MEDICAL SERVICE CORPS

Aramendia, Frank M., Jr., [redacted]
Arredondo, Hector G., [redacted]
Corser, Robert D., [redacted]
Dellorto, John A., [redacted]
Hayes, Teddy, [redacted]
Huffines, David H., Jr., [redacted]
Moore, Jake W., [redacted]
Morales, Miguel A., [redacted]
Smith, Elisabeth E., [redacted]
Spruiell, Thomas L., [redacted]
Walters, Stanley L., [redacted]
Williams, Margaret H., [redacted]
Yeutter, Clayton K., [redacted]

VETERINARY CORPS

Dorn, Charles R., [redacted]
Hall, Ellis M., [redacted]
Johnson, Carl S., [redacted]
Maddox, Rex M., [redacted]
Moe, Andrew I., [redacted]
Plymale, Harry H., [redacted]

BIOMEDICAL SCIENCES CORPS

Ellsworth, Robert W., [redacted]
Floyd, Virginia L., [redacted]
Klebanoff, May O., [redacted]
Wiedenfeld, James I., [redacted]
Wolff, Monroe L., [redacted]

IN THE NAVY

The following-named (Naval Reserve Officers Training Corps candidates) to be permanent ensigns in the Line or Staff Corps of the Navy, subject to the qualification therefor as provided by law:

Richard R. Amelon	George L. Hemphill, Jr.
Gregory H. Bosechert	Chester J. Hutcheson
Richard C. Crowe	Richard L. Jones
Jerry W. Dalton	Mark E. Koury
David A. Denis	Terrence P. Poulos
Jeffrey A. Dixon	

Boyd A. Mildenstein (midshipman, Naval Academy) to be a permanent ensign in the line or Staff Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants and temporary lieutenant commanders in the Medical Corps of the Navy, subject to the qualification therefor as provided by law:

Calvin L. Polland	Steven L. Rodis

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualification therefor as provided by law:

Brian C. Anderson	Joseph M. Marzluff
Michael L. Carius	Stephen A. Mitchell
Leon J. Dura	Gwinn Murray
Howard R. Hicks	Dennis Richmond
Pamela A. Kaires	Steven R. Shackford
Michael J. Laflin	Charles J. VanMeter
Lawrence J. Lenz	Richard A. Williams

Kenneth B. Bilger (Naval Reserve officer) to be a permanent lieutenant and a temporary lieutenant commander in the Dental Corps of the Navy, subject to the qualification therefor as provided by law.

The following-named (Naval Reserve officers) to be permanent lieutenants in the Dental Corps of the Navy, subject to the qualification therefor as provided by law:

Winthrop B. Carter	John J. Sanders
James A. Kemp	Robert J. Santoro
Robert C. Oelhberg	

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualification therefor as provided by law:

Orborn Brown	Nicolaus W. Newby
Eugene W. A. Gregory	Charles C. Phillips III
Ronald B. Mead	

The following-named enlisted candidates to be ensigns in the Medical Service Corps, for temporary service, subject to the qualification therefor as provