more research before it accepts as gospel the propaganda of several self-serving groups around town who are lobbying on this issue.

Sincerely,

OLIN E. TEAGUE,
Member of Congress.

LEW DESCHLER

HON. WILLIAM H. HARSHA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. HARSHA. Mr. Speaker, it is a real pleasure to join with my colleagues in honoring one of the most capable and distinguished public servants it has ever been my privilege to know.

I must confess that I experienced mixed emotions when I learned of Lew Deschler's decision to retire as our Parliamentarian. He has served with great distinction in this most demanding position since 1928, and I can think of no one who more richly deserves the opportunity to lay down the considerable burden he has borne and finally enjoy the pleasures of retirement and leisure time. At the same time, I feel deep regret upon this occasion as we will lose the services of the most outstanding Parliamentarian who has ever served the House of Representatives.

During the past 46 years Lew Deschler has played a historic role in the development of House rules and has contributed more than any other person to the orderly functioning of the House. He has frequently been called upon to make decisions that have been of tremendous importance to our Nation and has never failed to rise to the challenge and render wise and fair rulings, based always on constitutional and parliamentary considerations. Despite the many demands upon his time, however, he has always been willing to assist anyone who sought his help and to offer wise counsel regardless of that individual's politics and position on the issue under consideration.

I have known Lew Deschler for many years and highly value his friendship. As he is a native of Chillicothe, Ohio, which I am privileged to represent, I have followed his career with particular interest and can personally vouch for his fairness, his good judgment, his expertise, and his integrity. The people of Chillicothe and of Ohio take great pride in Lew Deschler's many accomplishments, and I would like to share with my colleagues a quotation from an editorial that appeared in the Chillicothe Gazette of October 12, 1973, which clearly expressed the esteem in which he is held in his native State:

It gives me a high sense of confidence in this grave hour to know that such a man as Deschler brings to those who must lead us now a sense of continuity, devotion to our Country and the much-abused system which governs us, and the maturity and wisdom that come only from experience.

In the coming weeks the House may be called upon to make a decision of enormous importance to the future of

our country. Although Lew Deschler will no longer be our Parliamentarian, I am pleased to know that he has agreed to serve as a consultant to the House leadership. His advise and counsel may well prove invaluable at this crucial time in our Nation's history.

It is a distinct honor to have this opportunity to commend a great parliamentarian—and a great man—for his outstanding service and contributions to this legislative body and to wish him continued success and happiness in the years ahead.

THE FEDERAL POWER ACT

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. TIERNAN. Mr. Speaker, today I have introduced a bill to ban the fuel adjustment clause. The presence of this clause has caused the Federal Power Commission to lose control of its congressionally mandated responsibility to assure utility rates are just and reasonable.

The Federal Power Act states that "all rates and charges made, demanded, or received by any public utility for or in connection with the transmission or sale of electric energy * * * shall be just and reasonable". The act goes on to say "Unless the Commission otherwise orders, no change shall be made by any public utility in any such rate, charge, classification, or service, or in any rule, regulation, or contract relating thereto, except after 30 days notice to the Commission and to the public". (16 USC 824(d))

Under the present structure the public is not given 30 days notice when the fuel adjustment charge is increased and the Federal Power Commission cannot determine if these rates are "just and reasonable".

I feel the Federal Power Commission made a grave error in 1972 when it decided the fuel adjustment charge was legal. The Federal Power Commission reasoned that the mathematical formula of the fuel adjustment clause produced rates that were as fixed as rates expressed in monetary terms. But the Commission did not give enough emphasis to the realities of the marketplace.

With the presence of the fuel adjustment clause, the bargaining positions of the utility companies and the oil suppliers are immensely altered. A member of the New England Electric System highlighted the change in bargaining positions with a statement he made before a member of my staff. He stated that in the bargaining process the oil companies are quick to point out that higher fuel prices can be passed on to the consumer. The oil companies know the utilities will still make a profit regardless of how high fuel prices climb. The oil companies can then price the oil

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on a take-it-or-leave-it basis, fully aware of the utilities' urgent need for fuel to generate electricity.

The only one who suffers financially from higher fuel prices is the consumer, and he is not even involved in the bargaining process. The consumers' only safeguard, hearings before the Federal Power Commission to justify rate increases, has been taken away from him with the advent of the fuel adjustment charge. With this automatic pass-through provision, the consumer cannot be sure that fuel is being bought for the lowest possible price and the public interest is not being adequately served.

The purpose of the Federal Power Act was to guarantee that utility rates are just and reasonable. I urge my colleagues to study the serious adverse impact the fuel adjustment clause has on fulfilling this purpose and ask their support for my bill to ban the fuel adjustment clause.

SOCIAL SECURITY CASH BENEFITS FOR PINELLAS COUNTY, FLA.

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. YOUNG of Florida. Mr. Speaker, I have released statistical information today which shows that in Pinellas County, Fla., at the end of December 1973, there were a total of 202,450 social security recipients receiving \$31,693,000 per month in benefits.

According to Secretary Caspar Weinberger of the Department of Health, Education, and Welfare, at the end of 1973 nearly 30 million Americans were receiving cash benefits from social security at the rate of \$4.3 billion per month. A total of \$51 billion was paid nationwide in 1973, of which Florida recipients received \$2.3 billion and Pinellas County recipients got over \$400 million.

There were 182,960 social security recipients in Pinellas County aged 60 and over, while there were 19,490 recipients under the age of 60. Of those over age 60, 106,375 were women and 76,580 were men. In addition, there were 132,765 retired workers receiving \$22,801,000 in monthly benefits, while \$1,610,000 was paid on a monthly basis to 8,325 disabled workers. All other recipients, 61,365 in all, received \$7,282,000.

Mr. Speaker, the Department of Health, Education, and Welfare has said that at the end of 1973, nearly all Americans aged 65 years and over were eligible for hospital insurance and most were enrolled in the supplementary medical insurance plan. Also, some 1.7 million disabled-worker beneficiaries under age 65 were eligible for hospital insurance under the 1972 amendments to the Social Security Act and over 90 percent of them enrolled in the supplementary medical insurance plan. The United States total for hospital insur-

ance is \$7.1 billion and for supplementary medical insurance \$2.5 billion.

HEAR FREEDOM'S SONGS

HON. SAMUEL H. YOUNG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. YOUNG of Illinois. Mr. Speaker, throughout America, we will be celebrating the 198th anniversary of the signing of our Declaration of Independence. Many communities and cities throughout the United States are planning on various types of celebrations to appropriately recognize the meaning of the Declaration of Independence and the important heritage that this document represents.

I would like to call the attention of my colleagues to the efforts that the city of Evanston makes each year in the celebration of the Fourth of July and the Declaration of Independence. I call the attention of my colleagues to Evanston's "4th of July Celebration" because of the consistent record of observance of this anniversary and because of the widespread participation and planning that the city of Evanston and its citizens devote to honoring our country's independence.

Evanston, Ill., is celebrating its 53d annual Fourth of July this year. Evanston has been recognized as one of the leaders in the country for its on-going participation on the Fourth of July. It has been awarded three Freedom Foundation awards in 1952, 1966, and 1967 for its excellence in showing the spirit of freedom. They will be trying for their fourth award this year with their theme "Hear Freedom's Songs."

The Evanston Fourth of July Association was formed in 1922 by a group of citizens wanting to memorialize the "Independence Day" of our country and to provide a safe and enjoyable day for the children and families of the community. Through their efforts and many thousands of others over the years, they have been singularly successful. Each year a large portion of Evanston is involved in the celebration of our Day of Independence. Hundreds of children participate in sports events and contests which are held on the Fourth at various schools and parks. Tennis and golf tournaments are held for all citizens of Evanston.

One of the major highlights of the Fourth is the parade, which has over 100,000 people from many States coming to Evanston to witness a truly magnificent community on parade. The parade is followed by a twilight and fireworks show held annually at Northwestern University's Dyche Stadium. At this time, the finals of the day's sport events are held, and a program of entertainment is presented for the family. The evening is climaxed by one of the finest fireworks displays in the country.

The financial proceeds of the celebra-

tion are used to provide assistance for various community improvements, which include tennis courts, land for parks donated to the city, flag poles, a section of a new arboretum, and other lasting memorials.

The Evanston Fourth of July Association has operated as a nonprofit association. It has brought a true sense of our Nation's Day of Independence to the community.

The various committee chairmen and chairwomen include: Alfred L. Jackson, celebration manager; A. Irving Maltby, assistant manager; J. Bruce Wagner—twilight show; Jon Nelson—fireworks; Donald C. Pannier—stadium; Wilmot H. Tramel—sports; Gray B. Tuthill—Lincolnwood; Stephen H. Carr—Willard; William and Louise Robb—tennis; Joseph Beukema—golf; Robert Whinton—audio communications; Evan M. Kjellenberg, assistant manager; Robert A. Hurrie—parade; Ivor Balyeat, parade marshall; Bruce C. Baumberger—ticket promotion; Vernon J. Albright—publicity; John Furr—advertising; John A. Churchill—display; and Clete Schwartzhoff—properties. The trustees of the association are: Glenn H. Andersen, James E. Coe, Garth J. Conley, Jr., A. A. DeLapp, Gordon M. Hallstrom, Homer A. Haswell, Clarence C. Malmsten, John C. Ogren, Molly Ogren, Nelle R. Pelton, Robert P. Ream, and V. Scott Rice.

JUDICIARY COMMITTEE

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. KUYKENDALL. Mr. Speaker, according to the Los Angeles Times, all of us may sit back and relax. The chairman of our Judiciary Committee has preempted the decisionmaking process in his committee and relieved his Democratic colleagues from the bothersome chore of weighing the evidence in the impeachment hearings. They do not even have to go to the hearings now that the chairman has decreed how they are going to vote.

All 21 Democrats on the committee will vote in favor of a motion recommending the House impeach Nixon, according to what the Times says the distinguished and clairvoyant chairman told a group of visitors to his office last Thursday.

I have a suggestion, Mr. Speaker, since Mr. RODINO's crystal ball extends only to his Democratic colleagues. If we can get him a head count from the Republicans, can we then pay off all those high-priced lawyers and end the hearings and liberate the lobby of the Rayburn Building from the television camera crews? If they occupy it much longer, they will have homesteaders' rights.

Or failing that, is it too much to ask that the chairman of a committee faced with the most grave duty a Member of Congress can undertake, withhold his prejudicial, inflammatory news leaks until the evidence is all heard, and the vote taken?

The public is entitled to a bit of judiciousness from Judiciary.

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JOHN F. GRINER—A GIANT IN THE LABOR MOVEMENT

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. McFALL. I rise today, Mr. Speaker, to pay high respect to the memory of John F. Griner, American Federation of Government Employees National President Emeritus, who at age 66, died April 22, 1974.

Mr. Griner, a respected friend of many of us in the Congress, died in Cairo, Ga., where he had been residing following his retirement as AFGE national president 16 months earlier due to ill health.

At the time of Mr. Griner's passing, he was still a member of the executive council of the AFL-CIO. He had held that post since 1969, having been re-elected in 1971, and again in 1973, though he was president emeritus of the AFGE by then.

During his decade of service as AFGE president, the union's membership tripled among Federal employees to more than 300,000 persons.

The leadership required to bring about this dramatic growth was in large measure that of John Griner's, though he would be among the first to acknowledge that the effort to extend greater employee representation to our Federal workers required the dedicated work of countless men and women.

John Griner was among the fortunate in that he realized the goals which he set for his work.

He worked for and saw passage of major legislation to bring equity to the needs of both the white collar and blue collar Federal employees. This was accomplished with the passage of the comparability pay bill of 1967 and with passage of the wage grade legislation of 1972.

Another principal goal of John Griner was to provide a home in the Nation's Capital for the AFGE. Under his leadership, this was accomplished through the acquisition in 1972 of the AFGE's National Headquarters at 1325 Massachusetts Avenue NW.

Appropriately, this building bears his name and stands as a living memorial to his life's work.

I shall always treasure the memory of the day, shortly after John F. Griner's retirement as AFGE president, when I had the opportunity to be with him as his colleagues and the people he served dedicated the AFGE headquarters in recognition of his work.

John Griner was born in Camilla, Ga., on August 9, 1907, and was graduated from Camilla High School in 1924.

From 1925 to 1936 he worked for the Atlantic Coastline, Seaboard, Georgia Northern, and Southern Pacific Railroads. He worked in several positions as a telegrapher, agent, train dispatcher and assistant car accountant. During this period he served as a telegrapher in my congressional district in the cities of Lodi and Tracy.

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Until his death, John Griner, who possessed that humility which marks truly great men, still carried cards in five railroad unions: the Brotherhoods of Railroad Trainmen and Railroad Signalmen, the Railroad Yardmasters of America, the American Train Dispatchers Association and the former Order of Railroad Telegraphers, now a part of the Brotherhood of Railway, Airline and Steamship Clerks.

Mr. Griner began his Federal service in 1936 and through the ensuing years established a career in Government which shines as an example of how initiative can bring about personal success and exemplary service to the public.

He began as an adjudicator with the Railroad Retirement Board at the CAF-6 grade. When he left Federal service in 1962 to devote full time to being AFGE National President, he was a GS-15.

During the last 11 years of employment with the Railroad Retirement Board, Mr. Griner was a Labor Relations Officer. He served as liaison between the Board and the rail unions. He also was responsible for Labor Relations and Training.

As an employee of the Board, he studied evenings and nights at Columbus University, now a part of American University. He was awarded his bachelor of laws degree in June, 1940.

Prior to his election as national AFGE president in 1962, Mr. Griner had been a member of the union's national executive council for 16 years as national vice president for its seventh district comprised of Illinois, Michigan, and Wisconsin.

When John Griner became AFGE National President, the Union's membership hovered at 100,000 and today, more than 300,000 Federal employees are members of the AFGE, which has become the largest of all other Federal employee organizations combined, excluding the postal service unions.

The accomplishments of John F. Griner on behalf of his fellow men and women are engraved upon the historical pages of organized labor. His life stands as an example to all who knew him.

For those who knew him as a friend, our feeling of loss is exceeded only by that of his close colleagues and those he loved so much: his wife, Claranell and sons, John Jr. and Remer, two grand-children and two sisters.

We mourn the passing of John F. Griner, but our hearts are warmed with the knowledge that we were privileged to know a man so decent and so dedicated in serving those who placed in him their trust.

ANTON PAPICH, JR.

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. DE LA GARZA. Mr. Speaker, with other Members of the House I mourn the untimely passing yesterday of Anton Papich, Jr.—“Tony” to most of us—who since 1965 has been an official reporter for House committees.

Born in Yugoslavia, Tony Papich came to the United States as a child. He grew to manhood in this country and served in our Navy during World War II—seeing duty in the Atlantic theater and the Panama Canal Zone.

He was an official White House reporter during the Truman, Eisenhower, and Kennedy administrations before being appointed by former Speaker John McCormick as an official reporter for House committees. In the latter capacity, he traveled with committees to countries throughout western Europe and to Canada—consistently performing necessary and excellent work.

Tony Papich—a faithful public servant—is deserving of honor and I know my colleagues join me in paying tribute to him.

He is survived by his wife, a son, and his mother—and to them I extend my heartfelt sympathy in which this House shares.

PARLIAMENTARIAN LEW DESCHLER

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. HÉBERT. Mr. Speaker, it is with a great deal of sadness that I say goodbye to a trusted friend and loyal American, Lew Deschler, who is retiring as Parliamentarian of the House.

I have been around here for a long time—since 1941—but Lew had been on the job as Parliamentarian for 13 years when I arrived on the scene. Over the past 34 years, we have become good friends, but more than that, Lew has become a valuable adviser.

There is no greater authority on parliamentary law in the world, and on many occasions I have called upon him for counsel, especially in recent years in my post as chairman of the House Armed Services Committee.

I know of no one who can stack up to Lew's dedication to duty, his knowledge of his job, and the effectiveness with which he carried out his historical tasks. He has not only seen history made, he has been a part of it.

Lew should certainly have a feeling of satisfaction as he enters retirement, which he has so richly earned. The service he has rendered to his country has been far above and beyond the call of duty, and he will be remembered, as far as I am concerned, as the most distinguished and dedicated servant of the House of Representatives.

Lew is a real gentleman, and he has served nine Speakers and the Members of the House courteously and impartially over these many years. The love and affection that we in the House have for Lew is testimony that he performed admirably, with patience, and with a genuine desire to help.

I am pleased to learn that Lew will be available to the House as a consultant on parliamentary procedures in the difficult days which lie ahead and that his wealth of knowledge and experience will still be available to us. Lew, I know, will be just

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as willing to do what he can should he be called upon, even in retirement, as he has been through his 50 years of service to the House.

My best wishes to Lew and his lovely wife, Virginia, in the years ahead, and I say a sincere thank you for your contributions. Men of your caliber come down the pike all too seldom, and I hate to see you go.

TAX RELIEF FOR RECIPIENTS OF EDUCATIONAL LOANS

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. PRICE of Texas. Mr. Speaker, I have today cosponsored legislation which would provide tax relief for recipients of educational loans in the United States who recently received retroactive tax due notices from the Internal Revenue Service. The IRS ruling states that educational loans with the forgiveness provision for repayment amounts to taxable income. This is a gross injustice to students who received loans in good faith and who had no prior knowledge that education loans containing a forgiveness clause could possibly be considered as taxable income.

Between 1954 and 1970, these loans were not considered taxable income, and persons who held loans during that time are protected by the statute of limitations from any IRS claims. However, all student loans containing the forgiveness provision are suddenly considered taxable—retroactive to 1970—and the IRS is charging the holders of these loans with the full amount, payable in 15 days. To add insult to injury, the IRS is charging interest on these taxes.

The legislation which I have cosponsored would eliminate the retroactive portion of the ruling. Such loans would become taxable after the date of enactment, but I feel that prior to that time, all those students who entered in good faith agreements with the administering agencies should not be required to pay the back taxes.

I think we are all aware of the great importance of higher education, not only to our individual citizens, but also to our Nation. Higher educational institutions have been victimized by growing inflation. Operating costs, as well as living and tuition expenses, have risen dramatically. In my opinion, it is our responsibility to offer any assistance possible to insure that qualified persons are not denied a chance for higher education due to the lack of funds.

The IRS ruling brings up an important problem in the educational system; namely, the need to attract students into fields where critical shortages exist. This ruling affects students who are in the health service and teaching areas. Because of these shortages, educational loans with the forgiveness clause have served as an incentive to students to offer their services in critical areas, such as rural America. However, through the

IRS ruling, the incentive for students to enter shortage areas has been destroyed.

In closing, I would say that it is time for the tax policy of our Nation to be formulated not by IRS rulings, but rather in the Congress where the responsibility truly lies. I would urge my colleagues to support this bill and end the terrible injustice to which our students are being subjected.

SENATOR ERNEST GRUENING

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. BLATNIK. Mr. Speaker, with the passing of Senator Ernest Gruening, America has lost one of her finest sons who had dedicated his life to justice, peace, and understanding. I submit for inclusion in the CONGRESSIONAL RECORD this article from the Washington Post recounting Senator Gruening's long and distinguished career of public service both as a statesman and as an author:

SENATOR ERNEST GRUENING, FATHER OF ALASKA STATEHOOD

(By Jules Witcover)

Ernest H. Gruening, generally regarded as the father of Alaska statehood, one of its first two U.S. senators and among the earliest and strongest voices raised in the Senate against the Vietnam war, died yesterday evening at 87.

Sen. Gruening died at 6:20 p.m. at Doctors Hospital, where he had been undergoing treatment for cancer.

In a career that started with formal training to be a doctor, Sen. Gruening was in turn a newspaper reporter and editor, magazine editor, foreign correspondent, author, historian, publicist, diplomat, territorial governor and lobbyist before entering the Senate in 1959.

In his two terms, he was one of the Senate's most outspoken liberals, a pioneer in the fields of birth and world population control, and one of its two most steadfast and bitter foes of U.S. intervention in Vietnam.

He was probably best known for his vote, along with fellow Democratic Sen. Wayne Morse of Oregon, against the Gulf of Tonkin resolution of August, 1964, that President Lyndon B. Johnson used as blanket authorization to escalate U.S. involvement in Southeast Asia.

Ten months earlier, in October 1963, he criticized on the Senate floor the "sheer hypocrisy" of sending 12,000 U.S. troops into Vietnam and calling them "technicians." On March 10, 1964, he made the first major Senate speech calling on the United States to get out of Vietnam. In it, he decried the loss of American lives "in seeking vainly in this remote jungle to shore up self-serving corrupt dynasts or their self-imposed successors," and declared:

"I consider the life of one American boy worth more than this putrid mess. I consider every additional life that is sacrificed in this forlorn venture a tragedy. Some day—not distant—if this sacrificing continues, it will be denounced as a crime."

To the last, Ernest Gruening was an outspoken battler for the causes he espoused and an uncompromising critic of his political foes.

From his bed at Doctors Hospital in early June, he followed the progress of the impeachment inquiry against President Nixon in the daily newspapers and discussed it

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vigorously and with a sense of outrage with callers. He insisted not only that the President should be impeached, but that he should be convicted of high crimes and misdemeanors, thrown out of office, then prosecuted as a citizen, convicted again and put in jail as an example that American justice still worked.

He embraced and lived the admonition of the Welsh poet, Dylan Thomas, that the elderly not let their lives trickle out meaninglessly and obediently:

"Do not go gentle into that good night,
Old age should burn and rave at close of
day;
Rage, rage against the dying of the light."

Ernest Henry Gruening raged in his youth, his middle age and at the close of his days in as varied a public career as any man who ever sat in the United States Senate. His colleague and friend, Sen. Hubert H. Humphrey, once called him "the 20th century Benjamin Franklin," but he might have compared him to the versatile Thomas Jefferson as well.

Born in New York City on Feb. 6, 1887, to Emil Gruening, a prominent eye and ear surgeon, and Phebe Fridenberg Gruening, he attended local schools and then Harvard, planning to follow his father into medicine. He received a bachelor of arts degree in 1907 and then entered Harvard medical school.

But a doctor's life did not appeal to him; he was already a young man of broad interests in public affairs, literature and people, and those interests, and some of his friends, pulled him inexorably toward the newspaper business.

His best friend, Earl Derr Biggers, later the author of the Charlie Chan detective stories was drama critic for the Boston Traveler, and on nights when there was more than one opening, Biggers asked Sen. Gruening to review one for him.

While still attending medical school, Sen. Gruening took a job on the Boston American for \$15 a week, giving up an internship at the Boston City Hospital. On his father's advice, he later went back and finished school, receiving his doctor of medicine degree in 1912, but he never practiced—nor regretted not having done so.

In 1913, he joined the Boston Herald as a reporter, rewrite man and copy editor, and a year later, after the Herald was absorbed by the Boston Traveler, became an editorial writer and then the Traveler's managing editor at the age of 27.

His championing of social justice and the rights of minorities was manifested in one of his first directives to the staff. He ordered that identification of individuals by race be dropped unless "it is of particular and special interest and when the story is manifestly incomplete and inaccurate if the color of the person involved is concealed." The Traveler became one of the first metropolitan newspapers in the country to adopt such a policy.

Sen. Gruening also clamped down on a practice of granting favorable theater reviews in return for advertising. Later when he moved to the Boston Journal as managing editor, he successfully fought efforts by major advertisers in the city to control the paper's editorial contents.

When the United States entered World War I in 1917, Sen. Gruening came to Washington to help organize the bureau of imports of the War Trade Board. After a brief time as managing editor of the New York Tribune, he enlisted in the Army, rejecting a medical commission and instead went to field artillery officers' training at Camp Zachary Taylor, Ky., where he was a candidate for an Army commission when the war ended.

Next he became business manager of the Spanish language newspaper La Prensa for a year, helping to convert it from a weekly to a

daily, and then in 1920 became managing editor of The Nation, where he recruited such writers as H. L. Mencken, Dorothy Canfield, Sinclair Lewis, Willa Cather and Theodore Dreiser.

At The Nation, Sen. Gruening wrote articles and editorials attacking U.S. military intervention in Haiti, the Dominican Republic and Nicaragua, helping to trigger a Senate investigation in which he was invited and agreed to participate on the scene.

He also wrote articles critical of U.S. policy in Mexico, where 10 years of revolution had brought much foreign exploitation and internal political turmoil.

In 1923, he resigned from the magazine and went to Mexico on a reporting assignment for Collier's Weekly and The Nation. From that experience and extensive reading, he wrote "Mexico and Its Heritage," published in 1928 and called by the New York Herald Tribune "the most vigorous, useful, and comprehensive picture yet made of the complex present-day conditions below the Rio Grande."

In 1963, he received the Order of the Aztec Eagle, the Mexican government's highest decoration, for the book, which the then Mexican ambassador to the United States, Antonio Carrillo Flores, called "the best book written by a non-Mexican about my country."

Meanwhile, Sen. Gruening continued freelance writing, taking time out in 1924 to serve as director of national publicity for the presidential campaign of the progressive candidate, Robert LaFollette of Wisconsin.

In 1927, he helped found and became the first editor of the Portland, Maine, Evening News, and in five years built it into a crusading liberal newspaper. His major battle fought and won there was the blocking of a private power empire's effort to reverse longtime Maine policy and export the state's water power. Later he wrote a book attacking private-power interests, "The Public Pays," published by Vanguard Press in 1931.

In 1933, Senator Gruening returned to the editorship of The Nation, making regular trips to Washington to report on the New Deal of the new President, Franklin D. Roosevelt. Aware of Sen. Gruening's experience in Latin America, Roosevelt appointed him an adviser to the U.S. delegation at the Seventh Inter-American Conference in Montevideo, at which the FDR "Good Neighbor" policy long sought by Sen. Gruening was formulated.

After a brief and contentious tenure as editor of the New York Post, in which he fought with the owner over suppressed stories, Sen. Gruening received a second appointment from FDR, one that was destined to have the greatest impact on his life and on his role in American political affairs. He was named director of a new Division of Territories and Island Possessions in the Department of the Interior, with jurisdiction over Hawaii and a host of small Pacific Islands, Puerto Rico, the Virgin Islands and Alaska.

After more than a year of concentrating his attentions on the severe poverty problem in Puerto Rico, Sen. Gruening made his first trip to Alaska in 1936. He became immediately enamored of the place, but was struck by its accessibility.

He pioneered in expanding air transportation to and throughout Alaska and in the eventual construction of the Alcan Highway, linking the territory through Canada with the United States, or "the lower 48" as it was called in Alaska.

Throughout his tenure, Sen. Gruening was involved in a running battle with Secretary of the Interior Harold L. Ickes, but in 1939, apparently against Ickes' wishes, Roosevelt appointed him governor of Alaska. He immediately won approval of a new system of

taxation that outraged absentee exploiters of the territory's raw materials, particularly the large salmon industry, but helped launch development of improved school and public services.

He successfully waged a campaign against discrimination against native Alaskans in eating places throughout the territory, and throughout World War II oversaw the influx of military and governmental installations that in 1945 provided the base and population for a postwar boom.

Sen. Gruening served nearly 14 years as territorial governor and capped his tenure as leader of the fight for Alaskan statehood. He personally sought to educate editors, members of Congress and fellow governors about the territory's readiness for statehood—its citizens approved a referendum in 1946—and spoke and wrote extensively about Alaska.

In 1954, his book, "The State of Alaska," chronicled the territory history since its discovery in 1741, and in 1956 the voters of Alaska, to nudge Congress, elected him unofficial "senator" to lobby for statehood in Washington.

Sen. Gruening undertook the assignment with vigor and conviction, bombarding congressmen and senators with statistics and other information about Alaska and arguing that it had great growth potential that needed statehood to realize. He persuaded Edna Ferber to write a novel about Alaska, called "Ice Palace," that later was called by Clifton Fadiman "the Uncle Tom's Cabin for Alaska." In June 1958, Congress voted statehood.

Two months later, Sen. Gruening was nominated in the Democratic primary to be one of the new state's first two senators, and he won in the fall, beating Republican Mike Stepovich. He was an indefatigable campaigner, as one voter found out when he told the candidate that "I'd sooner vote for the devil."

Sen. Gruening replied, "You know, he'd be a tough guy to beat. But if he decides not to run, do you suppose you could switch to me?"

The voter eyed him for a moment, then said, "Why you SOB, I might vote for you yet."

Even before he entered the Senate, Sen. Gruening had also been a staunch advocate of Hawaiian statehood, and he continued the effort there. He was on the Senate floor in March, 1959, when the Senate voted to make Hawaii the 50th state.

In two terms in the Senate, Sen. Gruening compiled a strong liberal and civil rights voting record, generally aligning himself with Northern Democrats, and was a leader in pressing for expanded federal research into birth control methods, an interest he pursued after he left the Senate.

But it was his outspoken early stand against the war in Vietnam that highlighted his Senate service. He and Morse were the only Senators to vote against appropriations bills for Vietnam in 1965, as well as casting their lonely votes against the Gulf of Tonkin resolution.

Sen. Gruening continued his opposition to the war in the Senate until he lost the Democratic primary in 1968 in his bid for a third term, and thereafter as a private citizen. He backed and campaigned for Sen. George McGovern (D-S.D.) in the New Hampshire primary of 1972 and later in the general campaign against President Nixon.

In his last years, Sen. Gruening pursued the cause of population control and of the rights of women, testifying on the abortion issue before a Senate subcommittee in 1974. He also appeared on television shows, calling for the impeachment of Mr. Nixon.

In his autobiography, "Many Battles," published in late 1973, Sen. Gruening wrote:

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"Whatever his part in Watergate, Nixon's undeniable guilt has been his attempted and partly successful subversion of our free society into a police state . . . I intend to devote my remaining years, however few they may be, to exposing this sinister subversion, to alerting my fellow countrymen, and to trying to help restore the America that has been and has served us so well."

Sen. Gruening is survived by his wife, the former Dorothy E. Smith, of the home, 1926 West Beach Dr. NW., and a son, Huntington Sanders Gruening, of Federal Way, Wash. Two other sons, Ernest Jr. and Peter Brown, are deceased.

A PAUSE TO TAKE STOCK OF GEORGIA'S HERITAGE

HON. ROBERT G. STEPHENS, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. STEPHENS. Mr. Speaker, I would like to share with my colleagues an article which recently appeared in my hometown newspaper in Athens, Ga. The article consists of a passage taken from "Georgia History and Government," a book written by Dr. Albert Saye, a native of Morgan County, Ga., a graduate of the University of Georgia and Harvard University, and my teaching companion in the history and political science departments at Georgia. Dr. Saye, who is presently Alumni Foundation distinguished professor of political science at the University of Georgia, contends that the South has not lost its identity, as some would argue. Rather, he feels that Georgia presently enjoys a present which is as rich and vital as the past. I vigorously agree.

Mr. Speaker, I insert in the RECORD the article as follows:

A PAUSE TO TAKE STOCK OF GEORGIA'S HERITAGE

(By Albert Saye)

Last year I published a small book entitled "Georgia History and Government." Reflecting on our State's heritage, I wrote a passage as follows which may be of interest to readers of this column.

"In a book of essays entitled *I'll Take My Stand*, twelve Southern authors sought in 1930 to warn against the dehumanizing tendencies of industrialism. A mad rush for economic gain was, it was said, causing man to lose sight of the finer things of life. He could become a robot with no sense of beauty. These distinguished writers saw in the agricultural South, with all its alleged backwardness, a place where grace, leisure, truth, and other qualities of the good life had been preserved. In his essay, Georgia's John Donald Wade said that 'the test of a society is the kind of men it produces. . . .'

"Georgia produced or became the home of Sidney Lanier and Margaret Mitchell, Alexander H. Stephens and Richard B. Russell, Jr., Crawford W. Long and William L. Moss, Charles H. Herty and Francis G. Slack, Bobby Jones and Steadman V. Sanford, Ty Cobb and Hank Aaron, Thomas G. Bethune and Roland Hayes, Walter F. White and Asa H. Gordon, Ralph McGill and Martin Luther King, Jr., Charles Coburn and Susan Hayward, George W. Truett and Warren A. Candler, Eugene R. Black and Robert W. Woodruff, Alonzo F. Herndon and Richard R. Wright, Martha Berry and David C. Barrow,

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Cason J. Callaway and Walter McElreath, Hugh Hodgson and Lamar Dodd, Sue Reid Vason and William Tate, and thousands of other men and women who make us proud to be called Georgians, or even Georgia Crackers.

"Man is at his highest and best when he comprehends the truth expressed by St. Paul: 'Though I speak with the tongues of men and of angels, and have not charity, I am become as sounding brass, or a tinkling cymbal.' Man's life is fullest when he knows what it means to love and be loved, when he feels that life has purpose and meaning, and when he has hope for the future. There was much of this wisdom in the Old South, the nation's Bible belt in the first half of the twentieth century.

"No conclusion on the history of Georgia in the second half of the twentieth century can yet be written. There is still a part of it to unfold. This remainder belongs to the present generation, and it may well be the most important part.

"Some say that the South has lost its identity—that its only distinction lies in its history. The changes at mid-century in the Southern way of life have been drastic, especially in Georgia. But as genuine spiritual values transcend material ways of life, it is likely that the better qualities of the Old South will survive and flourish in the new."

Glancing over the list of people included as "Georgia notables," one will see that they are presented in pairs by fields of activity, beginning with writers and ending with teachers. I smile to see that I include "Sue Reid Vason and William Tate" as notable teachers. Sue Reid was my English teacher at the Madison High School, and I know she belongs in the list; and who could question the accuracy of including Dean Tate?

The thing that bothers me is the incompleteness of the list—but publishers don't like for books to be too long, especially in this day of escalating printing costs, making local histories almost a thing of the past.

A full list of Georgia authors would be a book in itself. Confining the list to historians, outstanding authors on local history include Elfrieda Barrow, Margaret Cate, Thomas H. English, Franklin M. Garrett, William Harden, Lillian B. Heinsohn, Louise M. Hickey, Edith D. Johnston, Wilbur G. Kurtz, Doris Lockerman, Caroline C. Lovell, Eugenia W. Stone, Mary B. Warren, Robert M. Willingham, Etta B. Worsley, and Ida Young.

Georgia historians of national prominence include Robert P. Brooks, E. Merton Coulter, Henry Grady, Cullen B. Gossell, Ulrich B. Phillips, Mildred C. Thompson, John D. Wade, Bell I. Wiley, C. Vann Woodward, Pat Waters, and Charles E. Wyndes.

Notable Georgia state historians include I. W. Avery, James C. Bonner, John W. Bonner, Jr., Kenneth Coleman, Walter G. Cooper, Frank Daniel, Rebecca L. Felton, Asa H. Gordon, Helen I. Greene, Louis T. Griffith, Carroll Hart, Lilla M. Hawes, Clark Howell, Amanda Johnson, Charles C. Jones, Spencer B. King, Lucien L. Knight, Mills B. Lane, Alexander H. Lawrence, Augustus B. Longstreet, James Ross McCaughan, Hugh Howell, Horace Montgomery, Dorothy Orr, Willard Range, Marion J. Rice, Edward S. Sell, Olive H. Shadgett, Adrian Sherwood, Phinizy Spalding, John F. Stegeman, William B. Stephens, Ruth E. Suddeth, John E. Talmadge, Allen P. Tankersley, Sarah G. Temple, Cornelius V. Troup, Burnette Vanstory, and George White.

Next after the authors "Sidney Lanier and Margaret Mitchell" the text lists as notable statesmen "Alexander H. Stephens and Richard B. Russell." I shall leave to the interested reader the pleasure of adding statesmen, sportsmen, actors, musicians, clergymen, businessmen, and others needed to fill out the categories listed, and of making other categories, not excluding farmers.

MARATHON—PARTNERS IN PROGRESS

HON. TENNYSON GUYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. GUYER. Mr. Speaker, I have heard much about the exorbitant windfall profits by oil companies over the past 8 or 9 months, but very little about the financial experience of those companies over the past 12 or 15 years. Also, I have seen a lot about recent price increases in petroleum products, but absolutely nothing about the low prices that prevailed until about 1973. While these facts are important, somehow the public has not had the opportunity to view oil earnings or prices in the perspectives of the past, comparisons with the rest of the economy, and the important job so vital to our energy production that still lies ahead.

There is a medium-sized oil company with its headquarters in my district. It ranks about 14th or 15th in size among oil companies. It is engaged in all phases of the business in the United States, and it has overseas production and refining. It is not owned by oil barons—in fact, its employee thrift plan is its greatest single shareholder. It is not trying to crowd independents out of the market because it sells well over half of its product to them. They are valued customers.

I think that this is a good type of company to have in the business. It competes with all comers wherever it operates.

We are being asked to vote for a bill that would make this company's investment better off in a savings account, than in the oil business. Personally, I would rather have them in the oil business. I think that most taxpayers would, because they made direct tax payments to governments in the United States last year of \$62 million, and they paid lease bonuses to the Federal Government alone of an additional \$43 million. This does not include the \$177 million in excise taxes they collected for State and Federal Government.

I think that most consumers would prefer that they be in the oil business, because they produced about 60 million barrels of oil in the United States last year; they refined almost 90 million barrels, and they sold 95 million barrels of product. Based on these operations, they made 1.5 cents per gallon profit. Also, I know that their 7,500 U.S. employees want them to remain in the oil business, and that the many small- and medium-sized communities where they have their operations feel the same way.

I am speaking of Marathon Oil Co., which has been in the oil business since 1887. The discovery of oil and gas made the city of Findlay, and the fine people of this oil company have made it the fountain of our industry, employment, and civic benevolence. It always has been considered to be a good operator. Yet its domestic reserves of liquid hydrocarbons are 12 percent below what they were in 1970, and its natural gas reserves are 23 percent below what they were 10 years

ago. Over the last 10 years its rate of return on investment has been a little bit better than that for the rest of the industry, but it still has lagged behind the average for all U.S. manufacturing. In 1972, which was the company's worst year in 10, its return on shareholders' equity was 10.1 percent as opposed to the average for all U.S. manufacturing of 12.1 percent. In 1973—the year the oil companies are said to have done so well—its rate of return on equity rose to 14.6 percent, but it still was behind the 14.8 percent posted that year for all manufacturing. Consequently, Marathon's profits have been in line with the rest of the economy and even modest by comparison.

Assuming the continuation of production and prices at today's level, the provisions of H.R. 14462 could reduce this company's rate of return from 14.6 percent to about 9 percent. If the amendments proposed by Messrs. GREEN and VANIK were incorporated in H.R. 14462, Marathon's rate of return could fall from 14.6 percent to about 5 percent. Thus, the reported bill together with these amendments, could place the company's rate of return below today's prime rate and in all likelihood, little better than the railroads.

Marathon is by no means one of the giants of the industry. It has less than 2 percent of the national market; but it's a well managed and sound domestic company. Since it is near to balance on production, refining, and marketing, and since it has production and refining facilities overseas, it might be said to be representative of the industry.

If we are going to achieve a reasonable degree of self-sufficiency in our domestic energy resources, companies like Marathon are going to have to be able to generate, raise, and borrow enough capital to get the job done.

The company is fortunate to have several old oil fields with relatively low-cost reserves; and its customers enjoy the benefits of this "old" oil. However, as these reserves are depleted, they must be replaced by new and infinitely higher cost reserves. So there is a natural cost push on prices which is being experienced not only by oil companies but by every business. In order to avoid a rapid decline of investment, the company would be required to substantially increase prices. Either a decline in this type of investment or an increase in prices would be absolutely opposite of what we are trying to achieve in the United States today.

If we are to become self-sufficient enough to have bargaining strength with the oil exporting countries and be able to stop the outward flow in our balance of trade for imported oil, and if one of our objectives is to have lower fuel prices, H.R. 14462 is 180° off target.

I think that those who advocate punishment of the oil industry are not only forgetting our fine achievements in the past, but are also not leveling with the public as to the adverse effects the enactment of this bill would cause. We could very well create reduced domestic energy supplies, a worsening of the U.S.

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balance of payments, and higher prices for consumers.

I sincerely hope my distinguished colleagues will consider all this when they vote on H.R. 14462.

COCHISE'S GREAT-GRANDSON: TRIUMPHS IN TWO WORLDS

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. LOTT. Mr. Speaker, it is indeed my pleasure to bring to the attention of my constituents, Sam Kinsolving, a great-grandson of the famed Apache Chief Cochise. He is actively working to reduce the unemployment ratio among his people.

Kinsolving is a recruiter of Indian employees for the Ingalls Shipbuilding division of Litton Industries in Pascagoula, Miss. He has discussed employment possibilities of that area with men of at least 47 tribes west of the Mississippi River. At last count, more than 600 Indians were working in the Pascagoula area, most of them at the shipyard.

I feel that because of his earnest desire to aid the welfare of his people, Sam Kinsolving deserves the recognition and commendation of this body. Accordingly, I submit for inclusion in today's RECORD the following article which appeared in the June issue of Nation's Business:

COCHISE'S GREAT-GRANDSON: TRIUMPHS IN TWO WORLDS

Some Indians toss off Sam Kinsolving as a bellacana, which is an Indian lingua franca equivalent of the black activists' "Uncle Tom." The word literally means apple, and militants use it for fellow Indians who accept and thrive in the white man's world. Its broad meaning is: "Red on the outside, white on the inside."

But Sam is something else.

True, he is a success in the white man's world. He is a planner, and recruiter of Indian employees, for the Ingalls Shipbuilding division of Litton Industries, in Pascagoula, Miss. Ingalls is carrying out two sizable U.S. Navy contracts there, for 30 destroyers of the Spruance class and for five general purpose amphibious assault craft.

But above all, he is an Apache. Sam, 42, is a great-grandson of the famous chieftain, Cochise, and intensely proud of it. And he believes that traits which spell success in the white man's world belong to the Indian's world, too.

No easy task, this undertaking of Sam Kinsolving in recruiting. He has so far talked with men of 47 tribes west of the Mississippi about accepting employment in the Pascagoula area, especially with Ingalls.

The result? The U.S. Bureau of Indian Affairs reports a "rapid influx" of Indians to Pascagoula in the last two years, with more than 600 now working in the area, most of them for Ingalls.

From the beginning of the recruiting effort, which was spurred by Ingalls' need for good workers as well as by a desire to make a contribution to Indian welfare, Sam knew the scrutiny he would get from all sides would put a microscope to shame.

After all, he has a white man's surname. It comes from his mother's side of the family (she is white; her father was an Episcopal bishop in Arizona). Sam's father adopted it—

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Apaches traditionally had no surnames—to avoid modern-day legal problems.

Apaches are an extremely proud tribe, and unless one can prove he's at least half Apache, they put him beyond the pale in contrast to, say, the Cherokees, who will accept as Indian a person claiming only one sixteenth Indian blood. But Sam is inside the pale. On his father's side, he is all-Apache.

How does Sam go about recruiting?

"When I go in the reservations," he says, "the first thing I have to do is get the 'moccasin telegraph' working. It's one of the most efficient communications systems in the world. Word gets around that I'm there, and that I'll be in certain places. First one, and then more, drop in on me and we talk."

"They ask all kinds of questions. Whether we have an Indian center in Pascagoula—and we do. Whether other Indians find it agreeable, not only the work, but living so far away from home grounds. What kind of schools for their kids, and how do other kids accept Indian children? That last one is easy, as Indian youngsters are not racially conscious—they play easily with blacks, whites, Mexicans, Chinese—and by doing so they often set the good example."

The Indian center is a place where Indians can gather, sing their old songs, have the trappings of their special cultures. "It's sort of an oxygen source," as Sam appraises it, "where they can go to be replenished. It gives them a comforting whiff of the reservation."

Sam also tells potential recruits about other benefits—relocation allowances which they get from BIA, and money BIA provides for them to buy tools they need.

"Mostly, though," he says, "I emphasize that we want people with honesty, resolve, pride, courage, responsibility to themselves and their families. These are traditional Indian values, tightly bound in their culture. I tell them that exhibiting these characteristics is a way to prove that the white man didn't invent them."

The biggest bloc of Indian workmen at Ingalls are welders—more than 30 as Sam totals them up. The others range from shipfitters and carpenters to mechanics, junior draftsmen, production managers and planners, he says—"a rather good cross section of what we have to have here to build ships."

Ingalls President Ned Marandino is a hard-driving executive who focuses on production schedules and is far from the type who would take kindly to employees who didn't pull their weight.

He is one of Sam Kinsolving's champions.

"I couldn't do it without that feeling at the top," Sam says, "because if the Indians ever thought for one minute they were not respected employees, the whole program would fall flat and they would vanish back into the reservations from which they came."

WHAT THE RUSSIANS WANT FROM US

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. WOLFF. Mr. Speaker, as President Nixon and Premier Brezhnev conduct their negotiations in Moscow, I would like to call to my colleagues attention an article that first appeared in the prestigious London journal, The Economist, and was reprinted in Long Island's Newsday. With the present focus of much attention on foreign affairs, and the export-import 30-day extension authorization scheduled for

Monday, I feel that this article can provide a valuable insight into Soviet-Western relations. The article follows:

WHAT THE RUSSIANS WANT FROM US

When President Nixon flies off to Russia Thursday he might ask himself not what Leonid Brezhnev can do for him but what he is doing for Mr. Brezhnev. Like Mr. Nixon, Mr. Brezhnev has his eyes fixed on 1976. That is the year he, too, has to get through to, the year when he will have to justify his 12 years of power over the Soviet Union to the next congress of his Communist Party; and the relationship Mr. Brezhnev believes he has built up with Mr. Nixon's America will be one of the main arguments he will want to point to.

That relationship, which the Western world has carelessly and inaccurately allowed the Russians to call detente, is now in need of reappraisal. It is by no means evident that it serves any western interest to continue down the path of detente as Mr. Brezhnev defines it; and it is even less evident that the U.S. or western Europe has its own better definition. The whole question of detente with Russia has become inseparable from the sort of place Mr. Brezhnev's Russia is.

If the Soviet Communist Party can make its assessment of what Mr. Brezhnev has done for Russia, other people outside the Soviet Union are entitled to their judgment, too. The judgment is likely to be that late-Brezhnev Russia is a better place than Stalin's Russia was, but a worse one in most respects than the Russia of Khrushchev's last years before [his overthrow] in 1964.

It is true that most people in the Soviet Union, like most people elsewhere, are materially more comfortable than they were a dozen years ago. The economy has kept up a reasonable growth rate, although that growth is neither as good as Soviet statistics make it sound nor as good as it could have been under a better system of management; and the long years in which everything was ploughed back into investment have at last been followed by permission for people to indulge in a bit more consumption. It is also true that the Russians have benefited in a small way from the liberating effect of electronics: now that journalists abroad have discovered that it is fairly easy to ring up Moscow, it has become that much harder for Mr. Brezhnev's police to keep his political opponents entirely silent. But that is about the extent of what has changed for the better.

The scope for expressing dissent inside Russia itself, having broadened a little in the middle 1960s, has now narrowed again. The extra powers given to the militia which backs up the Soviet police force are the latest example of Mr. Brezhnev's way of running his country. The hope that there was going to be some decentralization of the economy—the Liberman experiment, another shooting-star of the mid-1960s—has also vanished into the darkness, and the central planners and their computers are back in charge again: the gradual slowing down of the growth rate and the appalling incompetence of the Soviet distribution system are among the consequences of that. The modest freedom that Khrushchev allowed to intellectuals and artists has been repealed; the monopoly apparatus of state-supervised writers' and artists' unions has reimposed its discipline.

These are all the results of the basic decision, Mr. Brezhnev seems to have reached two or three weeks after he came to power, which was to take no risks with the Communist Party's control over virtually everything that happens in Russia, or with the control which he and a handful of colleagues exercise over the party.

This concentration of power is the disastrous weakness of the system of government that Lenin bequeathed to communism. It

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means that a Communist country, even more than most other dictatorships, takes the stamp of the men at its top. When they are relatively civilized, it is too; when they are not, it cannot be. Until this concentration of power is broken up, the Soviet empire will be like the Roman empire; a world unto itself, a huge area of many diverse peoples insulated from contact with the outside and ultimately dependent on the personal will of the man who has plotted or bullied his way to the top. In Stalin, it has had its Tiberius; in Khrushchev, perhaps, its crude but relatively decent Claudius. Mr. Brezhnev had his chance, when he took over from Khrushchev, to break out the pattern this concentration of power imposes. It is now clear that he has decided not to; and it becomes almost a toss of the coin whether the succession brings a Nero or a Marcus Aurelius.

It is unlikely that Mr. Brezhnev reads much Roman history; but this is the central fact about his Russia, and it is with his Russia that the west has to decide what detente means. When Mr. Nixon arrives in Moscow for the third in the series of superpower leaders' meetings—Nixon to Russia in 1972, Brezhnev to America in 1973, Nixon back again this year—he will be up against the fact that there is not very much of substance the two men can hope to agree about.

Mr. Brezhnev is not going to get the sort of help for developing his economy he was originally hoping for, because Sen. Henry Jackson (D-Wash.) has got America's purse strings tied up in knots and Germany's Herr Helmut Schmidt does not believe in cheap credits for Russia. He is most unlikely to get the grand summit finale he wants to end the European security conference with. The negotiations about limiting Russia's and America's missile armories, and about cutting the armies in Europe, have got nowhere yet.

Of course, Mr. Brezhnev has already snapped up the offerings that Herr Willy Brandt's Ostpolitik gave to him—the recognition of East Germany and the agreement that the frontiers of Europe are "untouchable"—and made very few concessions of his own in return. But his success in the Ostpolitik has itself made the governments of the west more suspicious of what he is after.

Maybe this suggests what the limits of detente should be. There is a good argument for negotiations that try to strike a balance between the armed forces of the Soviet and Western alliances. There are good reasons for setting up a mechanism by which the governments in Washington and Moscow can try to keep crises under control, and for building up a body of crisis-management case-law that the successors of Nixon and Brezhnev can draw upon. But it is not at all evident that a Western world already in bad trouble with its balance of payments because of what the oil-producers have done to it should find it desirable to provide very large amounts of easy money for the improvement of the Soviet economy. Nor is it apparent where the advantage lies for the West in the sort of negotiations which produce nothing more than round declarations which encourage the intellectual disarmament of the gullible.

The usual objection is that if Mr. Brezhnev does not get more or less what he wants he is liable to be replaced as the Soviet Union's leader by someone even harder to get on with. But the more one looks at that argument the less convincing it seems. The Russians have been obliged to reexamine their relationship with the West for two very powerful reasons. They cannot make their centrally-controlled economy work as efficiently as they expected; and they have been landed with a cold war with China. No new government in Moscow can wish away both those things, and any attempt to ignore either of them is going to make the other worse. If Russia tries to go back to a policy

of open hostility towards both China and the West it will have to expand its armed forces, which will increase the strain on its economy and make it harder to keep its population even tolerably contented. If it abandons the hope of any economic assistance from the West it may not even be able to maintain its defenses against China without cutting its people's standard of living.

The Soviet government, any Soviet government, is caught between these two problems. That is why it needs better relations with the West more than the West does with it; Russia is the one doing the asking. Herr Brandt never understood that, and Mr. Nixon may be in danger of forgetting. The odds are, that whoever is in power in Moscow, he will want a truce on his western front and whatever economic help he can get from the West, even if that turns out to be of fairly modest proportions. The West's negotiators, starting from that, should be able to make detente into something better than it has been so far. It is a thought Mr. Nixon should pack in his briefcase for Moscow.

OBSERVANCE OF ST. VITUS DAY IN SERBIA

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. DERWINSKI. Mr. Speaker, today, June 28, is St. Vitus Day in Serbia. In observance of this annual occasion, the people of Serbia recall their great and glorious past and look forward to the day when they and their country will once more be truly independent.

One of the events that will be recalled will be the Battle of Kosovo, which made a lasting and deep impression on the Serbian people more than any other happening in their long history and inspired their poets and musicians to write the nation's cycle of songs. The flower of the aristocracy of Serbia, its ruler, and its very existence as an independent nation were destroyed on that battleground, for Turkey was destined to rule Serbia for almost 500 years.

The ancient Serbian Empire came to an end when the Serbs and their Albanian, Bosnian, Bulgarian, and Wallachian allies were vanquished on June 15, 1389. Milosh Obilich, a Serb knight who was taken prisoner by the Turks, posed as a traitor and was thus enabled to assassinate Sultan Murad I. The Turkish ruler's son, Bayazid I, was chosen to succeed him and went on to lead his army to victory. Prince Lazar, who led the coalition forces in a vain attempt to halt the Turkish advance, was captured and then executed by Bayazid's orders.

Serbia rejoined the family of free nations in 1877. The kingdom of Serbia fought with the Allies during World War I which was the basis in the creation of Yugoslavia.

During World War II, the Serbs suffered first from the Nazi invasion and occupation and then by the imposition of communism at the close of the war.

The more than 8 million Serbs are the largest of the numerous ethnic groups that make up Yugoslavia. The Serbs are the largest nationality group within present-day Yugoslavia.

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As the Serbian people observe St. Vitus day and commemorate the stirring events of the past, they are bound to speculate regarding the future. The leaders of present-day Yugoslavia, even while espousing communism in attempting to apply its principles in domestic and economic affairs, are fearful of Soviet expansion. It is interesting that the Communist rulers of Yugoslavia have a much greater fear of the Soviet big brother than of the United States and its free world allies.

VENEZUELA: NO COMMENT

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. GUNTER. Mr. Speaker, I commend to my colleagues in general, and to those on the Foreign Affairs Committee in particular, the following article on the price of Venezuelan oil which appeared in the Washington Post on June 28, 1974: IGNORING OPEC, VENEZUELA PLANS TO RAISE OIL PRICE, COMPANIES' TAX

CARACAS, June 27.—Venezuela, the leading source of American oil imports, intends to increase oil prices and taxes on petroleum companies as of July 1, Deputy Mines Minister Fernando Baez said today. He did not disclose the amount of the price increase.

Baez said Venezuela would not comply with a decision taken by the Organization of Petroleum Exporting Countries at a meeting this month in Quito, Ecuador, merely to increase royalty payments by 2 per cent and freeze the posted price of crude oil at its present level.

Venezuela now charges foreign oil companies operating here a flat 60 per cent income tax rate, with a 2 per cent discount for investments. Tax payments are based on government-set price levels that average \$14.08 a barrel.

The actual tax payments, plus royalty payments give Venezuela about \$8.80 a barrel and are expected to total close to \$10 billion this year.

The tax increase will be the first imposed by Venezuela since 1970, when the government eliminated the previous scaled rate for a flat 60 per cent tax. The price increase is the first since January.

The action is aimed at cutting into high oil company profits and erasing differences between prices for Venezuelan and Middle Eastern light crudes arriving on the East Coast of the United States.

At the meeting of OPEC, the organization of the 12 largest oil exporters, Venezuela had supported raising income taxes from the present 55-to-60 per cent rate to 87 per cent.

Official sources here indicated that planned tax increase would not go that high.

The amount of the price increase was not known, although it was expected to bring Venezuela's income to more than \$9 a barrel.

Venezuela is the third largest oil exporter after Saudi Arabia and Iran. It sends 1.8 million barrels a day to U.S. markets, either directly from Venezuela or through the nearby refineries in the Dutch antilles and Trinidad.

Baez told a businessman's meeting that the planned increase in the export price of Venezuelan oil would fall in the lighter crudes, which the government feels are under-priced.

Among the international oil companies operating here are Exxon, Shell, Gulf, Sun and Mobil.

HORRY'S FRIEND

HON. EDWARD YOUNG

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. YOUNG of South Carolina. Mr. Speaker, Horry County, S.C., has lost a fine newspaperman and a fine man, and I have lost a friend. Eldridge Thompson was just the kind of guy a good editor is supposed to be.

[From the *Lorris (Camden, S.C.) Sentinel*, June 26, 1974]

ELDRIDGE THOMPSON: HORRY LOSES A FRIEND

(EDITOR'S NOTE: The following editorial was written by Kenneth M. Hare, editor of The Myrtle Beach Sun-News.)

It is difficult to imagine Horry County without homespun wisdom provided by Eldridge Thompson, editor of The Conway Field and Herald, enlivening the editorial pages of the newspaper that he loved so dearly. His editorial columns often made their point with the light touch of humor, sometimes with the rapier of sarcasm, and occasionally with the broadsword of outright criticism. But throughout, Eldridge Thompson always kept foremost a genuine interest in what was best for the people of his adopted Horry County.

Eldridge was born in Fort Payne, Ala., but he adopted Horry County as his home in 1958 when he returned here as editor of The Field and The Myrtle Beach Sun-News. (He served as editor of the Field from 1953-55.) Since that time he shared the pleasures and pains of his county, trying in his editorials and his column *Jetsam* to show a direction for the community and to provide perspective for interpreting where the community was at that time.

He never hesitated to call attention to misdeeds and wrongs in the community so long as he felt that this criticism could prove helpful. But he much preferred to write about the "good" things of life, and this is what he did best.

He wrote: "In the hurrysone trek of total misdirection, we often lose sight of how restful it can really be sitting in the tall, dead grass on the sunny side of the house. We have managed to lift man to the Moon but we haven't done much to improve morality. Our direction is one of 'up' and in the process we have lost sight of from which we came and what we have in our fingertips."

Eldridge always felt close to young people, usually taking their side in any battle of generations.

"If short hair is a sign of character, Jesus didn't have any," he once wrote. And: "If there is a generation gap around it might be adults who have made the biggest contribution."

To other journalists in the area, Eldridge was the man to whom they turned for advice, information and consolation. He was recognized as the dean of newsmen throughout the country and was respected as an editor who could, according to the occasion, be both hard-nosed and soft-hearted.

"The death of Eldridge Thompson is a real loss to the newspaper profession in South Carolina," telegraphed Reid Montgomery, secretary-manager of the South Carolina Press Association Wednesday. "His outstanding record as editor of The Field and Herald will be long remembered. His family has the sympathy and love of his host of friends in the South Carolina Press."

A newspaper editor's relationship with those in political life is akin to walking a tightrope—if you lean too far in their direc-

tion you lose their respect, and if you lean unnecessarily away from them you lose their friendship. Eldridge never faltered in this relationship, maintaining both the respect and friendship of those politicians whom he felt served their people well.

"Getting to know a man like Eldridge Thompson is one of the real pluses of being in public life," said U.S. Rep. Ed Young. "I respected him as a newspaperman and a human being and we're going to miss him tremendously . . . he was just the kind of guy a good newspaper editor is supposed to be."

"He was the best editorial writer I've ever known," said Conway Mayor H. B. Huckabee. "He was a great supporter of Horry County and I've lost a great personal friend. The newspaper industry has lost a great editor—one of the best."

Perhaps because he chose Horry County as his home, Eldridge never took its beauties and people for granted as those who live here merely by an accident of birth sometimes do. He loved the county and the "City by the Waccamaw" but most of all he loved the people.

He wrote: "We recognize the strength of the people of Horry County. They are a self-determined breed, both white and black, but we think both races are also convinced that you can't get to where you are going unless there is unity in spirit."

Helping to provide "unity in spirit" was one of the roles of an editor which Eldridge did best. He prodded recalcitrant government leaders into action, goaded business and industrial leaders to realize that what was best for the community was best for their business over the long haul, and rallied community support behind worthwhile causes.

It was this role in which Eldridge was acting when he undertook what he himself termed the most important project of his newspaper career—the creation of Coastal Carolina Regional Campus.

On Coastal Carolina, he wrote: "It gives you a warm feeling to walk through the halls of the buildings on campus and see youngsters hurrying to and from classes. Youngsters who may not have gone beyond the senior year in high school (without Coastal). You reflect over the 'battles' that have cropped up along the way and realize that it was worth every bitter word or controversy that bobbed its head."

"Coastal, we suppose you would say, is like a magnet. It has attracted students from almost every state of the Union. It has endeared itself to hundreds who have come for learning. At no college in the state is the dedication so evident. The relaxed atmosphere is hard to believe but interwoven in it is a seriousness to learn, to be a moving part of society and to help shape the future."

The director and dean of Coastal, Edward M. Singleton, said of Eldridge: "Eldridge Thompson has been one of the dynamic forces behind the establishment of a college in Horry County. Coastal Carolina was one of his pet projects and he gave untiringly to make it a success."

"He continuously fought with his editorial pen and wisdom to expand Coastal to a senior college—a dream of his that fortunately came true before his death. He was a close friend of mine and a great friend to the college. Higher education in our community has lost a staunch supporter."

Because of Eldridge's feelings for Coastal, we feel that a memorial in his honor to the college would be one of the most fitting of tributes his compatriots and community could give.

Eldridge was a man who felt most at home behind a typewriter. But even though few of us knew him at that age, it is perhaps easiest to remember him as a young man sitting in the "tall, dead grass on the sunny side of the house and dreaming about far off places you had read about in school books."

NOTEWORTHY GRADUATION

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. SCHERLE. Mr. Speaker, I recently had the privilege of attending the commencement exercises at an exceptional high school—the Kendall Green Model Secondary School for the Deaf located in Washington, D.C. Dr. Malcolm J. Norwood of the Bureau of Education for the Handicapped delivered the graduation address, which was an inspiration not only to the students involved, but for those of us with the opportunity to join in this occasion. Dr. Norwood's remarks speak to the rich experiences and knowledge this high school imparts to its students. I was greatly impressed by this institution and by Dr. Norwood's presentation and feel it should be made a matter of record.

The address follows:

COMMENCEMENT ADDRESS BY MALCOLM J. NORWOOD

It is a privilege and a great pleasure to be here with you this morning on this very special occasion. In fact I take much more than ordinary pleasure in my role as speaker because you are special. As high school graduates you represent a dream come true. Our first public school for the deaf in the United States was established in Hartford, Connecticut, in 1817. Our first college was established here in Washington, D.C. in 1864. It took only 47 years to go from our first school for the deaf to our first college, but we had to wait another 102 years before we had our first high school for the deaf.

And why is a high school so important? It is important because MSSD provides the missing link in the education chain for the deaf. At no time in our past history have deaf teenagers had the opportunity to experience a real high school environment which would make available opportunities to learn, to grow and to mature in the same way that hearing teenagers do. These opportunities have permitted you to develop self-confidence, self-motivation and self-determination. You have had the chance to be on your own, to accept the responsibility of deciding what kind of a person you want to be and to be better able to set your own future goals. You have shared with each other the ways you can best live with deafness and how to make the most of what you have as individuals.

Today, it is particularly important to feel very deeply about these things not because it is your graduation day, but because it is May 17, a special anniversary. I reflect on this date because on May 17, 1854, exactly 20 years ago, today, just shortly before all or most of you were born, the Supreme Court of the United States made a decision that opened the door to greater public education for Black people. This was the beginning of the Civil Rights Movement which has as its promise—equal citizenship—absolute equality before the law and in the eyes of all men.

Deaf people, have been carrying on our own civil rights movement for more years than we can remember. The ultimate objective is the same, absolute equality. This goes back to Laurent Clerc, the first deaf teacher of the deaf in the United States, who convinced many people in high places, including Congressmen, that the deaf could learn, that we could compete with anyone, anywhere, anytime—if given the opportunity. We have had many giants in this movement, both

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hearing and deaf, but most important has been the direct involvement of deaf persons at all levels in affairs that concern our education, training and social development so that we all may achieve maximum potential.

In recent years this involvement has resulted in MSSD, National Institute for the Deaf, Technical Vocational Institute and a host of community college programs as well as programs such as at California State University at Northridge. It has also resulted in the fact that we are in charge of our own clubs and our own state and national organizations. Examples of national organizations are the National Association of the Deaf and the National Fraternal Society of the Deaf. Not to be overlooked is the Junior National Association of the Deaf which has provided an opportunity for young deaf people to prepare for civic responsibility and is doing much to equip young deaf persons with vital leadership skills.

Last month as the income tax deadline approached a friend said to me, "Pay your income tax with a smile." I told him I would like to, but the Government demands cash. My point here is that in this world of rapid change and progress, society does not stand still. You are our cash. Your high school education is like money in the bank which in time gathers interest and grows so that when it is needed, it is there to go to work for us.

Some of you will be going immediately into the world of work. Some of you will be entering technical programs, junior colleges or four year college programs leading to a degree. It doesn't matter which course you chose to take as long as you have a goal. As you graduate today, each of you will inherit the traditions of the past—for better or worse—and will become involved in our efforts to control our own destiny. One thing, however, we must all accept is that we are a minority. No power on earth can change this but we can, we have made and we will continue to make minority decisions which affect us. To succeed in making minority decisions we need to control our environment and this requires discipline, perseverance and faith in each other. Minorities are always on trial. For this reason each of us must always keep our best foot forward constantly keeping in mind that whatever we do to better ourselves as individuals will help our fellow deaf men. Whatever we do to hurt ourselves in the eyes of others will hurt our fellow deaf men. In other words we must let our conscience be our guides. We must not let temptation or personal greed permit us to do what our training has taught us is morally wrong. Greatness at any level is the ability to make the hard decision because it is the right thing to do.

This requires discipline. Perseverance is the quality that will help us and others achieve recognition while faith is our trust in each other to work together for full acceptance by society.

The experiences you have had here at MSSD have prepared you for involvement and have taught you flexibility. Let us remember that each of us in our life time will experience some failure, some discouragement, some disappointment and some criticism. But let us also remember that involvement and flexibility can change failure to success, discouragement to enthusiasm, disappointment to happiness and criticism to praise.

Wherever you go, whatever you chose to do, continue to use well the lessons you have learned here. Continue to be involved and flexible. Continue to speak out in as many ways as possible on issues you know are right. Continue to show by action that you and others are capable. Continue to create a dialogue so that issues and your actions may be shared among yourselves and with society. The deaf community needs this kind of activity to continue to be recognized. This

is the challenge that faces you and without doubt you will meet this challenge. Think about where you are going! Think about where you might have been if not for this high school, an important link in the chain of life experiences. With this, let me once again express my appreciation for being asked to share this wonderful occasion with you and to tell you that the future of the deaf community is in good hands. Good luck and best wishes to each of you.

VASSAR, MICH., WILL CELEBRATE 125TH ANNIVERSARY

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. TRAXLER. Mr. Speaker, next week the city of Vassar, Mich., will be celebrating its 125th anniversary. A week of traditional "All-American" festivities will mark his quasquicentennial celebration. Near the center of what once was a vast lumbering empire in the Saginaw Valley, Vassar's heritage is representative of the traditional American success story: a quiet, steady growth founded upon the hard work, dedication, and moral strength of our early pioneer settlers.

Lumber built Vassar. In the mid-19th century, the Saginaw Valley's vast, rich forests of Michigan cork pine drew settlers from far and wide. The ponderosa, sugar, and other varieties of white pine in the Western States could not match the quality of Michigan cork pine. The tall, straight trees produced broad, strong, knotless boards of fine texture and easy-working qualities.

With the Cass River serving as a natural and swift means of transporting logs to the sawmills, the lumbering boom of the late 1800's gave birth to many small logging towns all along the Cass River Valley. The first sawmill in the Valley was built near Tuscola by Dennis Harrison. Dams built along the river, as well as on feeder streams, were soon furnishing water for power and the timber industry spread from the mouth of the Cass all the way to what is now Cass City.

Vassar's own lumbering operations began soon after its founding in 1849 by Townsend North. A native of New York, North moved with his family in 1835 to Washtenaw County, Mich. A carpenter like his father, North built the very first dormitory building at the University of Michigan and part of the university's first law building. In 1845, he opened a lumberyard in Flint and operated a hotel there. A contract to build a bridge over the Cass River near Bridgeport led to North's acquiring some 3,000 acres of land along the Cass River.

On the frosty morning of March 1, 1849, Townsend North and James Edmunds, and two employees, made their way from Tuscola up the river on the ice to the mouth of a creek, where they stopped. They built a crude shelter for the night, and the next morning began to lay the foundation for what would one day become the area's first city, Vassar.

The new settlers began to clear the

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land, started work on the first saw mill, and built a dam across the river. North soon saw the advantages of the location as a trading center for the Cass River region, which at that time still had less than 300 people living there. Vassar soon had a trading post, a center for commercial activities in the wilderness.

Named after Matthew Vassar, the founder of Vassar College in New York and the uncle of Edmunds, the tiny settlement grew quickly along with the booming lumber industry. In 1875, some 100,468,140 feet of logs were floated down the Cass River. For many years prior to the fall of 1901, when the last saw mill closed down, it was not uncommon to see the Cass River completely filled with logs.

Aside from its strategic location for trading and lumbering purposes, North liked Vassar's site because the level land along the river was skirted on the west by a ridge from which one could view the countryside for miles and miles. North built his original house on the top of this ridge. An early county history described Vassar this way:

There is a general expression to the village that is inviting. There is a picturesque beauty about its location that delights the eye, but its chief charm is in the air of thrift and refinement that pervades its business places and homes. . . . The history of Vassar is particularly interesting and important from the fact that its birth and that of general progress in the county were simultaneous. The men who projected Vassar were the ones who opened the gates for settlers to come into the county.

As the settlement of Vassar grew, so did the needs of the settlers. Vassar's excellent school system of today began with a tramp through the woods in 1850 by Townsend North. He spent 3 days trying to find enough settlers to sign a petition for the formation of a school district. The first school was a shanty on South Main Street. A 4-month term was taught by Miss August Slatter, who received a salary of a dollar and a half a week. Today, Vassar has a school enrollment of over 2,000 and enjoys the most modern of facilities.

With a rich past and a promising future, Vassar today is the product of industrial and commercial growth that supplanted the lumbering industries that died at the turn of the century. Its strategic location has earned it the title of "The Gateway to the Thumb." Today it is a commercial and industrial center for all of Tuscola County. The Foundry Division of Eaton, Yale, and Towne is one of the largest employers in the Thumb area. United Plastics, Vassar Manufacturing, Welsh Industries, Vassar Electroly, Wilson Samping, and D & J Tool and Die are among the many manufacturing concerns that produce a variety of products that find their way into our automobiles, farm equipment, and appliances.

Area pickle farmers contract with the Dykhouse Co., whose modern processing plant is located south of Vassar. Super Foods is a major wholesaling company which supplies some 160 IGA stores in more than 25 communities in mid-Michigan. Maiers Freight serves thousands of customers throughout the eastern part

of Michigan. These industries, along with the many banks, stores and other commercial enterprises that fill Vassar, have produced a strong, growing community in which its citizens can take great pride.

Vassar became a city in 1945. It has survived floods and fires, good times and bad. Its people stem from the hearty brand of pioneers who carved living, thriving communities from our Nation's wildernesses. Today Vassar celebrates its past and ties it to its future by an annual festival called "Pioneer Days." This year, as they celebrate the city's Quasquicentennial, the citizens have a very special reason to be proud of their heritage.

The celebration includes a full week of festivities, many of which have that "All-American" flavor that reminds so many of us of our childhoods: There will be ice cream socials, square dances, crowning of the queen, a trading post, arts and crafts exhibits, a style show, family picnics, watermelon and pie-eating contests, raft and canoe races, and a country and western musical show. Highlights of the week will also include a Million Dollar Drawing of the Michigan State Lottery on Friday and an "Historical Spectacular" pageant recreating many scenes of Vassar's rich, colorful pioneer past.

Mr. Speaker, I would like to give special thanks to the Tuscola County Advertiser for the historical information included in my tribute to Vassar, Mich. Vassar is a city that embodies the unflagging spirit of America's pioneers—its early settlers and lumbermen, its businessmen and all those men and women who have labored hard for their successes. On behalf of the people of Vassar I extend an invitation to my colleagues and to all Americans who may be traveling or vacationing in Michigan next week to visit this exciting celebration of our Nation's heritage.

STATEMENT OF THE HONORABLE
JAMES A. HALEY ON THE OCCASION
OF THE RETIREMENT OF
THE HONORABLE LEWIS DESCHLER,
THE PARLIAMENTARIAN OF
THE HOUSE OF REPRESENTATIVES, JUNE 1974

HON. JAMES A. HALEY
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 27, 1974

Mr. HALEY. Mr. Speaker, I would like to express my deep appreciation to a man who has for nearly 47 years provided wise counsel to nine Speakers of the House of Representatives and to the House as its Parliamentarian, Lewis Deschler.

Parliamentary practice of the House has over the years since the founding of our Nation been responsible for bringing some measure of order to what would otherwise be a completely unwieldy operation—the legislative process. This practice stems from the Constitution, Jefferson's Manual, rules adopted by the House, decisions of the Speakers and Chairmen of the Whole. It has been an enormous and vastly important task to

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counsel the House and its individual Members based on sources so embedded in the history of our country. Lewis Deschler has performed that task so well that I am confident that no one will ever surpass his level of expertise or dedication to duty. He is the world's foremost parliamentary authority and his impact on the history of this Nation is unequalled but by a few.

Lew's respect for the parliamentary matters of the House is embodied in his own appraisal that "the parliamentary practice of the House is a system of procedure that ranks second to none." Much of the credit for the proper functioning of this practice these past 47 years goes to our friend and advisor, Lew Deschler.

I appreciate this fine man's guidance to the House and to me personally over the years. I wish him and his family well as Lew retires from the office of Parliamentarian of the House of Representatives.

THOSE BIG TAX-SHELTER
FREELOADERS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. WOLFF. Mr. Speaker, as the House Ways and Means Committee is now in the process of marking up a tax reform proposal, I thought it would be an appropriate time to share with my colleagues an article by Gus Tyler that appeared in the Long Island Press regarding lucrative and questionable tax shelters.

Mr. Tyler addressed himself to the tax loophole associated with the limited partnership, whereby an individual can invest in an enterprise at a small risk and reap tax benefits many times greater than his original investment. Tax shelter schemes, often referred to as get-rich-quick schemes, are aptly named, because in effect they serve as a cover, enabling individuals to dodge payment of their fair and full share of taxes. The tax-shelter umbrella has of late taken in some highly questionable, and it seems in some cases downright illegal, ventures which run counterproductive to stimulating the American economy. Most unfortunate, however, is that these tax shelters leave the average American taxpayer out in the rain. He gets stuck paying the greater share of the taxes which keep this country going. It is my belief that we must plug the gaping tax loopholes which exist solely for the enrichment of the individual who feels little responsibility toward helping to pay for the services and programs which his Government provides. To use Mr. Tyler's phrase, the "peddling of tax havens" is a game played at the expense of both the Government and the average American taxpayer.

The complete text of Mr. Tyler's article follows:

THOSE BIG TAX-SHELTER FREELOADERS

(By Gus Tyler)

A man invested \$32,000 in a movie enterprise. The first year in business he received \$120,000 in tax benefits. The movie he produced was a porno.

The facts in the case are on record in the testimony of a Los Angeles lawyer before the House Ways and Means Committee.

This sleazy bit is only one dirty little corner in a growing and thriving multi-million dollar business—the peddling of tax havens.

Putting money into "adult" films is not the only way to turn a small risk into a tax benefit that is many times greater than the investment. Other cases on file refer to ventures in "rose and azalea bushes, almonds and pistachio nuts, thoroughbred racing stables, masterpiece-in-the-home clubs for fabulous works of art, and even chinchilla farms and cattle sperm banks."

These business facades into which taxwise money moves not to produce a product but to reap tax benefits are among the latest generation of "havens" listed by Sen. Edward Kennedy, D-Mass., to point up the need to plug a big loophole in our present tax law.

The earlier generations of shelters were those in real estate and in gas and oil. While they still are the big ones, other more exotic enterprises have been moving through the loopholes.

Promoters of these get-rich-quick schemes make it clear that the gimmick only works for people who are in the 50 per cent tax bracket and who have a net worth above a quarter million dollars.

The run-of-the-mill taxpayer, however, is not unaffected. He or she pays the bill. In effect, that West Coast porno producer who reaped a tax benefit of \$88,000 above his investment was subsidized by taxpayers such as you and me.

This grimy game has grown so big that the National Association of Securities Dealers reports "shelter" at sales almost \$3.25 billion dollars in 1972. NASD sales are only about one-tenth of a tax haven business that now runs above \$30 billion a year.

The loophole Kennedy is trying to plug is the limited partnership. It goes this way:

A man puts \$100,000 into a \$1 million dollar business—a one-tenth share. In an ordinary partnership, he could not claim a tax deduction greater than the \$100,000 he put in.

But under a peculiar ruling that applies to "limited partnerships," the man with the one-tenth share can get tax benefits greater than the amount he put in.

The partnership borrows in its own name, let's say, \$2 million. The partner's share is now worth \$300,000—one tenth of the \$3 million. Although he is personally liable for only \$100,000, he can now claim a tax benefit up to \$300,000.

Kennedy proposes that: an investor could not claim losses in excess of the amount he put in—a blow at a huge business aimed exclusively at advising a top 1 per cent on how to freeload on the rest of us.

SENATOR GRUENING PASSES

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. UDALL. Mr. Speaker, the passing of a great man is noted with a sensitive editorial by the Washington Post of June 28.

Senator Ernest H. Gruening had a remarkable career in which he achieved high and important goals. He was a modest person but a fearless fighter for what he thought was right. And he was generally right, though sometimes it took history a while to recognize the fact. His dedication to push what he perceived to be the correct course, no matter

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how unpopular, was a philosophy he lived. I will always remember the advice he gave me once when I sought counsel on an issue. He told me simply, "Leaders often find themselves temporarily alone."

I commend the Post's editorial about a gentleman who will never be forgotten by those of us fortunate enough to have known him:

[From the Washington Post, June 28, 1974]

ERNEST HENRY GRUENING

For its rich variety and vigorous dedication to principle, few careers in American public life compare with that of former Sen. Ernest H. Gruening, the Alaska Democrat who died on Wednesday at the age of 87. He is best remembered for his vigorous advocacy of statehood for Alaska and for his early opposition to American involvement in the war in Indochina. He and former Senator Wayne Morse were twice the sole opponents of crucial Senate action that helped move this nation further into that tragic conflict.

The vigorous and active later years of his life exemplified the lines of Dylan Thomas that he loved so much: "Old age should burn and rave at close of day." Yet they were only the continuation of a career always remarkable for its versatility and for the fidelity it revealed to certain ideas. Born in New York City, Mr. Gruening went on to Harvard with the intention of following the footsteps of his father into medical practice. He finished medical school, but gave up his internship for a chance to become a journalist. He wrote criticism and editorials before becoming, at age 27, managing editor of the Boston Traveler. One of his contributions to American journalism in that job was to change the policy of designating the race of persons in the news. His was one of the first major metropolitan newspapers to take that step. He moved on to The Nation magazine, reported on the Mexican war and eventually became director of the new Division of Territories and Island Possessions in 1935.

That was the beginning of his love affair with Alaska, to the development of which he made incalculable contributions. As the appointed governor, he was instrumental in the development of the Alcan Highway, and he ran afoul of the absentee exploiters of Alaska's resources by subjecting them to taxation.

He worked for statehood after the Alaskans elected him as unofficial "senator," a capacity in which he lobbied vigorously. When that battle was finally won in 1958, he went home and was elected one of Alaska's first two senators. He worked for the statehood of Hawaii and was proud of the day the Senate took that vote. It was his opposition to the war in Vietnam that marked the last of his Senate service. He opposed our involvement in the war at every opportunity. His party turned him out in the primary of 1968, but Mr. Gruening continued to speak out on the war, on the need for population control and on the key political issues of the moment. His was a rare, determined and consistent life, full of the spirit that keeps people young at any age.

TRIBUTE TO LEW DESCHLER

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mrs. BOGGS. Mr. Speaker I join my colleagues in this beloved body in paying tribute to Lew Deschler whose very name is synonymous with its legislative history and legend.

I fervently wish that my husband Hale could personally extol Lew's service and accomplishments and thank him for his counsel and helpful support and warm affectionate friendship throughout many years and countless battles and successes.

On my own, I offer expressions of gratitude for his extracurricular informal consultations with congressional wives seeking guidance on parliamentary problems. His courtliness of manner and full attention to their requests is appreciated by all congressional wives who sought his advice on parliamentary procedure or on the soundness of projected composition of or changes in the constitution and by laws of the organizations in which they held offices.

Although we will miss his daily contact, it is comforting to know that Lew will be still working with the House of Representatives as a special counsel until he completes the monumental task of compiling House precedents.

Lew and his dear wife, my sweet friend, Virginia, take with them my heartfelt best wishes for happiness and sufficiently good health to enjoy many years of well deserved retirement.

CONGRESSMAN CRAIG HOSMER'S ENERGY DATA SHEET

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. HOSMER. Mr. Speaker, in response to the need for general data concerning our energy resources, requirements, and certain alternatives for satisfying them, I have prepared the following data sheet:

CONGRESSMAN CRAIG HOSMER'S ENERGY DATA SHEET

DEMAND

In 1973 the U.S. energy demand was 75.5×10^{15} BTU—75.5 trillion BTU—75,500,000,000,000,000 BTU. It was supplied as follows:

Oil, 46 percent; natural gas, 32 percent; coal, 17 percent; hydro, 4 percent; nuclear, 1 percent.

SUPPLY

The foregoing in terms of equivalents to million barrels of oil per day (MBPD) amounted to 37.2 MBPD.

Domestic supply was 30.6 MBPD and imports were 6.6 MBPD.

It had been predicted that by 1985 the demand would rise to: 58 MBPD if unrestrained and 51 MBPD with conservation.

We will reach the conservation figure of 51 MBPD. Thereupon the net increase of about 21 MBPD over current domestic supply will have to be met by increased domestic production, imports, or a combination of both.

CONSERVATION

The National Academy of Engineering estimated the conservation potential from the above unrestrained demand figure of 58 MBPD for 1985 to be:

By conservation: Industrial measures, 1.5 MBPD; Lower driving speeds, car pooling, 1.0 MBPD; Better airplane load factors, 0.3 MBPD; Comfort control, 1.0 MBPD.

By new energy savings equipment: Smaller, more efficient cars, 2.0 MBPD; Other transportation equipment, 1.1 MBPD; Better building insulation, 1.1 MBPD; Residen-

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tial and commercial equipment, 0.4 MBPD; Industrial processes, 1.0 MBPD.

Total conservation potentials, 9.4 MBPD; less 15 percent overlap—8.0 MBPD.

INCREASED DOMESTIC PRODUCTION

To meet reduced 1985 demand from domestic energy supplies will, according to the NAE estimates, require the following boosts in domestic energy production:

Increase coal production by a factor of 2. Increase nuclear power capacity to one-third total electrical capacity.

Duplicate present domestic oil and gas capacity to get net 25 percent increase in output.

Use new technologies to produce:

1.1 MBPD of synthetic gases from coal.
0.6 MBPD of synthetic liquids from coal.

0.5 MBPD of oil from shale.

Modest increases in hydroelectric and geothermal power.

COAL PRODUCTION

To double coal production we must, typically:

Develop 140 new 2 MTPY eastern underground mines.

Develop 30 new 2 MTPY eastern surface mines.

Develop 100 new 5 MTPY western surface mines.

Recruit and train 80,000 new eastern coal miners.

Recruit and train 45,000 new western coal miners.

Manufacture 140 new 100-cubic-yard shovels and draglines.

Manufacture 2,400 continuous mining machines.

To transport the increased production we must, typically:

Construct 60 new 2 MTPY eastern rail-barge systems of 100 to 500 miles each.

Construct 70 new 3 MTPY western rail-barge systems 1,000 to 1,200 miles each.

Construct 4 new 25 MTPY slurry pipelines of 1,000 miles each.

Construct 2 new 2.5 BCED gas pipelines of 1,000 miles each.

Manufacture 8,000 railroad locomotive units.

Manufacture 150,000 gondola and hopper cars of 100-ton capacity each.

EXPANSION OF COAL-BASED POWERPLANTS

To meet electrical needs with coal, we must:

Reconvert 5 oil conversion units per month over 4 years.

Design, construct and bring on-line 2 new 700 Mwe coal-field units per month for 10 years.

Design and manufacture 24 new 700 Mwe turbine generators every year for 10 years.

Design and erect 180 new 2.5 MTPY coal-fired furnaces.

Purchase and develop 50 new powerplant sites.

Design, construct and start up 10 new medium-BTU gas conversion plants to supply 50 existing gas-fired units of 400 Mwe each.

Provide 260,000 acre-feet of water per year.

COAL-BASED SYNTHETIC FUELS

To produce 7.7 MBPD of synthetic fuels from coal by 1985, it will be necessary to:

Construct 20 new 250-million CFD methane-from-coal plants.

Construct 8 new 40,000 BPD methanol-from-coal plants.

Construct 10 new medium-BTU gas-from-coal plants.

Conduct an aggressive program to develop economical liquefaction processes using hydrogeneration.

Construct 10 new 30,000-BPD coal liquefaction plants.

OIL AND GAS

To increase oil and gas production by 25% by 1985, it will be necessary to:

Find and open new fields—most of these will be offshore or in Alaska.

Increase the production rate from existing fields through new outpost wells, workover of existing wells, extended life of stripper wells, and increased secondary recovery projects.

Accelerate tertiary recovery methods.

Open up known reserve fields for production.

Develop recovery methods for low-permeability sands.

Drill an average of 58,000 wells each year until 1985, twice the 1973 rate.

SHALE OIL

To produce 0.5 MBPD of oil from shale by 1985, it will be necessary to:

Bring into production 50 new 5-MTPY shale mines and retorting plants.

Lay, stabilize and restore 5 square miles of tailings that are 40 deep each year.

Construct 10 new 50,000-BPD shale oil extraction and upgrading plants, including pipelines to markets.

Develop and convey 80,000 acre-feet per year of new water supplies in water-scarce areas.

NUCLEAR POWER

To increase nuclear power to one-third of total electrical capacity, we must:

Design and construct an average of 2 to 3 new nuclear units per month for the next 10 years.

Fabricate and deliver an average of 30 reactor pressure shells and 30 turbine-generator sets each year for 10 years.

Acquire 10 to 12 approved nuclear plant sites per year for 10 years.

Recruit and train 30,000 to 40,000 plant operators and maintenance personnel in the next 10 years.

Increase uranium production by a factor of 6.

Increase uranium enrichment capacity by 50% over existing and presently planned AEC capacity.

Typical 1973 overall project times

(From go-ahead to production)

Type of facility: Years

Coal-fired powerplant..... 5-8

Surface coal mine..... 2-4

Underground coal mine..... 3-5

Uranium exploration and mine..... 7-10

Nuclear powerplant..... 9-10

Hydroelectric dam..... 5-8

Produce oil and gas from new fields..... 3-10

Produce oil and gas from old fields..... 1-3

Facility capital requirements

(In 1973-74 dollars)

To pay for all the facilities needed to achieve maximum domestic energy supply by 1985 would require, very roughly, these billions of dollars:

Oil and gas..... 160-200

Uranium mining and enrichment..... 11-14

Coal:

Production and transportation..... 18-24

Synthetic fuel production..... 16-22

Shale oil..... 3-5

Electricity:

Nuclear plants..... 90-110

Fossil and renewable plants..... 60-70

Transmission and distribution..... 135-165

Total (rounded)..... 490-510

The \$500 to \$600 billion for in-place facilities will require about another \$100 billion for infrastructure support. \$700 billion would average \$60 billion per year until 1985. For comparison:

Current investments in the energy industry are about \$30 billion per year.

1970 industrial plant and equipment investment for all purposes was about \$100 billion.

OTHER IMPORTANT CONSIDERATIONS

If these programs are to be carried out by 1985 a number of important problems will have to be solved:

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A balance will have to be reached between environmental and energy objectives (Sulfur dioxide, land reclamation, offshore oil and gas operations, oil refineries, nuclear power plants, etc.)

An extensive manpower training program will be needed (30,000 additional engineers, 190,000 additional skilled construction workers, 240,000 additional operators.)

Water must be made available.

THE ROLE OF THE GOVERNMENT

If domestic energy supplies are to be developed to their maximum levels to minimize dependence on foreign sources, the government must take the leadership to:

Develop a long-term, comprehensive energy policy.

Reduce administrative constraints.

Reduce the risks to developers of new technologies.

Support selected high-risk, high-payoff developments.

Compile and disseminate energy data and information.

Establish energy conservation standards.

Foster an economic environment that will attract investment capital into the energy industry.

There must be a cooperative effort between the government and the energy industry.

There is not time to create new institutions.

The government must establish a well-defined national energy policy and conduct licensing and regulatory actions so that large sums of private capital are invested and the public interest is protected.

The energy industry has the managerial and technical skills to do the job.

Energy content of natural resources

[In Btu]

Oil, barrel (Bbl.)..... 5,800,000

Natural gas, cubic foot (CF)..... 1,000

Coal:

Bituminous, ton..... 26,000,000

Lignite, ton..... 14,000,000

Average, ton (weight according

to present production)..... 25,000,000

One barrel of oil equals 42 gallons.

One kilowatt-hour (kWh equals 3,412 BTU).

A typical thermal power plant consumes about 11,000 BTU per kWh produced due to conversion losses.

One million barrels of oil per day (MBbl./day) is equivalent to:

Natural gas: 5.8 thousand million cubic feet/day.

Coal—

Bituminous: 225,000 tons/day.

Lignite: 420,000 tons/day.

Average: 235,000 tons/day.

In general, bituminous coal is found in the east, and lignite in the west.

June 1974.

LIVESTOCK CREDIT OR BANK BONANZA

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. PEYSER. Mr. Speaker, the Senate recently passed an Emergency Livestock Credit Act and the House will be considering a similar measure in the near future—H.R. 15560. This bill is intended to remedy the crisis facing the cattle farmers. In brief, the problem is that farmers' prices have dropped 35 percent since their record high last year. Because retail prices have not dropped comparatively, consumers are not purchasing beef and the beef, therefore, is stock-

piled in warehouses. The only solution to this problem, which the proposed bill does not address, is lowering the retail price of beef and thus increasing consumption. This bill is nothing more than a bailout for banks. If approved, this bill would permit the banks to refinance existing loans at existing all-time high interest rates and be assured that the loans and interest will be guaranteed by the Government. The farmers will have larger than ever loans to repay and in a year's time will be in a worse situation than they are in today. What is more, the Government will be out \$2 billion.

This was an ill-conceived and hastily approved bill. It was voted out of the Agriculture Committee in less than 20 minutes. This bill in no way helps consumers, does not, in fact, help farmers, but will be a real boost for banks with undercollateralized loans and investors in tax shelters who bit off bigger losses than they figured. I oppose this bill and urge my colleagues to do the same. I have received statements from national composed to the passage of this bill. I have enclosed these statements for the information of my colleagues:

NATIONAL CONSUMERS LEAGUE,
Washington, D.C., June 28, 1974.

Congressman PETER PEYSER,
Washington, D.C.

DEAR CONGRESSMAN PEYSER: The National Consumers League, the nation's oldest consumer organization, is concerned about the passage of a bill that will aid neither farmers nor consumers. The Emergency Livestock Credit Bill (HR 15560) rather than benefiting the farmers during this critical time, will benefit the interests of the banking industry.

National Consumers League recognizes that the cattle producers are in a crisis situation, but, we are opposed to HR 15560 as a remedy to the situation. It will not alter the basic problems that have brought us to this point.

Consumers are opposed to subsidizing the already thriving banking industry, when both the producers and those who pay high prices for beef are in need of meaningful solutions.

Very truly yours,

ELLEN HAAS,
Associate Director.

—
CONSUMER ACTION,
FOR IMPROVED FOOD AND DRUGS,
Washington, D.C., June 28, 1974.

Hon. PETER A. PEYSER,
Longworth House Office Building,
Washington, D.C.

DEAR MR. PEYSER: This is in response to your letter asking our comments on H.R. 15560, the Emergency Livestock Credit Bill of 1974.

It is not at all clear that any legislation is necessary. However, it is clear that this bill subsidizes the banking interests and not the farmers' interests. H.R. 15560 will neither help the farmer nor the consumer and should not in its present form be voted into law.

Thank you for expressing an interest in our views.

Sincerely,

JAMES S. TURNER,
Codirector.
CATHY SULZBERGER,
Codirector.

—
NATIONAL CONSUMERS CONGRESS,
Washington, D.C., June 27, 1974.

Congressman PETER A. PEYSER,
Agriculture Committee, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN PEYSER: The bill H.R. 15560, which was originally designed to assist the cattle industry in their present crisis,

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has become so diluted that it serves neither the cattlemen nor the consumer. If this bill is allowed to pass it is apparent that the only real benefits will be those accrued by the bankers.

The National Consumers Congress, therefore, joins you in opposing this legislation. Sincerely,

AILEEN GORMAN,
Executive Director.

UNLEADED GASOLINE PROBLEM NOT SOLVED

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

MR. HUBER. Mr. Speaker, on May 1, 1974, during the debate on the Energy Supply and Coordination legislation, I rose and pointed out to my colleagues present the dangers and problems associated with the conversion to lead free gasoline and its possible effects upon the automobile industry. The Environmental Protection Agency issued a press release earlier this month assuring everyone that sufficient unleaded gas will be available. General Motors has even tried to confirm this by releasing a study by Arthur D. Little, Inc. to the effect that the production of unleaded gasoline is no more expensive than that of conventional fuels. In contradiction to these sources, I have been shown evidence by the American Automobile Association which does not agree with the foregoing. In support of my views, I wish to place in the RECORD at this point an article from the Detroit News of June 23, 1974, entitled: "Reject Lead Gas Orders, Dealers Told" and another article from the Oil Daily of June 27, 1974, entitled, "API Rebuts Little Study on Unleaded Gas'1. Cost" for the edification of my colleagues. The articles follow:

"REJECT LEAD GAS ORDERS," DEALERS TOLD
(By Robert W. Irvin)

The Service Station Dealers Association of Michigan is warning its members in no uncertain terms not to sell leaded gasoline to owners of any 1975 cars even if someone is on the way to the hospital in an emergency.

The warning comes from Charles Shipley, the association's executive director, in the current issue of its monthly magazine called the Service Station Dealers News.

Most 1975 model cars will have catalytic converters, which are muffler-like devices using platinum and which can be poisoned by leaded gasoline. When they are ruined by the lead, they will no longer control car engine pollution.

Hence, the government is requiring many stations to carry unleaded gasoline for these cars. The government is doing this under force of law and violators can be fined for putting leaded gas in catalyst cars.

Actually, Shipley's warning goes beyond the letter of the law because some '75 models will not have catalysts and thus can still use leaded gasoline. And the penalty is not as strict as he says.

Shipley tells the dealers: "If a dealer puts leaded gasoline in a '75 model car he can be fined \$10,000 for each offense. It is the dealer's responsibility to make sure no product-mixing takes place."

"If the owner of a '75 wants you to put leaded gasoline in that car—say no."

"If you have no 'lead free' and the driver of a '75 insists that he has to get a sick child

or a sick wife to the hospital—call an ambulance or the police—don't sell him leaded gasoline . . . if you are out temporarily, or for any reason do not have the lead free, make sure that nothing else is put into '75 models."

"Gasoline that is carried on service trucks for out-of-gas calls should be lead free at all times."

The reason for Shipley's concern is the penalty faced by those who put the wrong gas in. Actually, federal officials say the penalty on putting in the wrong kind of fuel will be \$10,000 per day of violation, not per car as Shipley implies.

"It would be the same penalty if a station put 10,000 gallons into 1,000 cars or 10 gallons into one car in a day," an official said.

But that's probably a small point for a small service station operator to quibble over.

In any case, Shipley warns the dealers, "the Environmental Protection Agency has announced that they will institute a strong enforcement program and are considering the use of other interested groups in making checks on retailers of gasoline. This means that some publicity-seeking group may pick you as an example of non-compliance."

"Don't let it happen to you. Ten thousand dollars is a lot to pay for being careless about lead free sales."

"The EPA has ordered the industry to 'Get the lead out.' The benefits that will come from this order are certainly open to question but it is in your best interest as a dealer to follow the regulation to the letter of the law. It is much cheaper that way."

It is also going to be controversial if dealers, indeed, do turn down motorists who are out of gas and unable to find lead-free fuel, especially in an emergency, and especially if their car can do without unleaded gasoline.

Not all '75 cars will have converters. It will be possible to meet the standards without them on some engines. The dealers should be told to take this into account when refusing to sell leaded gas to the owner of a '75 model car.

API REBUTS LITTLE STUDY ON UNLEADED GASOLINE COST

WASHINGTON.—The American Petroleum Institute has prepared a rebuttal to study Arthur D. Little, Inc. which contends that unleaded gasoline is no more expensive to produce than conventional leaded fuels.

The study was released by E. M. Estes, executive vice president of General Motors on June 7.

API argues that the study might not apply to the overall U.S. refining industry since it assumes that a refinery with the capacity to process 100,000 b/d of crude adequately represent the refining industry.

"In fact," API said, "41% of U.S. refining capacity is represented by refineries smaller than 100,000 barrels daily and 20% by refineries under 50,000 b/d."

The API alleges several other flaws in the study including:

While the study notes that more severe penalties will be suffered by smaller refineries, its conclusions are not adjusted to take account of this fact.

The study assumed a uniformity in refinery processing procedures. In fact, there is a great diversity of processing schemes employed by individual refiners in converting crude oil into gasoline and other products.

The study makes numerous assumptions in regard to the octane levels of the many and varied components that are used to blend unleaded gasoline but does not provide substantiation of those assumptions.

The study erroneously assumes that U.S. refineries are not currently maximizing output of gasoline, relative to other products.

"The study assumes that 91 RON (research octane number) gasoline will be adequate

to satisfy the octane needs of all 1975 and later model-year automobiles. This assumption may prove unrealistic, according to many experts.

"The Arthur D. Little study is basically theoretical and cannot be used to predict individual refinery capabilities and costs.

"Finally, the study ignores the fact that unleaded gasoline will require segregated storage and will involve substantial added distribution costs," API stated.

THE REALITY OF INTER-DEPENDENCE

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. FRASER. Mr. Speaker, last April, Secretary of State Kissinger's address to the special session of the United Nations General Assembly attracted a great deal of attention in Congress. The Secretary stressed the need for the international community to come to grips with the reality of interdependence by greater efforts of cooperation.

This theme must remain prominent in our minds whenever we think about our relations with the rest of the world. The reality of interdependence becomes more glaringly apparent to us with each passing day. The fate of all nations is tightly intertwined. At the special session of the U.N. General Assembly, Secretary-General Kurt Waldheim listed six problems which the international community must solve through cooperative action in order to avoid unprecedented global tragedy: massive poverty, rampant population growth, the food and energy shortages, the arms race, and worldwide inflation. And each of these problems has a bearing on all the others; as one of them festers, each of the others becomes more acute.

David Broder wrote an excellent article on this dilemma which appeared in the Washington Post on May 1. Although the article is almost 2 months old, it is as timely now as it was when it appeared, especially since the House is about to reconsider the bill for the U.S. contribution to the International Development Association, and take up this year's foreign assistance bill:

TURNING TOWARD GLOBAL PROBLEMS

(By David S. Broder)

In the first three days after Congress returned from its Easter recess, at least a dozen senators and representatives put into the Congressional Record, with suitable commendations, the text of Secretary of State Kissinger's April 15 address at the United Nations on "the challenge of interdependence."

Just why Kissinger's somber challenge to the international assembly to "come to terms with the fact of our interdependence" should have struck a chord with so many legislators is hard to say. But it is at least possible to hope that it indicates that even with the current preoccupation with our domestic political crisis, there are world issues of such enormous scale that sensible people cannot ignore them.

In a series of eloquent and impassioned columns, James Reston and Anthony Lewis of the New York Times have been raising

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their voices to proclaim that the threat of international economic warfare turning into a global cycle of inflation and depression—to say nothing of the danger of massive famine among the million already suffering the effect of malnutrition—is slightly more consequential than Watergate.

Reston worries that the press and the politicians are ignoring "the fundamental question of the prices and resources of the earth," and he may be right. But the pages of the Congressional Record—that mirror of the politicians' minds—indicate someone is listening.

There one finds the beleaguered President taking time to remind those who sit in judgment on him that despite the national weariness with the cost of foreign aid, "it is clear that in the modern world, peace and poverty cannot easily endure side by side."

And while Mr. Nixon pleads with Congress to reverse the House's January mistake in refusing the \$1.5 billion U.S. contribution to the International Development Association, his old rival, Sen. George McGovern (D-S.D.), is seconding Kissinger's pledge of American cooperation in meeting the worldwide economic crisis.

Wisdom comes late, but now it comes to people of all parties and persuasions. The old internationalists—the Hubert Humphreys, the Jacob Javitses and the Gale McGees—fill the record, as they have for years, with pleas for foreign aid and food assistance and liberal trade policies.

But now they're joined by Sen. Robert Dole, the engagingly cynical Kansas Republican, who is moved to put into the Record a study by Church World Services of what Dole calls "the world food crisis." They are joined, too, by Sen. Walter (Dee) Huddleston, the freshman Democrat from Kentucky. He thinks his colleagues ought to know what he learned from the Congressional Research Service and then confirmed from Kentucky industrial leaders about "the growing U.S. reliance on imports for a large portion of raw materials."

It is a long step from the recognition of a problem to the action needed to deal with it, particularly when the problem is as massive and complex as that of the international economy. Nevertheless, it is meaningful when a variety of American politicians—preoccupied with their parochial interests—talk as if they understood what United Nations Secretary General Kurt Waldheim meant when he said that, "The pursuit of short-term national interests by any nation or group of nations can no longer provide even a brief respite from the inevitable result of the present trends."

But what a task we face. Waldheim laid it out in brief form in his speech opening the General Assembly's special session on the world economy and natural resources.

There are six connected problems, Waldheim said, that must be faced and mastered to avoid the tragedy that now confronts the inhabitants of the planet; the massive poverty that still grips two-thirds of the world's people; the population growth that adds more than 1 million new claimants a week on our finite resources; the food shortage that has left literally no margin of safety against famine on a more massive scale than we have ever witnessed; the energy shortage that hampers all form of economic growth, including food production; the continued waste of an estimated \$4 billion a week on producing weapons of war; and the worldwide inflation, fed by all those forces, which threaten to destroy the fragile international economic and monetary structure.

When viewed in those terms, the domestic political problems of any one nation, even our own, seem almost insignificant, as the members of Congress appear to recognize, from time to time.

June 28, 1974

HELLENIC ORCHESTRAL ASSOCIATION OF CHICAGO

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues the outstanding cultural contribution that the Hellenic Orchestral Association is making in my city of Chicago.

Mr. John Daros, who serves as president and chairman of the governing members of the Hellenic Orchestral Association, is an eminent citizen of our community and has always given his staunch support to the Orchestral Association as well as to many other worthy endeavors.

In his efforts, he has been aided by the capable and dedicated governing members of the Hellenic Orchestral Association who are: Takis Christopoulos, Pierre Austin DeMets, Jean Fardulli, Angelo G. Geocaris, Alex Gianaras, Peter Gianukos, Jim Gregory, S. J. Gregory, John Heyer, Christ Karafotias, Gus Landers, Nicholas Melas, James Mezilson, John O'Malley, Nick Pappas, D. Parry, X. C. Payne, Nicholas Prassas, Ted Vombrack.

On July 5 and July 6 in Chicago at Orchestra Hall, the Hellenic Orchestral Association will present a U.S. premier performance of the National Lyric Opera of Greece. The concerts on these 2 days will be video taped and filmed for theater in their entirety. Also, arrangements have been made for these performances to be televised throughout the mainland of Greece and in all of the Greek islands. The televised performances will also be shown in the United States and in Canada.

I commend the Hellenic Orchestral Association for making it possible for our citizens to view the great musical artists from Greece who will perform at Orchestra Hall in Chicago next week, for it is programs like this that have helped to disseminate knowledge of other cultures and have brought about a greater understanding and appreciation of the great cultural contributions made by Greece and by other nations to the world.

The program for the concert follows:

HELLENIC ORCHESTRAL ASSOCIATION PRESENTS
AT ORCHESTRA HALL, CHICAGO, ILL., A CONCERT ON FRIDAY, JULY 5, AND SATURDAY, JULY 6, 1974, AT 8 P.M.

Musical Director: Emanuel Piculas.
Piano Accompanist: Despina Heimis.
Soloists from the National Lyric Opera of Greece: Flora Kazandjian, Soprano; Yolanda di Tasso, Mezzo-Soprano; Takis Skaftidas, Tenor; Vassilis Fakitas, Bass.

Chorus.

PROGRAM

Ellada (Greece) M. Vourtsis.
To Kentima Tis (Her Embroidery) Th. Sakellaridis.
Lafina ("The Doe") N. Skalkotas.
Afino Ya Stis Omorofe (Farewell From Lovely Girls) N. Lavdas.

FLORA KAZANDJIAN

Ta Matia Tou Dimou (Dimou's Eyes) N. Lavdas.
Aharoula (Girl's Name) N. Lavdas.

Pantrevoun Tin Agapi Mou (They Wed My Beloved) N. Lavdas.
Psila Sto Metopo (In the Front Line) Th. Sakellaridis.

TAKIS SKAFIDAS

Lyarni (The Lost Lamb) Th. Spathi.
(a) Ante Kimissou Kori Mou (Go to Sleep My Love) S. Vassiliadis.
(b) Mia Mistiki Elpida (The Secret Hope) S. Vassiliadis.

Two Greek songs

(a) Pios Assikis (The Proud Youth) M. Ravel.
(b) Yaroumbi (Girl's Name) M. Ravel.
Pera Stous Pera Kambous (Off in the Distant Fields) G. Platonus.

YOLANDA DI TASSO

O Aetos (The Eagle) G. Sklavos.
O Lingos (The Wolf—A Hero of 1821) St. Valtetziotis.
O Yero Dimos (The Old Hero) P. Karrer.
Ayoyatis (Mule-Skinner) N. Hadsiapostolou.

VASSILIS FAKITSAS

Kerkyra (Eorfu) M. Vourtsis.
F. Kazandjian, Y. di Tasso, T. Skafidas, V. Fakitsas

INTERMISSION—15 MINUTES

Cenerentola Arisi: "Nacqui all' affano", G. Rossini.

Carmen aria "Habanera", G. Bizet.

YOLANDA DI TASSO

Turandot aria "Nessun dorma", G. Puccini.
Rigoletto aria "La Donna e Mobile," G. Verdi.

TAKIS SKAFIDAS

La Boheme aria "Quando m'en vo" Masetta's Waltz) G. Puccini.
*Porgy and Bess aria (Summertime) G. Gershwin.

FLORA KAZANDJIAN

Ernani aria "Infelica e tuo credevi," G. Verdi.
Enas Vrahos (Rock on the Mountain), Ch. Stroumboullis.
Saranta Pallikaria (40 Heroes) G. Constantinidis.
*Old Man River, J. Kern.

VASSILIS FAKITSAS

Makedonitiko (Macedonian Song) M. Koutoungos.
F. Kazandjian, Y. di Tasso, T. Skafidas, V. Fakitsas.
Ta Nikatiria (Hymn of Victory) Finale from the Symphony "Levendia," M. Kalomiris.

SOLOISTS AND CHORUS OF 100

Emanuel Piculas, Musical Director.

JAN PADEREWSKI

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. SARASIN. Mr. Speaker, Saturday, June 29, marks the 33d anniversary of the death of Ignacy Jan Paderewski, the great Polish pianist and statesman.

Mr. Paderewski offered the world his talented musical ability and concentrated his undying efforts toward the reunification and freedom of Poland. Working for the cause of Polish independence, the pianist, composer and statesman allied himself with the United States. To this day, he holds a special

*Compliments to America and American Guests from the Greek Government.

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place in the hearts of all Americans dedicated to the cause of worldwide freedom.

Mr. Paderewski was born in Kurylowka, Poland in 1860. When he was only 12 years old he made his first public appearance as a pianist, beginning a career which brought him world acclaim. Young Paderewski studied under Theodor Leschetizky, the greatest teacher of the time, at the Warsaw Conservatory. He made his debut in Paris in 1888 and toured America in 1891 where he gathered friends and followers.

World War I interrupted his tours to South America, Africa, and Australia. He gave up his concerts and began the struggle to rejoin Polish land divided between Germany, Russia, and Austria. As the American delegate for the Polish National Committee in Paris, he raised large sums of money to further the cause of Polish independence and to aid victims of war.

In this time of Polish need, Paderewski turned to his friends in America. He allied various Polish-American groups to work for reunification and convinced President Wilson that Poland must be strong and free to help insure the future peace of Europe. Wilson included this idea in his 14 points which he presented at the Paris Peace Conference in 1918.

In recognition of his wartime efforts, Paderewski's countrymen and women elected him president of Poland. After the war he served with Roman Dmowski as a Polish representative to the Paris Peace Conference. Paderewski attended the signing of the Treaty of Versailles and the opening of the League of Nations proposed by President Wilson.

In 1921 the former pianist returned to music. In America he was a houseguest of President Herbert Hoover; and in Rome he was invited to the Vatican by the Pope. Once again, the political turmoil in Europe tore him away from the piano and his worldwide audience.

After Hitler's forces invaded Poland in 1939, Paderewski returned to politics and joined the exiled Polish government in France. He became president of the Polish National Council, the wartime parliament of Poland. In 1940, he returned to the United States to appeal to his friends for help. After a brief illness Paderewski died in New York in June 1940. President Franklin D. Roosevelt ordered that his remains be interred in the U.S.S. Maine War Memorial at Arlington Cemetery where a short memorial service will be held June 29 at 1 p.m.

Ignacy Jan Paderewski will be remembered as an honored pianist, composer and Polish patriot. His remains await a joyous return to the free homeland of his dreams.

THE BLUEPRINT FOR DISINFLATION

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

The United States is in the grip of inflation more severe than anything experienced in its peacetime history.

Mr. BROWN of Michigan. Mr. Speaker, that is the opening sentence of a special report on inflation in the June 17, 1974, issue of U.S. News & World Report. The special report contains these excerpted observations:

Inflation now is beginning to hurt badly . . . rampaging prices and sky-high interest rates aren't going to be waved away by Washington without an all-encompassing National effort at restraint—or a steep recession . . . rarely before has inflation struck with such virulence . . . shooting upward at a rate of 12 percent a year . . . Planning for the future has become all but impossible for . . . life insurance . . . college . . . retirement . . . Economists spot little reason for encouragement . . . a demand for goods and services that tends to outrun supplies . . . the U.S. has shortages of skilled labor, steel, copper, paper, boxcars, farm machinery, oil drilling rigs . . . Most economists agree, in broad terms, on what is needed to bring inflation under control: Hold down demand for goods and services and, at the same time, take steps to increase supplies . . . Interest rates . . . are now at the highest level in 100 years . . . The same inflationary expectations make consumers as well as businessmen believe it is better to borrow and buy than to save and wait . . . "Inflationary expectations" have to be uprooted . . .

Mr. Speaker, the foregoing excerpts from U.S. News & World Report lend a deserved sense of urgency to the search for solutions to our inflation problems; solutions that will not create problems of deflation. What we must seek is a disinflation or a price stability so that the United States can embark on a course of sustainable economic growth. In this way, we can bring shortages to an end, provide more and better job opportunities to our citizens, and provide a healthy environment.

Mr. Speaker, one compelling responsibility that the Congress has in dealing with our inflationary problem relates to the handling of our Nation's fiscal affairs. The House was recently called upon to approve legislation providing a \$495 billion temporary statutory debt ceiling for the period from July 1, 1974, through March 31, 1975. This is \$95 billion over the permanent ceiling currently in effect. In the absence of enactment of increase in the debt ceiling, the statutory limitation on our public indebtedness is scheduled to revert to \$400 billion on July 1, 1974. On that date, our actual debt subject to limitation will be approximately \$475 billion and if a new temporary debt ceiling is not approved, we will have extra legal debt of about \$75 billion.

Mr. Speaker, how have we reached this deplorable posture of public indebtedness? The answer is clear. Through profligate spending we have imperiled our economic vitality and fanned the fires of inflation. In the post-World War II era we have doubled our Federal outlays about every 10 years. It required 185 years for our Nation to reach the \$100 billion level in annual budgetary spending but it took only 9 more years to reach \$200 billion, and only 4 more years after that to reach the third \$100 billion. For fiscal year 1975, outlays of \$305 billion and receipts of \$294 billion are projected to produce a unified budget deficit of \$11 billion and a Federal funds budget deficit of \$20 billion. In fiscal year 1975 the Federal Government will be required to pay

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about \$32 billion in interest on the public debt without a penny of that payment going for debt retirement.

In the last 10 years, Congress has approved \$130 billion in deficit financing. It should be no surprise to anyone that this sort of mismanagement of our fiscal affairs has rashly terminated the period of price stability that prevailed in the 1958-64 period and plunged the Nation into a continuing ruinous inflation beginning in 1965.

I have recently included in the RECORD views of Dr. Arthur F. Burns and of Dr. Paul W. McCracken as to how America should proceed in dealing with the inflation threat to our economic well-being. Today, Mr. Speaker, I would like to include as part of my remarks an informative interview with U.S. Treasury Secretary William E. Simon on ways to halt inflation which appeared in the special report on inflation in the June 17, 1974, issue of U.S. News & World Report. In doing so, Mr. Speaker, I would like to commend the editors of this fine publication for the excellence and timeliness of their report on this important subject which is of compelling national concern.

The interview follows:

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

A WAY TO HALT INFLATION—THE TREASURY SECRETARY'S BLUEPRINT

Q. Mr. Secretary, is this country going to be able to bring inflation under control?

A. We can do it. But it is going to require a curb on Government spending, and the key to that is better co-operation between the Congress and the White House. It also requires a will on the part of the American people to stop demanding or accepting the largesse of the Federal Government without paying for it. It's just as fundamental as that. We must work toward balance in fiscal and monetary policy in this Government.

I won't buy for one minute the idea that 75 per cent of the budget is uncontrollable. That is a cop out. We've got to quit saying there's nothing we can do about it—that "Congress has passed the laws, and here they are, even if we don't like some of them."

I'm suggesting that we—both the Congress and the executive branch—had better take a brand-new look at this and begin to get some fiscal sanity back into the picture.

Q. Can you cite some examples of what you consider bloated federal spending?

A. I'm not going to be specific on recommendations right now because we're doing a budget study on the controllable side—as well as on the uncontrollable side, which is our big problem.

Q. Just what do you mean by "controllable" and "uncontrollable" items in the budget?

A. Essentially, "uncontrollable" refers to budget items provided for by laws passed in previous years. In other words, laws already on the books spell out some obligations for more than one fiscal year. For instance, Social Security payments are spelled out by law. As the number of persons receiving Social Security increases, the amount of money goes up, too, in almost uncontrollable fashion.

Q. Who is to blame for the expansion of the uncontrollable side of the budget?

A. You can't just point the finger at Congress—or at the White House. It has come from both sides. Anyway, what's the difference whether it was an Administration plan or a congressional action that locked in new spending on an ever-escalating basis? The fact of the matter is that it's there.

Congress is about to pass—I hope—a budget-reform bill which is a step in the right direction, but only a first step. Con-

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gressmen are now hearing from their constituents that something has to be done about the budget and about inflation. That's why we're seeing action. I met with the Republican side of the House Ways and Means Committee just the other day, and to a man they are hearing this from back home. It's a genuine groundswell.

Q. Do you mean that people are urging a cut in Government spending to deal with inflation?

A. Yes, sir—and these Congressmen say that this will be the most popular thing that they can do to get re-elected this year. They tell me that their people are simply fed up with the way the Government's budget shoots up year after year. It took this country 185 years to get to 100 billion dollars of annual spending in the budget. But it took only nine more years to get to 200 billion, and only four more after that to get to the third hundred billion.

Q. In the past when people talked about cutting federal spending they were for it as long as it didn't affect them—

A. Yes, in the past that's been correct. But in the past we've never had double-digit inflation. It's always been well under 10 per cent. But now that we're above that into two digits, people are scared. And if we want another year or two to meet this head on, we'll be back in the same mess we are right now, only at a higher rate of inflation, because it's going to start from a higher base than the one we started at two years ago, which was 3 per cent.

It's the same with interest rates. Interest rates this time started up from 8 or 8½ per cent. During the credit crunch in '66, they started at 6 per cent.

Each year we're grinding more and more inflationary expectation and actual inflation into our economy, and if we don't begin to turn it around, not only on the fiscal side—but on the financing side of it, this country is headed for disaster.

The financing side is little understood. But it is staggering when you realize that borrowing by the Federal Government and its agencies today takes about 60 per cent of the funds raised in the securities markets.

Q. Do you believe that in an election year Congressmen are going to vote to cut Government spending?

A. I certainly do. For the first time we have a chance of doing something because of the double-digit inflation. If we ever had a chance to cut back, now is the time. I'm not saying we can balance the fiscal '75 budget [for the year starting July 1, 1974]. I don't think it's advisable to slam on the fiscal brakes that quickly. But we must make a step in that direction and then move toward balance in '76.

Q. How much of a budget cut would be a step in the right direction? Roy Ash, Director of the Office of Management and Budget, has said you couldn't find as much as 5 billions—

A. It all depends whether one wants to take a look at the uncontrollables. You probably couldn't find 5 or 6 billion if you just wanted to look at the controllable portion of it. I'm talking about the uncontrollable side.

You're going to say, "Well, how do you get that done?" The answer is that you identify programs that are overfunded—whether it's food stamps or the many programs of the Department of Health, Education and Welfare—or wherever it is that the budget has grown tremendously.

Q. Don't you have to go to Congress, though, and get a change in the law?

A. That's right—you do.

Q. Isn't it a fact that every time the President has done that—on school lunches, milk programs, almost anything—he's been beaten down?

A. That's been true. But I'm not going to take the attitude: "Ah, hell, we've tried that before; it doesn't work." I suggest that it's

never really been tried before with everybody's heart behind it.

Q. Are you suggesting a fundamental change in attitude toward things like the full-employment budget?

A. I am not a full-employment-budget man. I don't think 1 per cent of the people in this country understand the full-employment concept. It's a good concept, useful to those who fully understand it, but there are problems with how it is interpreted and how it is calculated.

For example, almost everybody agrees that a goal of no more than 4 per cent unemployment is unreasonable in view of the change in the labor force over the last 20 years. But what I am talking about is actually heading toward balance in the unified budget as we know it.

Q. Mr. Secretary, has the Administration's damage to deal with this in Congress been damaged by the Watergate mess?

A. I can honestly say—and I don't know anybody in this Administration who spends more time on the Hill and on the telephone talking to Congressmen than I do—that it hasn't bothered me one iota.

Q. You don't think the authority of the President has been eroded with Congress?

A. I certainly do not.

I'm suggesting that things have changed, and events are going to make Congress want to go in the budget-cutting direction because at this point in time it's the right thing to do politically. They're getting the ground swell from home. Double-digit inflation is a tax that's being levied on the American people, and they don't like it.

Let me tell you something: I think there's such a change in sentiment that we should put what you might call a "full-court press" on this whole subject and really fight to cooperate and get together. And I've talked to Democrats and Republicans alike on the Hill, and that is the attitude I find.

Q. Historically, hasn't inflation of the sort we have now been solved only by the country going into a recession?

A. I don't know that we can go back and say that every single time it's gone that way. I agree that the danger is there when you're relying solely on monetary policy to control inflation. But "if we use fiscal policy to restrain federal spending and give monetary policy a chance to work, which Arthur Burns [Chairman, Federal Reserve Board] would certainly like to do, then we can lick this problem."

I'm a realist. I don't know that over the long run this great country will do all these things, but I'm only here once, and so shouldn't I try to get done what's right?

Q. Mr. Simon, how much is this out of your control in the sense that inflation is being imported through high prices for oil and other basic commodities?

A. Our energy policy will correct the oil problem over time. Until that time, obviously, we're going to be paying these high prices for foreign oil. But they're not going to triple again—we certainly know that. If anything, they're going to be lower a year from now, or even sooner, than they are right now. I'd bet on it, if I were a betting man.

Now, we haven't had a complete pass-through, yet, of this big run-up in oil prices. We won't see that until the end of the year. For example, in petrochemicals we have yet to see the full impact. And there isn't much that you touch during the course of the day that isn't made in one form or another in the petrochemical industry. The high cost of oil is going to come out in the form of higher prices for toothbrushes, plastic cups, and so on down the line.

Q. What about wages? Now that controls are ended, will they leap upward and add to inflation?

A. My judgment is that while wage increases aren't going to be in the 15 to 20 per cent bracket, they are going to be significantly above the 5.5 per cent guideline that

we had in effect the past couple of years. Q Does that mean you need a new incomes policy?

A No, it most certainly does not, because if we learned anything from wage and price controls it is that they produce distortions and compound and postpone your problems.

What we must have is restraint on federal spending so that the Government won't be putting all this pressure on the economy and the money markets, forcing interest rates higher than they should be and keeping the inflation fires burning. This is what has to be reversed. This is fundamental. Then you can deal with shortages and other inflationary problems by acting rather than reacting.

Q Are you worried that present interest rates—as high as 12 per cent or more—will restrain business borrowing enough to prevent recovery from the current slump?

A There's a lot of talk about the slump, but actually it is isolated to energy-related activities. Automobiles are the prime case in point.

It's true that high interest rates are postponing borrowing. There's no question about that. But I'm not worried about too little capital investment. The McGraw-Hill survey shows an increase of 19 per cent in outlays for plant and equipment this year. The Commerce Department figure is 12.2 per cent. But whether it's 12.2 per cent or 19 per cent, the evidence is compelling that this is a source of great strength in our business outlook right through 1975.

Another point that we must stress as far as this inflation problem is concerned is that we have to give incentives to business to expand production of fuel, paper, steel and other commodities so that the U.S. doesn't have to rely on foreign nations for these key items.

Q Do you have a plan that would do this?

A One thing we're talking about is accelerated depreciation. It works, and it works quickly. This was proven back in the Korean War. In the Treasury Department, we are taking a look at the various plans to expand production of these vital products. We're discussing whether it should be done on an overall basis or whether it should be done by specific industries.

Q What is your position on an income-tax cut for individuals?

A It would be highly inflationary.

All it would do is fuel a demand that's already excessive. People would just go out and buy the small-ticket items that are already in short supply.

Q Do you think Congress will vote against a tax cut for individuals, but approve reductions for business?

A We're not talking about cutting taxes for business. We're talking about accelerated depreciation and other incentives for some of our basic industries to assure the consumer that he can get commodities at a reasonable price, rather than forcing him to rely on foreign sources at a much higher price.

Don't misunderstand me. I'm not saying it will be easy to get this through Congress. But we're hopeful, and we're talking with the leaders on the Hill. We're going into this study with the encouragement of Mike Mansfield, the Senate Majority Leader, and Speaker Carl Albert in the House. Senator Hugh Scott and Representative John Rhodes, the Republican leaders in Congress, are taking part in these discussions.

Q Mr. Simon, economists seem to be in disarray. Many are confessing they're baffled by this double-digit inflation—that many of the old rules don't seem to apply. How can anybody speak with much confidence of what the cure is?

A I'm sorry, but I don't buy the first part of your comment—that those in the economic profession are in such disarray that they can't find agreement. The economists whose opinions I respect, whether it's Paul McCracken [a former Chairman of the Council of Economic Advisers] or many others, are

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in fundamental agreement that, leaving the politics of the situation aside, for a sustained period of time there is one fundamental thing that's needed, and that's prudent fiscal and monetary policies.

Let me tell you something to make my point: Go back and trace America's prosperity. At the end of World War II it was the only country in the world with any real power, economically and otherwise. As the rest of the world recovered its economic strength, however, the dollar became overvalued. We should have changed that somewhere around the mid-50s or late '50s, but we continued with a fixed exchange rate and an overvalued dollar. And as we were creating all of those deficits and sending the IOU's around the world, you could find a lot of economists who were predicting—some almost to the year—that a fundamental change would have to be made in our international monetary system. And they were correct; some economists, at least, understood what was going on. A lot of them talked about it, but it wasn't very popular to print what they said.

I can give you a score of statements I made before I came to Washington. I haven't changed my tune one iota.

Q Some well-known economists are saying that the 1975 federal budget, which you say must be cut, is too tight—

A Sure. There's a group who believes that the American people have grown to expect each year that all of their needs are going to be met by Washington, and "let's just ignore the inflationary consequences."

It isn't going to be easy to turn this thing around. But, at this particular point in time, I believe sincerely we have an opportunity to do it, due to the unprecedented inflation rate and interest rates. Now that we've got people's attention, damn it, let's do what's right.

Q But what is right? President Nixon's proposed national health program would add 5 or 6 billion dollars to the budget. Are you going to drop the program and say, "Well, we're at a point where we can't take on anything that costly?"

A I think you're going to see some of that, but I wouldn't pinpoint a particular program, because these things are being worked out right now. I don't know what the President will come down on. But he'll make the individual decisions—that I'll promise you.

We've got to slow the growth of the budget to a pace that will provide normal expansion of the economy, rather than the inflationary growth rate that started with the "guns and butter" policy in 1964 during the Vietnam War. Some say this will entail self-sacrifice on the part of the American people. My answer is that when you're dealing with a budget as massive as 305 billion dollars, there is enough latitude to get back to fiscal responsibility without sacrifice.

Q Is your attitude toward the budget accepted within the Administration generally?

A I'll put it this way: I'm making significant progress compared to where I started a month ago when I became Secretary of the Treasury. At that time, the whole idea was considered ridiculous. And I'm picking up a lot of support in Congress.

CONGRESSIONAL ACTION ON THE FISCAL YEAR 1975 BUDGET

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. MAHON. Mr. Speaker, this session of Congress is now some 6 months old and we are about to begin a new fiscal year in just a few days, so it is an appro-

priate time to bring the House up to date on the status of congressional action on the budget.

I. APPROPRIATIONS BUSINESS FOR THE SESSION APPROPRIATION WORKLOAD

Assuming the conclusion of business today, the House has considered this session 14 appropriations measures, three involving fiscal year 1974, and 11 involving fiscal year 1975. The Senate has considered six appropriations measures, three involving fiscal year 1974 and three involving fiscal year 1975. Two of these measures have been enacted into law, one is in conference and three are pending approval of the President.

SPECIAL ENERGY BILL

In response to the national energy crisis this year, seven of the Appropriations Committee subcommittees worked together at the same time they were considering their regular annual bills—and spring supplementals in some cases—to produce a Special Energy Appropriations bill for fiscal 1975. The Congress approved that bill in a timely fashion and it is pending approval by the President.

REDUCTIONS IN APPROPRIATIONS ESTIMATES

In each of the last 50 years, Congress has reduced the budget request in its appropriations bills. In completed action to date this session, Congress has reduced the budget for appropriations by about \$1.8 billion. During this session the House has approved reductions of \$2.3 billion and the Senate reductions of \$1.4 billion.

HOUSE ACTION ON FISCAL 1975 APPROPRIATIONS REQUESTS

In its action on 10 appropriations bills for fiscal 1975, including the District of Columbia Appropriation bill under consideration today, the House has approved reductions of about \$600 million. Still pending action by the House are the Defense, Military Construction, Foreign Assistance, and Interior Appropriations bills for fiscal year 1975. Mr. Speaker, I will place in the RECORD at the conclusion of my remarks a table reflecting in some detail the status of House action on the appropriations bills for this session.

SENATE ACTION ON FISCAL 1975 APPROPRIATIONS REQUESTS

In its action on two fiscal year 1975 appropriations bills, the Senate has approved an increase of about \$12 million.

II. REVISED MAY 30 ADMINISTRATION ESTIMATES OF BUDGET TOTALS FOR FISCAL 1975

The "Mid-Session Review of the 1975 Budget (H. Doc. 93-312)" submitted May 30, 1974 revised revenue estimates down \$1 billion to \$294 billion and outlay estimates up \$1 billion to \$305.4 billion. The result was an increase of \$2 billion in the Unified Deficit which is now estimated at \$11.4 billion.

I shall place in the RECORD at this point a table summarizing the May 30 revised estimate:

REVISED ESTIMATES FOR FISCAL 1975

	Receipts (\$billions)	Outlays (\$billions)	Surplus/ deficit
Federal funds	\$201.4	\$221.3	-\$19.8
Trustfunds	116.8	108.3	
Intragovernmental transactions	24.2	24.2	
Unified budget	294.0	305.4	-11.4

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III. TOTAL SPENDING FOR FISCAL 1975
REVISED ADMINISTRATION ESTIMATE

The President's revised estimate of \$305.4 billion for total Government spending reflects both increases and decreases. Some major factors were:

	Billion
Interest on the debt.....	+\$1.0
Unemployment Ins. Trust Fund.....	.8
Veterans benefits.....	.6
Off-shore oil receipts (counted as off-set to outlays).....	-2.8

IMPACT OF CONGRESSIONAL ACTIONS ON SPENDING

During this session of Congress, legislation has been sent to the President including certain congressional additions to the fiscal year 1975 budget. Completed congressional action on the fiscal 1975 budget is currently estimated to be an increase of about \$1.5 billion in outlays. About \$135 million of the \$1.5 billion reflecting congressional action was included in the May 30 revised budget.

SPENDING REDUCTIONS IN APPROPRIATIONS BILLS

The spending impact of completed action on appropriation bills in fiscal year 1975 is an estimated reduction of \$195 million.

SPENDING INCREASES IN NONAPPROPRIATIONS BILLS

The spending impact of completed action on nonappropriations bills in fiscal year 1975 is an estimated increase of \$1.7 billion.

I shall insert a table in the RECORD at this point, which sets forth the details of these estimates:

HOUSE ACTIONS TO DATE ON APPROPRIATION BILLS, 93rd CONG., 2D SESS., REVISED TO JUNE 28, 1974

On the basis of new obligational authority this table excludes "back-door" spending authority in legislative bills and permanent budget authority (Federal or trust) available without further action by Congress]

EXTENSIONS OF REMARKS

Completed action and congressional changes in 1975 of budgeted outlays

Appropriation bills:	Thousands
Special Energy Research & Development.....	+\$20,000
Second supplemental, 1974 (1975 outlay impact).....	-215,000
Subtotal, appropriations bills.....	-195,000
Legislative bills:	
Urban mass transit operating subsidy.....	+400,000
Child nutrition and school lunch.....	+225,000
Civil Service minimum retirement.....	+\$172,000
Veterans disability benefits increase.....	+134,800
Postponement of postal rate increases.....	+45,200
Civil Service survivor benefits.....	+4,600
Congressional Record, reduced postage fees.....	-8,486
Military flight pay incentive.....	-16,700
Rejection of salary increases for federal executives.....	-34,000
Food Stamp & Special Milk Programs.....	+40,000
Veterans Educational Benefits (Extends Delimiting Period).....	+759,100

Subtotal, legislative bills.....	+1,721,514
Total, 1975 outlay impact of completed congressional action.....	+1,526,514

IV. FEDERAL BORROWING AND THE DEFICIT
AN ACCURATE READING OF THE DEFICIT SITUATION

It is fair to say that the most compelling figures in the budget still relate to the deficit and the debt increase. It is vitally important for the American people

and the Congress to have a clear idea of our deficit situation. It is most unfortunate that the unified budget serves to camouflage the facts and soften what is an alarming message. On May 30 the unified budget was projected to be in deficit by \$11.4 billion. But the unified budget does not reflect large amounts of borrowing from the trust funds for general purposes of Government, funds which add to the public debt and which must be repaid with interest.

FEDERAL BORROWING UP BY \$20 BILLION IN FISCAL 1975

Borrowing requirements are calculated on a Federal funds basis for which a \$19.9 billion deficit is projected for fiscal 1975. The current estimated increase in Federal borrowing in fiscal 1975 is \$20 billion, raising the total estimated debt subject to limit to \$494 billion.

FEDERAL DEBT INCREASED BY ONE-THIRD IN 5 YEARS

Judging from recent decades in our fiscal history, it would seem that the firmest resolve of the Government is that we not balance the budget. It is a sobering fact that with the projected increase for fiscal 1975, the Federal debt will have increased by one-third in the last 5 years.

V. A WORD OF CAUTION

Congressional action on the fiscal 1975 budget is not by any means completed. The figures I have cited will be changing almost daily as Congress continues with its business. We have a profoundly disturbing inflation problem in this country. What should concern us all are any actions, which might exacerbate that problem by increasing our reliance on deficit financing.

A table showing House actions to date follows:

Bill and fiscal year

A. Bills for fiscal 1975:	
Legislative (H.R. 14012).....	
Energy (H.R. 14434).....	
Public Works—AEC (H.R. 15155).....	
State-Justice-Commerce-Judiciary (H.R. 15404).....	
Transportation (H.R. 15405).....	
Agriculture-Environmental and Consumer Protection (H.R. 15472).....	
HUD-Space-Science-Veterans (H.R. 15572).....	
Treasury-Postal Service-General Government (H.R. 15544).....	
Labor-HEW (H.R. 15580).....	
District of Columbia (Federal funds) (H.R. 15581).....	

Total, bills for fiscal 1975, to date.....

B. Bills for fiscal 1974:

Urgent supplemental (H.J. Res. 941).....

2d supplemental (H.R. 14013).....

Further urgent supplemental (H.R. Res. 1061).....

Total, bills for fiscal 1974.....

C. Cumulative totals for the session, to date.....

¹ Includes \$68,024,000 in advance 1976 appropriations.

² Budget included \$2,300,000,000 for a proposed Better Communities Act program, which was amended in H. Doc. No. 93-311 to \$2,500,000,000 for Community Development, including \$200,000,000 for urban renewal, \$125,000,000 for Model Cities, and \$100,000,000 for special transitional

grants to the new program. Only \$395,000,000 is reflected as considered at this time; and \$2,105,000,000 is deferred for later consideration after authorizing legislation is finalized.

³ Includes \$300,000 for fiscal 1973.

CONDOMINIUMS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. LEHMAN. Mr. Speaker, as residential condominiums have burgeoned

throughout the United States which afford the only opportunity to secure reasonably priced housing for young families and senior citizens with limited resources, certain unscrupulous developers have created techniques which, in their long-range effects, will nullify the beneficial results normally expected from the purchase of a condominium. The

most insidious of these techniques is the practice of placing long-term leaseholds upon the land on which the residential condominium is built or on the common areas and facilities which serve the condominium units.

These leaseholds are legally tied into the sale of the condominium units and call for exorbitant rentals which es-

calate yearly with the cost of living even though the condominium unit owners are required to pay all the costs of maintenance of the properties, and the insurance and taxes thereon. The leases also provide that if the rental is not paid, a lien may be placed on the condominium unit which is then subject to foreclosure.

These leases totally negate the idea of home ownership since they have destroyed the whole idea that a man's home is his castle, so that the condominium owner still finds himself subservient to a landlord but with no hope of escape since these leases in the main are drawn for a period of 99 years.

Recognizing the burden placed on condominium unit owners and being desirous of keeping Federal funds out of the hands of developers of condominiums subject to leaseholds, I have introduced H.R. 15663 which amends section 234 of the National Housing Act to withhold blanket mortgage insurance from condominium projects wherein the common areas and facilities are subject to a leasehold interest. This bill further provides that the Federal National Mortgage Association—Fannie Mae—shall not purchase a mortgage on a condominium unit where the developer leases the common areas or facilities to the unit owners or accepts leases from them for which there is a rental charge. Hopefully, following the leadership of the Federal Government, the several States will pass legislation similarly restricting this unfair practice to the point where it will no longer exist as a burden on those least able to bear it.

The amendment follows:

H.R. 15663

A bill to amend the National Housing Act to prohibit FHA insurance of blanket mortgages on condominium projects, and FNMA purchases of conventional condominium mortgages, where the developer retains or will retain a leasehold interest in the common areas and facilities of the project involved.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 234(d) of the National Housing Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph:

"(2) has certified to the Secretary, as a condition of obtaining insurance of a blanket mortgage under this subsection, that ownership of each family unit so sold will include title to and ownership of an undivided interest in the common areas and facilities which serve the project as described in subsections (b) and (c), and will not be subject to any leasehold interest (whether reserved to the mortgagor or to any other person) in such areas and facilities; and".

Sec. 2. Section 302(b) (2) of the National Housing Act is amended by inserting immediately after the first sentence the following new sentence: "No such purchase of a conventional mortgage which covers a one-family condominium unit in a multifamily project of the type described in section 234 shall be made if the developer (or any affiliate thereof), the sponsor of the project, or any other person has reserved the right (A) to lease to the owner of such unit (or the owners of other units in the project) any of

EXTENSIONS OF REMARKS

the common areas and facilities which serve the project, or (B) to accept leases from the owners of any of such units under which such owners may then be charged for the use of such areas and facilities."

H.R. 15680—INTERNATIONAL SCIENCE AND TECHNOLOGY ACT OF 1974

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. HANNA. Mr. Speaker, yesterday, June 27, I introduced H.R. 15680, a bill to facilitate the transfer of technology to developing countries. H.R. 15680 represents a revised version of H.R. 14242 growing out of hearings held before the Subcommittee on International Cooperation in Science and Space on May 21, 22, and 24, 1974. This statement is essentially my opening statement as it was given on May 21, 1974, at the hearings:

INTERNATIONAL SCIENCE AND TECHNOLOGY TRANSFER ACT OF 1974

In 1816 Thomas Jefferson wrote, "I am not an advocate for frequent changes in laws and constitutions. But laws and institutions must go hand in hand with the progress of the human mind, as that becomes more developed, more enlightened. As new discoveries are made, new truths discovered and manners and opinions change with the change of circumstances, institutions must advance also to keep pace with the times."

At that same time, basic discoveries and demonstrations of a new way of electrical communication were taking place in Europe and America. The telegraph was being born.

Now, 158 years later, I believe telecommunications has reached such a sophisticated level of development that it should be used as the basic facilitating device for global technology transfer. I believe H.R. 15680 provides a facilitating institutional structure which will greatly aid in bridging the gap between the "haves" and the "have-nots." With continued refining and honing I believe that this bill will meet the challenge of establishing a really effective global information and technology transfer system.

I believe that we must do all that is possible to transfer agricultural technical "know-how"—as a first priority in global technology transfer—to those developing countries that are dependent on the United States and Canada for their nutritional needs. I am aware that global human health—and perhaps even levels of intelligence—are dependent upon upgrading agriculture on a worldwide scale. Some experts have even forecast that the United States may experience severe grain shortages due to basic climatic changes within the next few years. The United States then could conceivably be dependent upon these very countries we are now aiding for meeting our nutritional needs.

We must recognize that the gap between the "haves" and the "have-nots" is not just one of products and services but of lack of education and opportunities in science and technology. I think that technological education might begin at the elementary school level in areas such as agricultural technology, that are relevant to the native population and which will give them incentive to improve their own lives and standard of living. I am acutely aware of the need to move cautiously so as not to disrupt or destroy their social and cultural heritage.

H.R. 15680 provides a structure for facil-

tating technology transfer to the developing countries, a structure which has its parallel in the early United States experience when we provided such facilitating structures as our Land Grant Colleges and the Community Agents Network. We need these revised, updated and innovative new organizational structures to channel man's effort in a more organized and effective way.

Perhaps the telecommunication centers represent the most innovative aspect of H.R. 15680. Yet I would contend that this level of technical capability has been with us now for a few years but has not been organized and structured with related elements to facilitate global technology transfer.

For several years the Computer Service of the European Space Operations Center has computer-stored the NASA master reference file on space literature, which can be interrogated directly from computer terminals in France, the Netherlands and the United Kingdom. This network is now being extended to other countries.

In the United States we find many similar uses of telecommunications systems that move information of all types over network systems. Internationally, working models are provided by the international airline carriers, the world trade centers and our own global military telecommunication system.

I wish to note that this bill does not limit the person-to-person contact essential to successful technology transfer. It extends the effectiveness of that contact by means of delayed-scan video, direct engineering drawing print-out, as well as voice and computer terminals. These technical devices extend the range and effectiveness of man's personal interaction but in no way supplants or substitutes for that personal exchange.

In the course of learning how to more effectively transfer technology to the developing countries we may well expedite the solutions to domestic technology transfer problems. I see the relationship between domestic and global technology transfer in the scramble for arid land in eastern Oregon and Washington where desert agriculture is producing the most profitable region in U.S. agriculture. This desert agriculture is, in part, a result of technology developed to cultivate arid lands in the Arabic countries and Israel. Other sprinkler and irrigation systems which had their origin in Israel's kibbutz are now growth technology ventures in southern California.

What I have proposed in this legislation is a two-way street. Science and technology will flow back and forth between nations. All peoples have a contribution to make to each other. This includes the criss-cross of communication between developing nations that are in the process of finding similar solutions to the same problems. It is like two algebra students helping each other—they help each other more readily than turning to their neighbor in advanced calculus. But we shouldn't forget—as we've cited in the case of arid land development—that when it comes to technology the United States has its algebra class as well as its advanced technology transfer. This should only enhance our U.S. capability in empathizing with and assisting developing countries in their problem solution.

In so far as possible, every technology transfer should have an associated technology assessment. We are refining and evolving such techniques here in Congress through the Office of Technology Assessment, which has just selected agricultural and food technology as one of its first major assessment tasks.

Let me just mention several other current developments which complement and enrich this technology transfer legislation.

Senator Humphrey has introduced two bills to establish a Solar Research Center. What better area for research in solar power than the Arab desert countries and the tropical

EXTENSIONS OF REMARKS

nations of Southeast Asia and Africa. The potential value of a closely coordinated research and development effort in this area is great.

Senator Abourezk has just introduced a bill to establish the Earth Resources Observation Administration. I am convinced that the transfer of resources, as well as land and ocean observations data, spawned by an operational earth observation system, could be carried out through global communication centers with greater efficiency and insure wider and more rapid use of such data.

The ATS-F satellite to be launched later this month is a dramatic example of the application of space, education and health technology to people both in the U.S. and abroad—an example which should be continued and tied in with global communication centers provided for in H.R. 15680.

Secretary Kissinger has described the need for technology transfer, for international technical cooperation in energy R & D, and the need for new institutions to carry such programs through. Four recent speeches by Dr. Kissinger detail his thoughts and proposals in this area, and I am convinced that this legislation can fulfill a substantial portion of Dr. Kissinger's proposals.

Both domestically and internationally, we must develop the ability to work together on constructive and progressive activities rather than those that contribute to abrasion and conflict. This legislation is aimed at encouraging these positive growth factors.

POLISH AMERICANS COMMEMORATE THE 33D ANNIVERSARY OF THE DEATH OF IGNACY JAN PADEREWSKI

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. ANNUNZIO. Mr. Speaker, on June 29, 1974, at 1 p.m., the Polish-American Congress and the Polish-American Community of Washington, D.C., will honor Ignacy Jan Paderewski with a memorial service at Arlington Cemetery, where he is buried.

The memorial service will mark the 33d anniversary of the death of this great pianist, composer, statesman, and Polish patriot.

Americans of Polish descent and Poles around the world have inspired our country and the international community of nations with their love of freedom and their dedication to the perpetuation of liberty's noble ideals. As we remember the deeds of this great man, let us also remember that Poles all over the world and in Poland itself are still struggling. The support of all Americans self-determination for which Paderewski struggled. The support of all Americans in this struggle remains vital.

Mr. Speaker, at this point in the RECORD, I am inserting a report from the Polish-American Congress on the life of Ignacy Jan Paderewski. The report follows:

PADEREWSKI, GREAT POLISH PATRIOT HONORED

June 29th marks the 43rd Anniversary of the Death of Ignacy, Jan Paderewski, Polish pianist, composer, statesman, and patriot, who helped create modern Poland after World War I.

Paderewski's great musical talent, his special ties with the United States, and his dis-

tinguished role in the rebuilding of an independent Poland, warrant honoring his memory and his career.

Ignacy, Jan Paderewski was born in 1860 in Kurylowka, Poland. He made his first public appearance as a pianist at age 12. He studied music at the Warsaw Conservatory and in Vienna under Theodor Leschetizky, the most famous teacher of the time. Paderewski made his debut in Paris in 1888, which launched his career as the best known and highest paid pianist of his time. Paderewski made his first American tour in 1891, developing a tremendous following and making influential friends in America. Extending his tours to South America, Africa and Australia, he soon became the most famous pianist in the world.

During World War I, Paderewski proved to be a great Polish patriot and statesman. Seeing the possibility of rejoining the parts of Poland divided between Germany, Russia and Austria, he gave up his concerts and devoted all of his time to this cause. He joined the Polish National Committee in Paris and as its delegate to the United States, he raised large sums of money for the Polish victims of war and for the cause of Poland's independence. Furthermore, he skillfully united various Polish American groups to work for the same end.

In close cooperation with other Polish statesmen, including Roman Dmowski, and as a friend of President Woodrow Wilson, Paderewski convinced the President of the importance of rebuilding a strong Poland for the future peace of Europe. President Wilson included this idea in his famous Fourteen Points, which became a foundation of the Paris Peace Conference in 1918.

After the War, Paderewski returned to Poland and was honored as a national hero. He was elected President of Poland, and together with Roman Dmowski represented Poland at the Paris Peace Conference. There he attended the signing of the Versailles Treaty and the opening session of the League of Nations.

His mission accomplished, Paderewski resigned his political activities in 1921 and resumed his concerts. Everywhere he went he was honored. When he played in Washington, D.C., he was a houseguest of President Herbert Hoover, and while in Rome he was invited to the Vatican by the Pope.

When Poland was invaded by Nazi-Germany in 1939, Paderewski returned to politics. He joined the Polish government-in-exile in France and became President of the Polish National Council, which was a wartime parliament of Poland. Late in 1940, he returned to the United States to use his contacts for the Polish cause, as he did once before. However, this did not last long. After a brief illness, Paderewski died in New York in June 1941. By order of President Franklin D. Roosevelt, his remains were interred in the USS Maine War Memorial at Arlington National Cemetery where to this day they await return to a free Poland.

The Polish American Congress and the Polish American Community of Washington, D.C. will honor Ignacy, Jan Paderewski, the great Polish patriot with a short memorial service at Arlington Cemetery on June 29th, 1974, at 1:00 p.m.

AN ECONOMIST DOOMED: HENRICH NATAN SCHPETER

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. FRASER. Mr. Speaker, within the past month, word has come from Bulgaria that a former United Nations offi-

cial, Henrich Natan Schpeter, has been condemned to death. He was convicted as a spy for unspecified foreign intelligence services.

Mr. Speaker, I know little of the case beyond what has been reported in the New York Times, and in a release from Myron E. Sharpe, editor and publisher of Challenge, a magazine of economic affairs. Mr. Sharpe knew Dr. Schpeter while the latter was serving at United Nations headquarters in New York. I am also impressed, however, by the statement made by several American economists in Dr. Schpeter's behalf. And my reaction to the imposition of a sentence of death leads me to instinctively protest. I have written the Bulgarian Ambassador to the United States, Lubin Popov, expressing my hope that clemency, sparing Dr. Schpeter's life, will be granted.

Materials bearing upon this case follows:

[From the New York Times, June 14, 1974]

AN ECONOMIST DOOMED

To the EDITOR:

We have just learned with deep concern that one of our colleagues, Henrich Natan Schpeter of Bulgaria, an economist formerly with the United Nations, has been convicted as a spy by the Bulgarian Government and sentenced to death by firing squad.

We have sent the following cable to President Todor Zhivkov, Premier Stanko Todorov, Foreign Minister Peter Mladenov, Ambassador to the United States Lubin Popov and U.N. Ambassador Guern Grozzev:

"We appeal on humanitarian grounds for clemency for our colleague, the economist Dr. Henrich Natan Schpeter. We strongly believe that the cause of U.S.-Bulgarian friendship will be served if Dr. Schpeter's life is spared."

We urge all our colleagues in the economics profession, and all other people who wish to help save Dr. Schpeter's life, to write or cable these high Bulgarian officials and to contact friends asking them to do the same.

Kenneth Arrow, Walter Heller, John

Kenneth Galbraith, Simon Kuznets, Gunnar Myrdal, Paul Samuelson (and signed by six other economists).

WHITE PLAINS, June 6, 1974.

[From the New York Times, June 6, 1974]

PLEAS MADE TO BLOCK EXECUTION OF BULGARIAN WHO WAS AT U.N.

(By Kathleen Teitsch)

UNITED NATIONS, N.Y., June 5.—A hurried effort has begun to save the life of a former United Nations official sentenced to death by firing squad in Bulgaria after being convicted as a spy.

The convicted man is Henrich Natan Schpeter, a 53-year-old Bulgarian economist who served for six years with the United Nations and with its affiliated Industrial Development Organization in Vienna.

According to former associates here, Mr. Schpeter left his Vienna post in 1972 against his wishes after the Bulgarian Government ordered him home. They say that Mr. Schpeter, son of a well-known physician and a Jew, probably became a target because he was known as a political dissident who made no secret of his disillusionment with the Communist regime.

News of the conviction came in a dispatch by the Bulgarian press agency that did not mention Mr. Schpeter's United Nations links and said that the death sentence had not been carried out, indicating there might be an appeal.

APPEALS SENT TO BULGARIA

The staff union here held an emergency meeting and sent an appeal to the Bulgarian

authorities. United Nations officials were also known to have interceded, as did Amnesty International and the International League for the Rights of Man.

Former associates who made telephone inquiries were told that Mr. Schpeter had been accused of being in the pay of unspecified foreign intelligence services, that incriminating papers had been found in his home and that he had confessed to espionage.

Legal authorities familiar with the Bulgarian court system said it was customary to allow no more than four to five days for an appeal against the sentence, which was handed down Saturday.

At the time of Mr. Schpeter's arrest he was working in the Economic Institute of the Bulgarian Academy of Sciences, according to information received here.

Friends here described Mr. Schpeter as a bookish, mild-mannered man who was immersed in his United Nations work.

They believe that at least at the start of his United Nations career he was on good terms with the Bulgarian authorities. He was recommended for the post by his Government and he took home leave in Bulgaria with his family. Only later, they added, did he make it clear that he was disillusioned and intended to resist going home.

Staff members at the Vienna agency say that there have been instances in which employees from Communist countries have been compelled to leave against their wishes. In two instances in recent years, they said, a staff member was taken out of the country directly from his office.

[From the *Challenge* magazine]

NOBEL LAUREATES, PROMINENT ECONOMISTS APPEAL FOR LIFE OF BULGARIAN COLLEAGUE

Sixty American economists, including three Nobel laureates, have issued a public appeal to save the life of Henrich Natan Schpeter, a Bulgarian economist who was recently convicted of espionage and sentenced to death by firing squad in Bulgaria. Dr. Schpeter worked for the United Nations in New York for a number of years, and for the United Nations International Development Organization in Vienna.

Among the economists who signed the appeal are Nobel laureates Kenneth Arrow, Simon Kuznets and Paul Samuelson, as well as Walter Heller, President of the American Economic Association and former Chairman of the Council of Economic Advisers; John Kenneth Galbraith of Harvard University; Gunnar Myrdal, internationally known Swedish economist who is visiting the United States; James Tobin and William Nordhaus of Yale University; Barbara Bergmann of the University of Maryland; Robert Lekachman of Lehman College, CUNY; Robert Solow of MIT; Don R. Conlan, Associate Director of the Cost of Living Council and Walter S. Salant of the Brookings Institution; Lawrence Klein of the University of Pennsylvania and Albert Fishlow of the University of California at Berkeley.

In addition to signing an ad in The New York Times, these sixty economists have sent joint cables to President Todor Zhivkov of Bulgaria; Prime Minister Stanko Todorov; Foreign Minister Petar Mladenov; Ambassador to the United States Lubin Popov; and Ambassador to the United Nations Guero Grozzev.

The campaign is being organized by Myron E. Sharpe, editor and publisher of *Challenge*, The Magazine of Economic Affairs. Mr. Sharpe had known Dr. Schpeter personally when he was in New York, and has formed the Committee for Henrich Schpeter, with headquarters at 901 North Broadway, White Plains, N.Y. 10603. Two worldwide organizations, Amnesty International and the International League for the Rights of Man, are also active in efforts to save Schpeter's life. Many United Nations colleagues of Dr.

EXTENSIONS OF REMARKS

Schpeter's have also made unofficial appeals to the Bulgarian government.

A campaign is now under way to secure the support of leading economists worldwide for this effort. Dr. Schpeter has appealed his sentence, but it is understood that there is not much more than a week's time before his appeal is acted upon.

The text of the economists' statement follows: "We appeal on humanitarian grounds for clemency for our colleague, the economist, Dr. Henrich Natan Schpeter. We strongly believe that the cause of U.S.-Bulgarian friendship will be served if Dr. Schpeter's life is spared."

[Advertisement from the New York Times, June 7, 1975]

APPEAL TO SAVE THE LIFE OF HENRICH NATAN SCHPETER

We have just learned with deep concern that one of our colleagues, Henrich Natan Schpeter of Bulgaria, an economist formerly with the United Nations, has been convicted as a spy by the Bulgarian government and sentenced to death by firing squad.

We have sent the following cable to President Todor Zhivkov, Prime Minister Stanko Todorov, Foreign Minister Petar Mladenov, Ambassador to the United States Lubin Popov and U.N. Ambassador Guero Grozzev:

We appeal on humanitarian grounds for clemency for our colleague, the economist, Dr. Henrich Natan Schpeter. We strongly believe that the cause of U.S.-Bulgarian friendship will be served if Mr. Schpeter's life is spared.

We urge all our colleagues in the economics profession, and all other people who wish to help save Mr. Schpeter's life, to write or cable the following high Bulgarian officials, and to contact friends asking them to do the same:

President Todor Zhivkov, Sofia, Bulgaria; Prime Minister Stanko Todorov, Sofia, Bulgaria; Foreign Minister Petar Mladenov, Sofia, Bulgaria; Ambassador Lubin Popov, Washington, D.C.; U.N. Ambassador Guero Grozzev, New York, N.Y.

Russell W. Allen, Emily Andrews, J. Richard Aronson, Kenneth Arrow, Lois Banks, Ivar Berg, Barbara Bergmann, Rachel Boaz, Frederick Breitmeyer, Tom Burke, Jack Ciccollo, Don R. Conlan P. J. Corcoran, Paul De Rosa, F. Trenerry Dolbear Jr., Joseph Eichenholz, Stan Feldman, Albert Fishlow.

Robert Fogel, John Kenneth Galbraith, George Garvy, Eli Ginzberg, Helen Ginsburg, Nathan Ginsburg, Michael Harrington, Walter Heller, Peter J. Kalman, Barbara Katz, Richard Kihlstrom, Lawrence Klein, Barbara Konecky, Peter Konijn, Simon Kuznets, Robert Lekachman, C. Lucas, Edward Lutz.

Vince Malanga, S. M. Miller, Gunnar Myrdal, William Nordhaus, Elliott Platt, David Pritchett, Martin Rein, Frank Reissman, Leonard Sahling, Steve Salant, Walter S. Salant, Paul Samuelson, Eli Schwartz, Myron E. Sharpe, Robert Solow, Gelvin E. Stevenson, James Tobin, Richard Weckstein.

Committee for Henrich Schpeter, 901 North Broadway, White Plains, N.Y. 10603.

LAW ENFORCEMENT MOURNS LOSS OF TWO FINE MEMBERS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. BIAGGI. Mr. Speaker, the law enforcement world mourns the loss of two of its finer members, Lt. Henry O. Schmeimann of the New York City Police Department, and Detective Bernard L. Christopher of the Mt. Vernon, N.Y.,

Police Department, both of whom were murdered while in the performance of their duties.

The untimely and shocking deaths of these two policemen, who had 31 years of distinguished service between them, points out once again the precarious and dangerous position which law enforcement personnel find themselves in this Nation. As the visible symbol of law and order in this Nation the police, more than any other group have become the favorite victims for the lawless and anarchistic elements in our society, who speak only the cowardly language of violence.

These two tragedies also point out the need for urgent action on two pieces of legislation which I have been actively working for in this session of Congress. The first bill is the mandatory restoration of capital punishment for certain crimes including the murdering of any law enforcement personnel. In the last 10 years, the numbers of law enforcement personnel killed in the line of duty have increased by over 200 percent. Yet despite these startling statistics, the one effective deterrent available to prevent these crimes, capital punishment was ruled unconstitutional by the Supreme Court in 1972 on the ground that the penalty was being arbitrarily and capriciously administered. In an effort to combat that objection, I introduced legislation which would clearly specify the crimes for which the penalty would be administered. The need for this legislation should be apparent to all law-abiding Americans who now look to the Congress for the leadership in the battle against crime.

The other legislation which merits the immediate attention of this Congress is the Public Safety Officers Death Benefit Act. While it is true that the House and Senate have passed their own versions of this bill, the time is long overdue for these bodies to resolve their differences and report out a final bill. No more fitting tribute could be paid to the two slain policemen than to have this legislation enacted and preclude their families from having to endure certain financial hardship.

Mr. Speaker, the killing of a law enforcement official represents still another nail in the coffin of our Nation. Inherent to a strong democracy is strong law enforcement. We have lost two more brave policemen. Let us respond to the tragic plight of the policemen of this Nation and pass the kind of legislation which will benefit these men.

At this point in the RECORD, I insert an article printed in the New York Daily News, which depicts the anguish and suffering which Mrs. Schmeimann was forced to endure while awaiting the tragic news of her husband's death. I hope many of my colleagues will take the time to read this, and it is my fervent hope that it will provide this body with the inspiration to get the Public Safety Officers Benefits Act passed into law.

The article follows:

LIEUTENANT'S WIFE GETS RADIO BULLETIN IN
THE HEART

(By John Murphy)

Mrs. Marilyn Schmeimann was listening to the radio yesterday morning when she heard the heartstopping news.

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A cop, a lieutenant, had been shot and killed by a gunman not far from the Schmiemann home at 44 82 Place in Middle Village, Queens.

Only minutes before, Lt. Henry Schmiemann, 45, had said goodby to his wife and set out for work on foot.

The radio report said the cop had been gunned down at 74th St. and Penelope Ave., only 10 blocks away. Mrs. Schmiemann knew that her husband passed that way every working day on his walk to the Myrtle Ave. subway line terminus near 8th St. and Metropolitan Ave.

Quickly her heart squeezed in a vise of fear and panic. She picked up the telephone and dialed her husband's office in the Internal Affairs Division of the Bureau of Inspectional Services in Manhattan police headquarters. Her husband worked there as a personnel administrator ***

Had her husband got to work yet she asked. She'd heard this report on the radio . . .

The heartsick cops on the other end of the line stalled. They knew Henry Schmiemann was the cop who lay dead only 10 blocks from his home.

They weren't about to break the news to the mother of his five children over the telephone, so they said he hadn't arrived yet. They told her "We'll have him call you when he gets in."

They knew a department chaplain already was on the way to the home on the quiet residential street in Queens, bearing the heartbreaking word for still another cop's wife.

Lt. Patrick Lehane was Schmiemann's supervisor and close friend. He was at the scene, too, grief and anger etched deeply into his features.

Lehane said he had lunched with Schmiemann only the day before and Henry had talked of his 25th wedding anniversary last Saturday. Schmiemann and his wife were planning a celebration for next Saturday, he said.

He recalled that the couple's 14-year-old twin sons, Thomas and Peter, had been graduated Tuesday from Resurrection-Ascension parochial school at 85th St. and Eliot Ave., Rego Park, Queens.

On Wednesday, he said, Marilyn Schmiemann had observed a birthday. Now, he said, her children were fatherless. Besides the twins there are Mary, 18, Matthew, 16, and Paul 11.

"He was an innocent, quiet, unassuming man, ripped off and killed in a senseless manner . . . This kind of thing defies analysis," Lehane said.

ERNEST H. GRUENING

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. RANGEL. Mr. Speaker, when former Senator Ernest H. Gruening died on Wednesday, this country lost a committed, courageous, and energetic public servant. Although he spent only a decade as Alaska's Senator, Mr. Gruening served the American public throughout his life. His convictions about American involvement in the Indochina war survived massive opposition and eventually emerged triumphant. He remained loyal to his beliefs, in and out of politics, and he spoke out determinedly to prod the public conscience. Former Senator Gruening needs no memorial: his life will stand as an ideal for all politicians and other

individuals who believe that commitment to a cause enriches one's personal existence while it benefits the Nation.

The following tribute to Mr. Gruening from today's Washington Post expresses eloquently my own and, I am sure, my colleagues' feelings about this spirited man:

ERNEST HENRY GRUENING

For its rich variety and vigorous dedication to principle, few careers in American public life compare with that of former Sen. Ernest H. Gruening, the Alaska Democrat who died on Wednesday at the age of 87. He is best remembered for his vigorous advocacy of statehood for Alaska and for his early opposition to American involvement in the war in Indochina. He and former Senator Wayne Morse were twice the sole opponents of crucial Senate action that helped move this nation further into that tragic conflict.

The vigorous and active later years of his life exemplified the lines of Dylan Thomas that he loved so much: "Old age should burn and rave at close of day." Yet they were only the continuation of a career always remarkable for its versatility and for the fidelity it revealed to certain ideas. Born in New York City, Mr. Gruening went on to Harvard with the intention of following the footsteps of his father into medical practice. He finished medical school, but gave up his internship for a chance to become a journalist. He wrote criticism and editorials before becoming, at age 27, managing editor of the Boston Traveler. One of his contributions to American journalism in that job was to change the policy of designating the race of persons in the news. His was one of the first major metropolitan newspapers to take that step. He moved on to The Nation magazine, reported on the Mexican war and eventually became director of the new Division of Territories and Island Possessions in 1935.

That was the beginning of his love affair with Alaska, to the development of which he made incalculable contributions. As the appointed governor, he was instrumental in the development of the Alcan Highway, and he ran afoul of the absentee exploiters of Alaska's resources by subjecting them to taxation.

He worked for statehood after the Alaskans elected him as unofficial "senator," a capacity in which he lobbied vigorously. When that battle was finally won in 1958, he went home and was elected one of Alaska's first two senators. He worked for the statehood of Hawaii and was proud of the day the Senate took that vote. It was his opposition to the war in Vietnam that marked the last of his Senate service. He opposed our involvement in the war at every opportunity. His party turned him out in the primary of 1968, but Mr. Gruening continued to speak out on the war, on the need for population control and on the key political issues of the moment. His was a rare, determined and consistent life, full of the spirit that keeps people young at any age.

FOREIGN AID REFORM

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. YOUNG of Florida. Mr. Speaker, on May 2 I cosponsored H.R. 14561, amending the Foreign Assistance Act of 1961 to authorize the provision of assistance to foreign countries in exchange for strategic or critical raw materials. Yesterday, I presented testimony in support of this legislation before the House For-

ign Affairs Committee, and I would like to draw my remarks to the attention of my colleagues in the hope that they will join me in supporting the bill:

Mr. Chairman, I appreciate the opportunity to present testimony on behalf of H.R. 14561, legislation to authorize the provision of assistance to foreign countries in exchange for strategic or critical raw materials.

I cosponsored this bill because of my firm and longstanding belief that the United States should be getting something more in return for the billions of taxpayers dollars that we send overseas than ill-will, riots, expropriations, and other "kicks in the teeth" on the world scene. Since the end of World War II, the United States has provided other nations of the world with over \$185 billion through foreign assistance programs, and yet our own national debt is greater than the total national debts of all the other nations in the world put together. Uncle Sam has been the "soft touch" for the world over the past forty years, and all we have to show for it now are taxpayers with empty pockets and an economy increasingly short of vital strategic materials.

H.R. 14561 would make a very constructive revision in our foreign assistance program by allowing the United States to exchange or barter its foreign aid for the minerals and critical raw materials this country increasingly needs. Many of the underdeveloped nations to which we dole out substantial amounts of aid have abundant supplies of materials which are essential for our industries, and it is good common sense to allow these nations to pay for our aid in the coin which they do possess.

The Arab oil embargo and the more recent Jamaican bauxite price hike served notice to the industrialized nations that important basic raw materials may be "held to ransom" with increasing frequency in the future. Why, then, should the United States provide foreign assistance free to nations which possess such commodities?

Mr. Chairman, if we examine the current import status of 13 basic raw materials vital to U.S. industry, we find that our country is heavily dependent on imports. Right now, the U.S. imports more than 50 percent of its aluminum, chrome, manganese, nickel, tin, and zinc. By 1985, we will be importing more than 50 percent of our iron, lead, and tungsten; by the year 2000, more than 50 percent of our copper, potassium, and sulfur. In addition, more than 99 percent of our rubber is imported, and more than 53 percent of our hardwood lumber comes from developing nations. Our foreign trade balance is perpetually precarious as a result of our heavy dependence on imports. And yet we continue to send foreign assistance dollars to many of the same nations which we pay for essential raw materials.

In view of the recent "blackmail" attempts on the world scene, in view of our increasing dependence on raw material imports, and in view of the ongoing dissolution of our strategic materials stockpiles, I strongly recommend that the Committee adopt this amendment to the Foreign Assistance Act and thereby put our nation in a better position to meet future demands for many basic materials.

WHAT IS HAPPENING TO REFORM?

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. O'BRIEN. Mr. Speaker, whenever the subject of reform comes up I am reminded of what Mark Twain said about the weather—

Everybody talks about the weather but nobody does anything about it.

We have been talking about reform ever since the 93d Congress convened on January 3, 1974, and we have even done something about it—but not half enough.

One of the good things we have done is pass the Budget Reform and Impoundment Control Act. If used properly—and I will admit that's a big if—the new legislative budget machinery should help us reduce unnecessary spending and relieve the inflationary pressures that keep pushing prices up and up.

But in two other reform areas—political campaign and House committee reorganization—we have not been too successful.

The Senate passed a campaign bill, S 3044, 2 or 3 months ago. I would not be too happy with it as it stands. It has several objectionable features. I am confident, though, that we could pass the kind of campaign reform bill in the House that could lead to a constructive compromise. But we would not have a chance to do it unless our colleagues on the House administration committee give us the chance. We were promised a bill by March but I have not seen it yet. I hope rumors that the bill will be ready within the next 2 weeks are true.

As for the committee reorganization bill reported unanimously by the bipartisan Bolling-Martin committee, a funny thing happened to it on the way to the floor. Our friends across the aisle revived "King Caucus," an institution we thought had gone the way of the barber pole and the Prince Albert tailcoat. Lest anyone think this is a partisan view of the situation, I call my colleague's attention to the following column by Richard L. Strout in the June 19, 1974, issue of the Christian Science Monitor:

DEMOCRATS AX HOUSE REFORM

(By Richard L. Strout)

WASHINGTON, D.C.—Responsibility for sidetracking the most important move to reform the committee structure of the House of Representatives in 28 years rests squarely on Democratic members and cannot be ducked. If a Legislature in a rural state in the 1890's had gone through the same cynical performance and then covered it up with a no-record vote the result could not be more glaring.

This is not the responsibility of the Republicans: They had no immediate part in killing the reform proposal. The deed was done in a private caucus of the House Democratic members, and the vote was 111 to 95. How did members line up? We don't know. First they voted 98-81 in a standing (non-record) vote not to give their names, and then they defeated the measure. They killed it anonymously, as though ashamed.

A Harris poll not long ago said that only 21 percent of the public thinks Congress is doing a good job. And no wonder, though it is unfair to include Republicans in this particular hatchet job which was purely a Democratic assassination. But all suffer by it along with a loss of confidence in governmental institutions.

There's a good deal of Democratic self-righteousness these days over Watergate, but this bald Democratic cover-up stems from the same kind of arrogance and willing-

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ness to thwart democracy as the Watergate scandal.

Sixteen months ago Speaker Carl Albert, to his credit, set up a bipartisan committee under outspoken veteran Richard Bolling (D) of Missouri, to try to put the chaotic House committee system in order. Over the years power has drifted about, leaving some committees with little to do, and others with so much to do that they can't do it. The Ways and Means Committee under Rep. Wilbur Mills (D) of Arkansas, is an example of the latter. It has made Mr. Mills, some say, the most powerful man in Congress. It is trying to wrestle with taxes and tax reform, social security, public debt, tariffs, and transportation all at once. "The place is an institutional shambles," Mr. Bolling said.

The 10-man Bolling committee of experienced congressmen worked a year and brought out, *mirabile dictu*, a unanimous report. Perhaps a better report could have been drawn up, but this one went a long way and at least deserved floor debate. It redistributed committee responsibilities and abolished a couple altogether. It found 14 dispersed committees last year dealt with energy legislation, for example, and it tried to unify responsibility on the issue.

"Reform of the House committee structure is essential if Congress is to revitalize itself," said Rep. John J. Rhodes (R) of Arizona, House minority leader.

A variety of special interest groups fought the big shake-up because they are entrenched in special committees and have nursed election of certain congressmen with a parent's interest. A queer coalition opposed the changes; the National Association of Manufacturers joined the AFL-CIO, for example, and a number of environmentalists also opposed.

Backing the proposals besides men like Speaker Albert and Dick Bolling were public interest groups, Common Cause, Americans for Democratic Action, Citizens Committee on Natural Resources, and the like.

In the House, Democrats outnumber Republicans approximately 240 to 192. Democrats met in caucus and unilaterally disposed of the reform. Prior polls indicated an almost certain majority for the bill. (Republicans were expected to vote for it, too, perhaps 3 to 2 if they ever got a chance because Representative Bolling had sweetened the measure by allowing a party minority to control one-third of the staff of all House committees, something Republicans have sought for years.)

Rep. Phillip Burton (D) of California, opponent of the Bolling program, offered a resolution to refer the whole thing to a subcommittee under Rep. Julia Butler Hansen (D) of Washington. Nominally this was to "perfect" it, but opponents hoped to kill it. Rep. William Clay (D) of Missouri, moved that the referral vote be by secret ballot. This motion won. Then the program was sent to the Hansen committee. Even colleagues couldn't tell how others had voted. Nobody was accountable.

"The name of the game is power," observed veteran majority leader Thomas P. O'Neill (D) of Massachusetts, sadly, "and the boys don't want to give it up."

The Hansen committee could, of course, report back to the caucus in mid-July, but if the same secrecy prevails the result will probably be the same. Public interest groups urge voters to demand from individual House Democrats how they voted. Republicans are inserting caustic editorials in the Congressional Record. It is hard to recall any recent similar example of legislative arrogance by one party: Indeed the Democratic National Committee might itself wisely intervene.

DERWINSKI ANNOUNCES 1974 QUESTIONNAIRE RESULTS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. DERWINSKI. Mr. Speaker, the public response to my 1974 citizen's questionnaire exceeded any previous year's total. The results that have been tabulated from these responses showed the Fourth Congressional District of Illinois to have a healthy public awareness in current events.

Additional comments which the citizens of the Fourth District of Illinois added to the questionnaire responses showed three subjects to be uppermost in public thinking: namely, possible impeachment of President Nixon, economic conditions with special concern over inflation and reactions to the recent oil shortage.

On the subject of the Presidency, 57 percent expressed their feeling that President Nixon should remain in office with only 21 percent calling for impeachment and 22 percent favoring resignation. However, many individuals who called for impeachment did so with the explanation that this would be the only way in which a complete record would be made public, and many expressed the belief that a full report would vindicate the President.

Many individuals who responded in favor of the President's resignation expressed the opinion that the issue had been drawn out for much too long and resignation would provide a quick and permanent end to the controversy.

The responses showed strong support for the adoption of an annual Federal spending ceiling, especially strong support for restoring the death penalty for specific crimes, and a split opinion on the question of Federal tax credits for parents of children who attend nonpublic schools.

The results of the questionnaire are as follows:

1974 CITIZENS' QUESTIONNAIRE—DISTRICT-WIDE RESULTS—FOURTH DISTRICT, ILLINOIS

[Answers in percent]

1. Would you be in favor of Congress adopting an annual spending ceiling which could not be exceeded by appropriations? Yes, 75; no, 9; not sure, 16.

2. Should anti-pollution regulations (such as auto-emission controls) be eased temporarily to help during the energy shortage? Yes, 61; no, 33; not sure, 6.

3. Should the death penalty be restored for such crimes as premeditated murder, wartime treason, and skyjacking and kidnapping which result in death? Yes, 87; no, 9; not sure, 4.

4. Do you agree with the Supreme Court decision allowing abortions? Yes, 57; no, 36; not sure, 7.

5. Would you support amnesty for those who left the country to avoid the draft, with the requirement they serve a specific period of time in an alternative government post? Yes, 38; no, 56; not sure, 6.

6. Do you favor giving Federal tax credits

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to parents with children in non-public schools? Yes, 47; no, 47; not sure, 6.

7. Are you in favor of continuing an all-volunteer army rather than reverting to the draft system? Yes, 63; no, 25; not sure, 12.

8. Do you think President Nixon should—Remain in office? Yes, 57.

Be impeached? Yes, 21.

Resign? Yes, 22.

9. Do you believe wage and price controls should be—extended indefinitely? Yes, 24.

completely terminated? Yes, 45.

continued at the President's discretion? Yes, 31.

CITIZEN CONCERN OVER NUCLEAR AGREEMENTS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Ms. ABZUG. Mr. Speaker, from citizens all over the country I am receiving outpourings of concern about the President's nuclear agreements with Egypt and Israel. Among them is a group of letters to the editor of the Los Angeles Times, sent by Ms. Dorothy Jones of Another Mother For Peace. These letters convey very well the tone of letters and wires being sent to me, because of my years of effort to prevent the spread of nuclear weapons.

KABC radio station in Los Angeles did a most interesting informal survey immediately after the agreements were announced. Their results as reported to the California Citizens Action Group are also very similar to the messages I receive.

At least 85 percent of the people of this country are justifiably worried about the incendiary effect of these agreements. I hope we will keep their views firmly in mind as we discuss over the next weeks, legislation to make congressional review of such agreements mandatory. My bill to amend the Export Administration Act, and a resolution of inquiry to determine the conditions under which these agreements were made, will be among those discussed. Both may be found in the RECORD for June 24.

As examples of the concern that prompts these efforts, I would like to insert the letters and the KABC poll into the RECORD.

[From the Los Angeles Times, June 21, 1974]

U.S. NUCLEAR AID FOR THE MIDEAST

President Nixon has taken a giant stride beyond his rhetorical slogan of "a generation of peace" toward the promise of an eternity of silence on a dead planet. Only two weeks after India (using materials from nuclear power plants) exploded its first atomic bomb, Mr. Nixon has irresponsibly introduced the same nuclear toys into the most unstable corner of the world.

The Administration's public relations propaganda that there were "adequate guarantees" to insure that the nuclear materials will not be used to create weapons is sheer nonsense.

Obviously the nuclear plant will be located on Arab territory—thereby being within the exclusive control of the Arabs and beyond this nation's ability to effectively police. Consequently the only "guarantee" is that

the Arabs will do precisely as they please with the nuclear materials.

Considering the Arabs' fanatical hatred of Israel and the Arabs' self-acknowledged inferiority to Israel in conventional warfare, it is incredibly naive to believe they will not choose to develop nuclear weapons.

Ironically, on the same day (June 14) the nuclear plant deal was made public, The Times editorial page headlined, "Israel Need Not Fear," because America is firmly committed to her defense. While I wholeheartedly support the ideas expressed in the editorial, the very reason given why "Israel need not fear" is cause why the world should be quaking in terror at Mr. Nixon's insane blunder.

The introduction of nuclear power into the Middle East may become a catalyst that transforms our moral commitments there into shackles that will inexorably drag America into war with Russia.

Consider the following scenario: The Arabs, like India, explode a nuclear device for "peaceful purposes." There is another war in the Middle East. Israel predictably routs the Arabs' conventional military forces. The Arabs, facing the certainty of yet another humiliating defeat at the hands of a hated enemy, in desperation choose the alternative of using their "peaceful" nuclear devices on Israel (America used nuclear weapons on an enemy without being driven by the desperation of a losing war).

The United States is then forced to respond to its commitments to Israel by striking back at Arab targets. Russia is then forced to respond to its commitments to the Arabs by attacking the striking American forces. What follows could justifiably be called "Richard's Folly," if there was anyone who would survive the holocaust long enough to call it by its rightful name.

JOHN A. LABRIOLA, Jr.,
La Mesa.

Those who are reassured about Mr. Nixon's "Atoms for Arabs" program because Israel is promised similar treatment would also be reassured about giving Jack the Ripper a gift set of cutlery, provided his victims received the same.

ANDREW GULLIVER,
Los Angeles.

We are not being friends to Egypt and Israel when we offer to install lethal nuclear plants that spew off deadly, indispossession wastes as do ours.

Why couldn't we be foresighted and set up solar energy plants in those lands of almost constant sunshine?

Or is this another instance of dollar diplomacy, in this case for the benefit of the manufacturers of nuclear reactors who are having problems in siting their wares in this country, thanks to the protests of the communities that recognize the danger?

It is madness to spread the nuclear plague.

LEONE HAYES,

La Jolla.

We are all relieved that Mr. Nixon is on a Mission of Peace—selling weapons and giving away nuclear materials.

SUSAN B. FACTOR,
Beverly Hills.

Why does Egypt want nuclear power plants when it is using less than a third of the electric capability of the Aswan High Dam? Along with Caltech nuclear expert, Milton Plessert (Times, June 16) we are suspicious. A 1,000-megawatt nuclear power plant produces enough plutonium in one year's operation to make 20 atom bombs, according to Dr. Plessert.

India used fuel from the "peaceful" nuclear capability we gave her to explode an

atom bomb. Why not Egypt? We should flood Congress with protests over this insanity.

HAROLD WATERHOUSE,
EDITH WATERHOUSE,
Pacific Palisades.

On his return from his Fairy Godfather trip abroad, Mr. Nixon might find a few poor and afflicted people and areas at home that deserve the touch of his golden wand—cities of our own to reconstruct, human and natural resources to conserve and protect.

I don't resent helping others in need—up to the limit we can afford but as Sir Thomas Browne wrote three centuries ago, "charity begins at home, is the voice of the world." And neither charity nor compassion are noted characteristics or voices of Richard Nixon.

Instead his lavish promises abroad, his purchased adulation from those who yesterday damned us as enemies, the mob scenes in Egypt like a production of the triumphal march in "Aida"—all seem costly contrivances to paper over Watergate and the other White House crimes and to intimidate our Congress.

The emperors of a declining Rome distracted their people with circuses in the Colosseum.

FREDERIC A. CHASE,
Los Angeles.

KABC RADIO,
Los Angeles, Calif., June 19, 1974.
Ms. LINDA STEWART,
California Citizen Action Group,
Los Angeles, Calif.

DEAR MS. STEWART: On Monday, June 18, 1974, the KABC Newstalk Opinion Survey asked the question, "Do you think it was a wise decision to promise nuclear help to Egypt and Israel?"

Our figures show that 85% of our callers thought it was an unwise decision while 15% judged the decision favorably.

KABC reminds you that this survey is not scientific. It is nothing more than a variation of the "man on the street" technique. Thank you for your interest.

Sincerely,
JIM SIMON,
Director, News and Programming.

NO UTOPIA FOR SOVIET WORKERS

HON. EDWARD J. DERWINSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. DERWINSKI. Mr. Speaker, at a time when President Nixon's visit to the Soviet Union is drawing a great deal of public attention, understanding of the Communist way of life is important.

One of the most timely and I believe accurate articles on life in the Soviet Union that I have recently read, was a column by Mike LaVelle in the Chicago Tribune's Perspective Page of June 25, which discusses the status of the trade unions and members of the working class in the Soviet Union.

BLUE-COLLAR VIEWS: SOVIET WORKERS
DON'T HAVE UTOPIA
(By Mike LaVelle)

A company union is one that has made a sweetheart deal with management, retaining the formal structure of a union while actually rotting under the skin with malfeasance and corruption.

But what is a company state? Much of our native Left would reply that a company state is a Fascist one, like the corporate states of Mussolini's Italy or Franco's Spain.

The fact that much of our American Left cannot bring themselves to recognize is that Communist regimes—as corporate states with the same prerogatives of state power as Fascist ones—are one of the main reasons the Left has often been frustrated by their failures to reach American workers. The Left has been able to achieve power and influence in the academic community, but, to say the least, workers do not abound there.

One can read much in our leftist papers and magazines about the condition of trade unions in Chile or Greece, and about the conditions of workers all over the world except for Communist regimes where workers are presumed to be represented by a paternalistic "workers' state."

This issue recently was on the agenda of a United Nations-sponsored organization in Geneva, Switzerland—the International Labor Organization, which has trade union members from 120 nations. The Communist members of the I.L.O. had attempted to exempt their government from meeting I.L.O. standards on worker safety and health with the argument that the I.L.O. should allow for differences in the political and social structure of member nations. They added lavish praise of Communist regimes, of course, saying that all their workers were happily residing in paradise while the workers in capitalistic nations were eagerly awaiting such happiness themselves.

Bert Seidman, AFL-CIO Social Security director and the U.S. delegate to the I.L.O., with tongue in cheek, reminded the Communist delegates that the "first step is to acknowledge that all is not perfect. There is perfection nowhere."

The Communist position was not only defeated, but Francis Blanchard, a Frenchman and new I.L.O. director general, said the I.L.O. would not allow Communist regimes to "challenge the universality of the I.L.O. standards of trade union freedoms."

It's nice to know that there is some place where conscience is taking prerogatives over detente. I myself would refuse to even shake the hand of a trade union delegate from a Communist country, considering that hand belongs to a government hack that cracks its authoritarian whip over its workers while proclaiming to the outside world their workers' paradise, their liberation.

The I.L.O. is over 50 years old and is the only organization that has survived in its original structure of the League of Nations.

In 1969 the I.L.O. received a Nobel Peace Prize for, if not its achievements, then its purposes, which in the Nobel committee's language was "to improve working conditions in order to create more stable social conditions and thereby contribute to the safe-guarding of world peace."

Because of Communist delegates' opposition, the I.L.O. does not accomplish anything for the workers in Communist regimes. But that could be changing, as American leftists and Communists find that they cannot speak with any amount of credibility of the accomplishments of various "workers' parades."

This issue raises a challenge to the American Left: to both confront and disavow the injustices that such as Russian workers must live under. Until they are willing to do that, they might be able to soup up some dizzy college kids but they'll never reach American workers to any significant degree.

Getting hung up on the dissent of deported Soviet author Alexander Solzhenitsyn isn't enough. After all, as recent dialog among our Left implies, that's a family fight within the Marxist Left and an intellectual exercise irrelevant to the concerns of Russian workers who have no American press or literary agents to plead their case.

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SECRET DEALS COULD THREATEN ATOMIC SECURITY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. ASPIN. Mr. Speaker, the Arms Control and Disarmament Agency should be one of our most effective forces for peace and a sane defense policy. However, the Nixon administration persists in trying to undermine this agency, reducing its already underfinanced budget and failing to appoint new members to its advisory board.

Most serious of all, the Nixon administration has actually cut ACDA off from important decisions involving arms control. This mistaken policy may have drastic consequences in the current negotiations in Moscow. At this point we can only hope that Nixon and Kissinger do not make any mistakes that they could have otherwise avoided by consulting ACDA. For the future, it is vital that ACDA be restored to its rightful place in our Government's deliberations on all matters involving arms and arms control.

A recent article by Andrew J. Glass, of the Washington bureau of the Cox Newspapers, presents one of the best discussions of this problem that I have seen, and I would like to take this opportunity to bring it to my colleagues attention. The article follows:

[From the Dayton (Ohio) Daily News, June 23, 1974]

SECRET DEALS COULD THREATEN ATOMIC SECURITY

(By Andrew J. Glass)

WASHINGTON.—A wide bureaucratic chasm has developed in this nation's approach towards nuclear arms control which could bear on the prospects of preventing a thermonuclear holocaust for generations to come.

On one side of this chasm, President Nixon and Secretary of State Henry Kissinger are preparing to fly to Moscow this week for a summit conference with Kremlin leaders. There, in great secrecy, they will undertake highly personal negotiations on whether to approve new reciprocal limits of strategic weapons and nuclear testing by the United States and the Soviet Union.

On the other side of the chasm, an agency which Congress created 13 years ago for the specific purposes of managing and coordinating U.S. disarmament policy is cut off from the active decision-making process. Enfeebled through lack of funds, it is unable to research the potential consequences of agreements that Mr. Nixon and Kissinger may reach with the Russians.

The problem came into bold focus last week when it was revealed that Kissinger had concluded a series of nuclear missile agreements with the Russians in 1972 without even informing Congress. Paul H. Nitze, who resigned recently as Pentagon representative in the arms talks, said American negotiators first learned of the Kissinger concessions from their Russian counterparts.

A demoralized U.S. Arms Control and Disarmament agency finds itself increasingly cut off from the action. The methodical and cautious institution approach which once characterized governmental decisions in this highly complex field is in disarray.

But the underlying question is: What do the problems of an obscure government agency have to do with the summity bar-

gaining which will occur in Moscow this week?

The President and Kissinger, joined by Defense Secretary James Schlesinger, contend that the administration would not rush into an accord with the Russians simply to enhance Mr. Nixon's image in the midst of impeachment proceedings. They are all hopeful of making genuine, if limited, progress on arms control.

A former high-level Pentagon planner contends, however, that "the President and (Kissinger) urgently want to cut a deal in Moscow, even if it must be, in reality, only a cosmetic deal. So they have cut everyone—except maybe Schlesinger—out of the play in order to get one."

Rep. Les Aspin, (D-Wis.), a onetime Pentagon official and a maverick member of the House Armed Services committee, answers the question another way:

"(ACDA's) role has been to take the most advanced position in the executive department on arms control issues. This has enabled Kissinger to arbitrate with the Pentagon. . . . But now I'm told he . . . feels exposed on the left because he's no longer in a position to arbitrate between 'hawks' and 'doves'."

The irony is that if Kissinger finds himself "forced to play an advocacy role" upon his return from Russia in defending any new agreement with the Russians—as Aspin suggests—it will be a problem largely of his own making.

The "think tank" agency which has been viewed as an unwanted bureaucratic burden by Mr. Nixon and Kissinger is still reeling from the effects of a wholesale purge of its top ranks, ordered by the White House in early 1973. Lately, frustrations have been piling up along several fronts:

House and Senate conferees voted last week to cut back ACDA's normal two-year authorization to one year. The action was taken over the protests of its director, Fred C. Ikle (pronounced "ee-clay"), a Swiss-born nuclear strategist who had headed the social science department at Rand Corp. from 1967 to 1973.

Earlier, the White House had lopped 30 percent from ACDA's spending authorization for the current fiscal year. In a bureaucratic fight, Ikle, who took over as director in mid-1973, succeeded in getting about half the cut restored.

ACDA has played only a subsidiary role in the current round of Strategic Arms Limitation Talks II, which have set the stage for this week's meeting between Mr. Nixon and Soviet party chief Leonid Brezhnev in Moscow. By contrast, ACDA's previous director, Gerard C. Smith, concurrently served as the chief negotiator in talks that culminated in the signing of the SALT I agreement two years ago.

The agency's general advisory committee, a 14-member blue-ribbon panel charged with advising the President, the secretary of state and the ACDA director on arms control policy, hasn't met since December 1972. The President, having accepted the resignations of eight of the 14 panel members after the 1972 election, delayed until May 29 of this year in submitting replacements for Senate confirmation. (One of the six holdovers is former Secretary of State Dean Rusk.)

To succeed John J. McCloy, a former U.S. High Commissioner in Germany, the White House nominated Harold M. Agnew, director of the U.S. nuclear weapons laboratory at Los Alamos. While Agnew is a widely respected scientist, the choice of a key weapons manager to serve as chairman of the disarmament panel has been questioned on Capitol Hill and in some quarters of the agency as raising a possible conflict-of-interest.

Amid these developments, two congressional subcommittees and a special commission have undertaken concurrent investigations of ACDA's effectiveness.

Congress will probably vote this week to

EXTENSIONS OF REMARKS

approve a \$10.1 million budget request for ACDA for the fiscal year that begins July 1. But in clearing the request, the House Foreign Affairs committee noted "growing concern that (the agency) no longer plays the role in the formulation and execution of U.S. arms control policies that it once did."

Herbert Scoville Jr., ACDA's former technical chief and a longtime Central Intelligence agency official, says that an effective arms agreement with the Soviet Union must be based on sound research. "The present budget for research is far too low," Scoville, now secretary of the Federation of American Scientists asserted in an interview.

ACDA's external research effort is budgeted at \$1.5 million for the coming fiscal year, an increase of \$500,000 over current spending levels. The new budget is equivalent to the Lockheed C-54 transport.

According to several sources, McCloy, who had served as chairman of the advisory panel since its formation in 1961, resigned because ACDA had been downgraded by the White House and because his own recommendations had been ignored by top policymakers. "McCloy couldn't get in to see the President and he doesn't take such treatment lightly," a former associate recalled. McCloy declined to comment publicly.

Despite ACDA's problems, its new director is widely admired in the scientific community as a nuclear theoretician. "Fred has fine credentials as a scholar and a thinker," a member of the National Security Council staff said. "But he just doesn't know his way around the bureaucracy."

Ikle, however, remains on excellent terms with Schlesinger, who worked with him at Rand and who sponsored him for the disarmament post. Ikle supports Schlesinger's effort to increase the flexibility of the U.S. nuclear arsenal through retargeting on Soviet missile sites. By contrast, Ikle's predecessor, Gerald Smith, feared that the Schlesinger doctrine would increase the risk of nuclear war.

"Why . . . should we rig our terrible engines of destruction in such a way as to make genocide certain" Ikle asked in a recent speech. "Doesn't it make sense to introduce a last chance—should something go wrong—to prevent the utmost catastrophe?"

Despite the special "Rand channel" linking Ikle and Schlesinger, ACDA is by no means universally popular at the Pentagon or, for that matter, at other power centers in Washington.

Several sources said the purge was instituted to mollify Sen. Henry Jackson, (D-Wash.) and the Joint Chiefs of Staff, who were unhappy with the initial SALT bargain. In return, these sources said, Jackson pledged to refrain from dynamiting the SALT treaty when it went before the Senate for ratification.

In seeking to bolster the ACDA against the Pentagon, the House Foreign Affairs committee tried to get the agency to institute impact studies on all proposed weapons systems costing \$50 million or more. But this David-and-Goliath plan was killed on the House floor after Ikle told key congressmen that it would prove unworkable.

Asserting that his goal is to restore ACDA to its once powerful position in the bureaucracy, Rep. Clement J. Zablocki (D-Wis.) is moving ahead with plans to undertake a "thorough-going review" of the agency. In part to counter this thrust, a Pentagon-oriented special House Armed Services subcommittee was quickly formed under Rep. Charles Wilson (D-Tex.) to conduct a parallel probe.

In the meantime, a joint presidential-congressional commission on the Organization of the Government for the Conduct of Foreign Policy, is also inquiring into various ACDA functions. This panel, established in 1973, is headed by veteran diplomat Robert D. Murphy.

Ikle responds to critics by maintaining that his agency is continuing to play a useful, if diminutive, role in shaping arms control policies. He recognizes that key decisions—in SALT I as well as in SALT II—have been made through a secret "back channel" network involving Kissinger and Soviet Ambassador Anatoly F. Dobrynin.

The ACDA director wants his agency to play an oversight role on Pentagon weapons plans, as the House panel had suggested. But he wants to keep the review process informal and not overly threatening to the military.

"I have to work on things that may not mature until the next administration," Ikle said, "because it is in the nature of things for arms control developments to move very slowly from the inception of an idea to its final maturity."

SOMEDAY THE SHOE MAY BE ON THE OTHER FOOT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. MICHEL. Mr. Speaker, a column by Mr. Bob Wiedrich appearing in the June 6, 1974, edition of the Chicago Tribune contains some rather pointed comments with respect to certain aspects of the House Judiciary Committee's impeachment investigation.

I commend its message to my colleagues and include the text of the column in the RECORD.

[From the Chicago Tribune, June 6, 1974]
SOMEDAY THE SHOE MAY BE ON THE OTHER FOOT

(By Bob Wiedrich)

On two successive days last week, House Judiciary Committee members admitted they could find nothing to tie President Nixon personally to two alleged major administration scandals.

These involved repeated charges his order to drop an antitrust action against the International Telephone & Telegraph Co. was tied to a \$400,000 pledge for the 1972 Republican National Convention and that milk price supports had been hiked in exchange for a promise of \$2 million from the dairy industry.

In each case, committee members—for the most part anonymously—conceded they had heard nothing on White House tapes to implicate Nixon in wrongdoing. These conclusions were dutifully reported to the American public, just as have been the multitude of other leaks from the supposedly secret session of the committee that will decide whether or not to recommend Nixon's impeachment by the House.

In essence, this was the first material favorable to Nixon's cause to trickle from the sieve the committee had become since the start of its inquiry. Until then, Nixon was getting murdered almost daily, mostly by nameless and faceless accusers who didn't want to be fingered as tattletales violating the committee's rule of secrecy.

Yet, it was almost incumbent upon them to do so since these allegations—now admittedly false—had been pounded into the American conscience for nearly two years, adding to the crescendo for impeachment or resignation by the President.

The I.T.T. and milk price cases had become issues in Sen. George McGovern's 1972 campaign. And some of Nixon's adversaries had really gone for Nixon's throat on these issues because they considered them evidence of plain and simple bribery at the highest

June 28, 1974

level of government. However, after listening to the tapes, even some of Nixon's harshest critics had to admit Nixon had spoken truthfully when he declared that the order to drop the I.T.T. antitrust action was based on policy reasons rather than convention fund pledges.

Regardless, the damage was done. Nixon's clean bill of health in these instances could not get the blaring display the charges had received for days on end in the early stages of Watergate. For within hours, it was lost in a welter of other leaks from the Judiciary Committee and other sources back at their favorite game of hit and run and hide.

Even the allegedly inviolate secrecy of the Watergate federal grand jury was breached, as it had been a number of times before.

Wham came the headlines that Nixon had been considered for a berth as an unindicted coconspirator in Watergate coverup deliberations earlier this year! Disregard the fact Nixon's name was never included in the indictment when it was returned March 1.

The enterprising reporters who pried that one loose claimed their sources were "close to the defense." They said the action had been disclosed at a "closed door" meeting of Federal Judge John J. Sirica, defense lawyers, and Special Prosecutor Leon Jaworski. Obviously, the blabbermouth must have been among those present in Sirica's chambers. Or perhaps it was a grand juror who figured enough time had passed to avoid an accusing finger.

For as any lawyer will tell you, the deliberations of a grand jury are not recorded. Under the rule of secrecy, the court reporter is required to leave the grand jury room.

Thus, Nixon was again kicked in the back under circumstances that ordinarily would have caused a federal judge to turn livid and order an investigation with contempt of court in mind. But forget the rules against prejudicial conduct. This was open season. The blood was on the moon. And the hounds were baying in pursuit.

Whammo! Out came the tale from the Judiciary Committee that Nixon and Secretary of State Henry Kissinger were deeply and personally involved in wiretapping and "spying" on White House workers and reporters. In this case, even the secret documents furnished the committee were leaked. And again, it was done in a fashion obviously designed to discredit Nixon by turning supposedly sober congressional deliberation into a sleazy public relations war.

To hell with the fact some wiretaps were ordered because the New York Times printed the United States' secret negotiating position in the crucial Strategic Arms Limitation Talks in 1971. Nixon's drawers were dragging. So bite 'em, bite 'em, bite 'em!

For God's sake, congressmen. Play this one straight, like it was for real and you were all statesmen. If Nixon's done wrong, impeach him. But give the man a fair shake. Someday the shoe might be on the other foot.

FINANCIAL STATEMENT OF CONGRESSMAN CHARLES W. WHALEN, JR., AND FAMILY

HON. CHARLES W. WHALEN, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 28, 1974

Mr. WHALEN. Mr. Speaker, as I indicated in the RECORD on December 26, 1973, I today am providing a detailed statement of the income received by me and my family during calendar year 1973, Federal, State, and local taxes paid in 1973, and a breakdown of our assets,

liabilities, and net worth as of January 2, 1974.

The January 2, 1974, asset totals reflect the following gifts:

CHARLES W. WHALEN, JR.—\$3,000 in stock to each of six children;

Barbara G. Whalen—\$3,000 in stock to each of six children;

Charles W. Whalen, Sr., and Colette E. Whalen—\$12,000 cash gift to CHARLES W. WHALEN, JR., and Barbara G. Whalen;

Frank Gleason, Sr., and Norma Gleason—\$12,000 stock gift to CHARLES W. WHALEN, JR., and Barbara G. Whalen; and

Frank Gleason, Sr., and Norma Gleason—\$6,000 stock gift to each of six Whalen children.

Our family's combined net worth is \$1,484,902.20. Despite the aforementioned gifts, this is \$177,964.02 less than that reported as of January 2, 1973. The principal cause of this reduction is the decline in stock values.

1973 Income—*Mary Barbara and Charles W. Whalen, Jr.*

Gross amount

U.S. House of Representatives—
salary \$42,500.00

Net Partnership Income—
Whalen Investment Co.
(rental property) 13,306.69

Interest received:
Prudential Insurance Co. 36.72
Third National Bank & Trust
Co.—commercial notes 3,907.38
U.S. Treasury notes 191.38
Merrill Lynch, Pierce, Fenner
& Smith—interest on in-
vestment funds 39.37

4,174.85

Rental income—228 Beverly
Place Dayton, Ohio 1,500.00

Taxable dividends received
(common stock):
Allegheny Power Systems 1,584.00
American Cyanamid 265.00
Baltimore Gas & Electric 196.00
Beneficial Corporation 218.55
Carolina Power & Light 392.16
Coca-Cola Co. 432.00
Copeland Corp. 320.00
Delmarva Power & Light 1,160.00
Detroit Edison 876.88
Duke Power Co. 1,100.00
Ex-Cell-O Corp. 85.00
Federated Department Stores
General Telephone & Elec-
tronics Corp. 235.40
Gulf States Utilities 489.00
Hubbard Real Estate Invest-
ments 440.00
Indianapolis Power & Light 184.80
Merrill Lynch, Pierce, Fenner
& Smith 731.00
Middle South Utilities 28.00
Minnesota Mining & Manu-
facturing 805.00
Owens-Illinois, Inc. 630.00
Charles Pfizer & Co. 292.00
Phillips Petroleum Co. 357.00
Public Service Electric & Gas
Reynolds and Reynolds Co. 260.00
Royal Dutch Petroleum Co. 1,910.40
South Carolina Electric &
Gas 80.00
Texas Utilities 496.85
United Gas Co. 402.19
Virginia Electric Power Co. 412.00
Westinghouse Electric Co. 210.00
Non-taxable return on capital
(common stock) 969.87
Westinghouse Electric Co. 388.80

EXTENSIONS OF REMARKS

Carolina Power & Light	<u>\$519.84</u>
Detroit Edison Co.	<u>560.62</u>
Duke Power Co.	<u>300.00</u>
Public Service Electric & Gas	<u>3,077.60</u>
South Carolina Electric & Gas	<u>134.06</u>
Virginia Electric Power Co.	<u>947.13</u>

5,539.25

Remuneration for Articles:	
Washington Post	<u>75.00</u>
Baltimore Sun	<u>30.00</u>

105.00

Speeches (honoraria):	
American Institute for Im- ported Steel	<u>1,000.00</u>
Miami Jacobs Junior College of Business	<u>250.00</u>
Brookings Institution	<u>150.00</u>
Columbus town meeting (television)	<u>100.00</u>
First Regular Baptist Church	<u>50.00</u>
Lehman High School (Sidney, Ohio)	<u>25.00</u>

1,575.00

Capital gains:	
(1) Carolina Power & Light Co.—shares: Selling price	<u>9,913.34</u>

Total cost:	
Investment	<u>8,900.00</u>
Less return on capital	<u>914.92</u>

7,985.08

Capital gain	<u>1,928.26</u>
(2) Reynolds and Reynolds Co.—500 shares: Selling price	<u>24,663.45</u>

Total investment	<u>15,199.62</u>
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9,463.83

(3) United Gas, Inc.—1,000 shares: Selling price	<u>27,905.43</u>
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Total investment	<u>21,100.00</u>
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6,805.43

(4) Virginia Electric Power Co.—2,000 shares: Selling price	<u>38,812.71</u>
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Total cost:	
Investment	<u>36,000.00</u>
Less return on capi- tal	<u>1,507.13</u>

34,492.87

Capital gain	<u>4,319.84</u>
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Total capital gains	<u>22,517.36</u>
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Capital losses:

(1) Carolina Power & Light Co.—400 shares: Selling price	<u>9,913.34</u>
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Total cost:	
Total investment	<u>11,800.00</u>
Less return on capi- tal	<u>1,203.78</u>

10,596.22

Capital loss	<u>-682.88</u>
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(2) Public Service Electric & Gas Co.—2,200 shares: Selling price	<u>47,634.78</u>
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Total cost:	
Total investment	<u>55,825.00</u>
Less return on capi- tal	<u>6,442.65</u>

49,382.35

Capital loss	<u>-1,747.57</u>
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Total capital losses	<u>2,430.45</u>
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Net capital gains 20,036.91

1973 CLAIMED DEDUCTIONS

1. Standard Exemptions—6 chil- dren.	
2. Public Law, 82d Congress, Pub- lic Law 178, 83d Congress— "Away From Home" living ex- pense allowance	<u>\$3,000.00</u>
3. Standard deduction for stock dividends	<u>200.00</u>
4. Interest paid on loans: Mutual Benefit Life Insur- ance Co.	<u>135.42</u>
Whalen children	<u>169.26</u>
Total	<u>304.68</u>

5. TAXES PAID (OTHER THAN FED- ERAL):

State of Ohio—income tax	<u>1,820.89</u>
City of Oakwood income tax— Montgomery County, Md.— property tax, 5301 Ports- mouth Road residence	<u>524.78</u>
Montgomery County, Ohio— property tax, 228 Beverly Place residence	<u>1,776.25</u>
Montgomery County, Ohio— intangibles tax	<u>980.32</u>
Government of Netherlands— Tax on Royal Dutch Petroleum stock	<u>74.52</u>
General sales tax	<u>528.82</u>
State and local gasoline tax	<u>77.93</u>
Total	<u>6,662.24</u>

6. Allowable medical deductions for family	<u>150.00</u>
7. Charitable donations	<u>1,075.00</u>
8. Office and professional ex- penses	<u>821.42</u>
9. Travel to and from District for which not reimbursed by Federal Government	<u>1,107.14</u>

Total taxes paid to IRS— 1973	<u>26,860.31</u>
Total taxes paid—1973	<u>33,522.55</u>

1973 INCOME—WHALEN CHILDREN

Charles Edward Whalen: Taxable Dividends Received: Allegheny Power Systems, Inc.	<u>\$720.00</u>
Atlantic City Electric Co.	<u>470.02</u>
Baltimore Gas & Electric Co.	<u>196.00</u>
Carolina Power & Light Co.	<u>463.54</u>
Copeland Corp.	<u>160.00</u>
Duke Power Co.	<u>550.00</u>
Florida Power & Light Co.	<u>533.60</u>
Illinois Power Co.	<u>660.00</u>
Indianapolis Power & Light Co.	<u>86.00</u>
Middle South Utilities	<u>345.00</u>
Charles Pfizer & Co.	<u>45.50</u>
Public Service Electric & Gas	<u>197.62</u>
Third National Bank & Trust	<u>189.14</u>
United Gas, Inc.	<u>352.00</u>
Total	<u>4,968.42</u>

Non-taxable return on capital: Atlantic City Electric Co.	<u>117.50</u>
Carolina Power & Light Co.	<u>614.46</u>
Consolidated Edison Co.	<u>180.00</u>
Duke Power Co.	<u>150.00</u>
Public Service Electric & Gas	<u>318.38</u>
Total	<u>1,380.34</u>

Interest received: Charles W. Whalen, Jr.	<u>23.13</u>
Edward J. Whalen	<u>2.10</u>
Anne E. Whalen	<u>1.50</u>
Total	<u>26.73</u>

Claimed deductions: Dividend exclusion	<u>100.00</u>
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Taxes paid (other than Fed- eral): State of Ohio—income tax	<u>2.44</u>
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June 28, 1974

City of Oakwood—income tax	\$3.78
Montgomery County, Ohio—intangibles tax	214.56
Total	220.78
Accountants' fee	30.00
Total taxes paid to IRS—1973	669.93
Edward James Whalen:	
Taxable dividends received:	
Allegheny Power Systems, Inc.	720.00
Atlantic City Electric Co.	470.02
Baltimore Gas & Electric Co.	196.00
Carolina Power & Light Co.	463.54
Copeland Corp.	160.00
Duke Power Co.	550.00
Florida Power & Light Co.	649.60
Illinois Power Co.	660.00
Indianapolis Power & Light Co.	86.00
Middle South Utilities	345.00
Charles Pfizer, Inc.	45.50
Public Service Electric & Gas	197.62
Third National Bank & Trust	187.18
United Gas, Inc.	176.00
	4,906.46
Nontaxable return on capital:	
Atlantic City Electric Co.	117.50
Carolina Power & Light Co.	614.46
Consolidated Edison Co.	270.00
Duke Power Co.	150.00
Public Service Electric & Gas	318.38
	1,470.34
Interest received:	
Charles W. Whalen, Jr.	2.00
Claimed deductions:	
Dividend exclusion	100.00
Taxes paid (other than Federal):	
State of Ohio—income tax	2.31
City of Oakwood—income tax	4.31
Montgomery County, Ohio—intangibles tax	213.56
	220.18
Interest paid on loans	2.35
Accountants' fee	30.00
Total taxes paid to IRS—1973	653.13
Edward James Whalen:	
Taxable dividends received:	
Allegheny Power Systems, Inc.	720.00
Atlantic City Electric Co.	470.02
Baltimore Gas & Electric Co.	196.00
Carolina Power & Light Co.	463.54
Copeland Corp.	160.00
Duke Power Co.	550.00
Florida Power & Light Co.	626.40
Illinois Power Co.	660.00
Indianapolis Power & Light Co.	86.00
Middle South Utilities	345.00
Charles Pfizer, Inc.	45.50
Public Service Electric & Gas	197.62
Third National Bank & Trust	187.18
United Gas, Inc.	88.00
Total	4,795.26
Nontaxable return on capital:	
Atlantic City Electric Co.	117.50
Carolina Power & Light Co.	614.46
Consolidated Edison Co.	180.00
Duke Power Co.	150.00
Public Service Electric & Gas	318.38
Total	1,380.34
Interest received:	
Charles W. Whalen, Jr.	2.00
Claimed deductions:	
Dividend exclusion	100.00
Taxes paid (other than Federal):	
State of Ohio—income tax	2.31
City of Oakwood—income tax	4.13
Montgomery County, Ohio—intangibles tax	205.76
Total	212.20

Interest paid:	
Charles E. Whalen	\$2.10
Mary B. Whalen	.25
Total	2.35
Accountants' fee	30.00
Total taxes paid to IRS—1973	633.51
Joseph Michael Whalen:	
Taxable dividends received:	
Allegheny Power Systems, Inc.	720.00
Atlantic City Electric Co.	470.02
Baltimore Gas & Electric Co.	196.00
Carolina Power & Light Co.	463.34
Copeland Corp.	160.00
Duke Power Co.	550.00
Florida Power & Light Co.	487.20
Illinois Power Co.	660.00
Indianapolis Power & Light Co.	86.00
Middle South Utilities	345.00
Charles Pfizer, Inc.	45.50
Public Service Electric & Gas Co.	197.62
Third National Bank & Trust	187.18
United Gas, Inc.	88.00
	4,656.06
Nontaxable return on capital:	
Atlantic City Electric Co.	117.50
Carolina Power & Light Co.	614.46
Consolidated Edison Co.	180.00
Duke Power Co.	150.00
Public Service Electric & Gas	318.38
	1,380.34
Interest received:	
Charles W. Whalen, Jr.	2.00
Claimed deductions:	
Dividend exclusion	100.00
Taxes paid (other than Federal):	
State of Ohio—income tax	2.31
City of Oakwood—income tax	3.48
Montgomery County, Ohio—intangibles tax	199.16
	204.95
Accountants' fee	30.00
Total taxes paid to IRS—1973	608.89
Anne Elizabeth Whalen:	
Taxable dividends received:	
Allegheny Power Systems, Inc.	720.00
Baltimore Gas & Electric Co.	196.00
Carolina Power & Light Co.	463.54
Copeland Corp.	160.00
Duke Power Co.	330.00
Florida Power & Light Co.	510.40
Illinois Power Co.	660.00
Indianapolis Power & Light Co.	43.00
Middle South Utilities	345.00
Charles Pfizer, Inc.	45.50
Public Service Electric & Gas	197.62
Third National Bank & Trust	187.18
	3,469.44
Nontaxable return on capital:	
Carolina Power & Light Co.	614.46
Consolidated Edison Co.	135.00
Duke Power Co.	90.00
Public Service Electric & Gas	318.38
	1,157.84
Interest received:	
Charles W. Whalen, Jr.	2.00
Claimed deductions:	
Dividend exclusion	100.00
Taxes paid (other than Federal):	
State of Ohio—income tax	31

City of Oakwood—income tax	\$4.65
Montgomery County, Ohio—intangibles tax	157.85
	162.81
Accountants' fee	30.00
Total taxes paid to IRS—1973	391.15
Taxable dividends received:	
Carolina Power & Light Co.	66.22
Indianapolis Power & Light Co.	258.00
Middle South Utilities	345.00
Charles Pfizer, Inc.	45.50
Total	714.72
Nontaxable return on capital:	
Carolina Power & Light Co.	87.78
Interest received:	
Charles W. Whalen, Jr.	138.13
Daniel D. Whalen	.50
Edward J. Whalen	.25
Total	138.88
Claimed deductions:	
Dividend exclusion	100.000
Total tax owed IRS—1973 (made a \$119.50 overpayment)	.50
Financial statement—Charles W. Whalen, Jr. and Barbara G. Whalen—January 2, 1974	
	ASSETS
Cash in bank	2,067.06
Cash value—paid up life insurance	68,352.24
Cash value—outstanding life insurance	19,735.80
Contribution to Public Employees Retirement System of Ohio	4,290.61
Contribution to Civil Service Retirement Deposit	20,853.43
Contribution to Teachers Insurance and Annuity Association	11,665.44
Partnership interest—Whalen Investment Co	112,500.00
Residence—228 Beverly Place, Dayton, Ohio	35,000.00
Furniture—228 Beverly Place, Dayton, Ohio	1,000.00
Residence—5301 Portsmouth Road, Bethesda, Md.	140,000.00
Furniture—5301 Portsmouth Road, Bethesda, Md.	25,000.00
Jewelry	26,000.00
1971 Ford County Squire Station wagon	1,950.00
1965 Ford Mustang	500.00
Common stock:	
Allegheny Power Systems (1,100 shares)	22,000.00
American Cyanamid (200 shares)	3,900.00
Baltimore Gas & Electric Co. (100 shares)	2,250.00
Beneficial Finance Co. (188 shares)	4,888.00
Coca-Cola (240 shares)	30,360.00
Copeland Corp. (1,800 shares)	22,500.00
Delmarva Power & Light Co. (1,000 shares)	13,750.00
Detroit Edison Co. (1,000 shares)	16,500.00
Duke Power Co. (1,000 shares)	17,500.00
Lionel D. Edie Capital Fund, Inc. (4,861 shares)	68,054.00
Ex-Cell-O Corp. (100 shares)	1,475.00
Federated Department Stores (220 shares)	6,160.00
General Telephone & Electronics (300 shares)	\$7,500.00
Gulf States Utilities (400 shares)	5,800.00
Hubbard Real Estate Investment Co. (120 shares)	2,040.00
Indianapolis Power and Light Co. (850 shares)	20,040.00
Merrill Lynch, Pierce, Fenner & Smith (50 shares)	662.50

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EXTENSIONS OF REMARKS

21845

Middle South Utilities, Inc. (1,400 shares)-----	\$23,800.00
Minnesota Mining & Manufacturing (600 shares)-----	46,800.00
Owens-Illinois Glass (200 shares)-----	6,200.00
Charles Pfizer, Inc. (60 shares)-----	2,580.00
Phillips Petroleum (200 shares)-----	13,700.00
Public Service Electric & Gas (2,350 shares)-----	43,475.00
Royal Dutch Petroleum (188 shares)-----	6,674.00
South Carolina Electric Gas (500 shares)-----	8,250.00
Steadman American Fund, Inc. (123½ shares)-----	374.21
Texas Utilities (400 shares)-----	9,000.00
Unity State Bank (1,400 shares)-----	20,300.00
Westinghouse Electric Corp. (40 shares)-----	22,000.00
Total -----	448,582.71
Total assets-----	917,497.29

LIABILITIES

Loan—Charles W. Whalen, Sr.-----	18,500.00
Loan—Mutual Benefit Life-----	4,235.00

Total Liabilities-----

Net Worth-----

Financial statement—Charles E. Whalen

ASSETS

Cash—checking account-----	\$1,039.06
Cash—savings account-----	523.63
Common stock:	
Allegheny Power Systems (500 shares)-----	10,000.00
Atlantic City Electric Co. (400 shares)-----	7,000.00
Baltimore Gas & Electric Co. (100 shares)-----	2,250.00
Carolina Power & Light Co. (700 shares)-----	14,700.00
Consolidated Edison (100 shares)-----	1,550.00
Copeland Corp. (900 shares)-----	11,250.00
Duke Power Co. (500 shares)-----	8,750.00
Lionel Edie Capital Fund, Inc. (267 shares)-----	3,738.00
Florida Power & Light Co. (460 shares)-----	11,270.00
Illinois Power Co. (300 shares)-----	7,500.00
Indianapolis Power & Light Co. (100 shares)-----	2,400.00
Middle South Utilities (600 shares)-----	10,200.00
Charles Pfizer, Inc. (140 shares)-----	6,020.00
Public Service Electric & Gas (300 shares)-----	5,550.00
Third National Bank & Trust (193 shares)-----	4,153.00
United Gas, Inc. (400 shares)-----	6,800.00
Virginia Electric Power Co. (200 shares)-----	2,900.00
Total -----	116,031.00
Total assets-----	117,593.00

LIABILITIES (None)

Net worth-----

Financial statement—Daniel D. Whalen

ASSETS

Cash—checking account-----	\$1,032.76
Cash—savings account-----	57.86
Common stock:	
Allegheny Power System (500 shares)-----	10,000.00
Atlantic City Electric Co. (400 shares)-----	7,000.00
Baltimore Gas & Electric Co. (100 shares)-----	2,250.00
Carolina Power & Light Co. (700 shares)-----	14,700.00

Consolidated Edison (150 shares)-----	\$2,325.00
Copeland Corp. (900 shares)-----	11,250.00
Duke Power Co. (500 shares)-----	8,750.00
Lionel D. Edie Capital Fund, Inc. (117 shares)-----	1,638.00
Florida Power & Light Co. (560 shares)-----	13,720.00
Illinois Power Co. (300 shares)-----	7,500.00
Indianapolis Power & Light (100 shares)-----	2,400.00
Middle South Utilities (600 shares)-----	10,200.00
Charles Pfizer, Inc. (140 shares)-----	6,020.00
Public Service Electric & Gas (300 shares)-----	5,550.00
Third National Bank & Trust (191 shares)-----	4,011.00
United Gas, Inc. (200 shares)-----	3,400.00
Virginia Electric Power Co. (200 shares)-----	2,900.00

Total -----

Total assets-----

LIABILITIES (None)

Net worth-----

Financial statement—Edward J. Whalen

ASSETS

Cash—checking account-----	\$963.90
Cash—savings account-----	162.34

Common stock:

Allegheny Power Systems (500 shares)-----	10,000.00
Atlantic City Electric Co. (400 shares)-----	7,000.00
Baltimore Gas & Electric (100 shares)-----	2,250.00
Carolina Power & Light Co. (700 shares)-----	14,700.00
Consolidated Edison (100 shares)-----	1,550.00
Copeland Corp. (900 shares)-----	11,250.00
Duke Power Co. (500 shares)-----	8,750.00
Lionel Edie Capital Fund, Inc. (76 shares)-----	1,064.00
Florida Power & Light Co. (540 shares)-----	13,230.00
Illinois Power Co. (300 shares)-----	7,500.00
Indianapolis Power and Light Co. (100 shares)-----	2,400.00
Middle South Utilities (600 shares)-----	10,200.00
Charles Pfizer, Inc. (140 shares)-----	6,020.00
Public Service Electric & Gas (300 shares)-----	5,550.00
Third National Bank & Trust (191 shares)-----	4,011.00
United Gas, Inc. (100 shares)-----	1,700.00
Virginia Elec. Power Co. (200 shares)-----	2,900.00

Total -----

Total assets-----

LIABILITIES (None)

Net worth-----

Financial statement—Joseph M. Whalen

ASSETS

Cash—checking account-----	\$985.66
Cash—savings account-----	139.50

Common stock:

Allegheny Power Systems (500 shares)-----	10,000.00
Atlantic City Electric Co. (400 shares)-----	7,000.00
Baltimore Gas & Electric Co. (100 shares)-----	2,250.00
Carolina Power & Light Co. (700 shares)-----	14,700.00
Consolidated Edison (100 shares)-----	1,550.00

Copeland Corp. (900 shares)-----	\$11,250.00
Duke Power Co. (500 shares)-----	8,750.00
Lionel Edie Capital Fund, Inc. (137 shares)-----	1,918.00
Florida Power & Light Co. (420 shares)-----	10,290.00
Illinois Power Co. (300 shares)-----	7,500.00
Indianapolis Power & Light Co. (100 shares)-----	2,400.00
Middle South Utilities (600 shares)-----	10,200.00
Charles Pfizer, Inc. (140 shares)-----	6,020.00
Public Service Electric & Gas (300 shares)-----	5,550.00
Third National Bank & Trust (191 shares)-----	4,011.00
United Gas, Inc. (100 shares)-----	1,700.00
Virginia Electric Power Co. (200 shares)-----	2,900.00

Total -----

Total assets-----

LIABILITIES (None)

Net worth-----

Financial statement—Anne Elizabeth Whalen

ASSETS

Cash—checking account-----

\$402.00

Cash—Savings account-----

167.81

Common stock:

Allegheny Power Systems (230 shares)-----	4,600.00
Baltimore Gas & Electric Co. (100 shares)-----	2,250.00
Carolina Power & Light Co. (700 shares)-----	14,700.00
Consolidated Edison (75 shares)-----	1,162.50
Copeland Corp. (900 shares)-----	11,250.00
Duke Power Co. (300 shares)-----	5,250.00
Lionel Edie Capital Fund, Inc. (62 shares)-----	868.00
Florida Power & Light Co. (440 shares)-----	10,780.00
Illinois Power Co. (300 shares)-----	7,500.00
Indianapolis Power & Light Co. (50 shares)-----	1,200.00
Middle South Utilities (600 shares)-----	10,200.00
Charles Pfizer, Inc. (140 shares)-----	6,020.00
Public Service Electric & Gas (300 shares)-----	5,550.00
Third National Bank & Trust (191 shares)-----	4,011.00
Virginia Electric Power Co. (200 shares)-----	2,900.00

Total -----

Total assets-----

LIABILITIES (None)

Net worth-----

Financial statement—Mary Barbara Whalen

ASSETS

Cash—checking account-----

\$253.93

Cash—savings account-----

124.46

Common stock:

Carolina Power & Light Co. (100 shares)-----	2,112.50
Copeland Corp. (500 shares)-----	6,250.00
Lionel Edie Capital Fund, Inc. (261 shares)-----	3,654.00
Indianapolis Power & Light Co. (300 shares)-----	7,200.00
Middle South Utilities (600 shares)-----	10,200.00
Charles Pfizer, Inc. (140 shares)-----	6,020.00
Virginia Electric Power Co. (200 shares)-----	2,900.00

Total -----

Total assets-----

LIABILITIES (None)

Net worth-----

Financial statement—Joseph M. Whalen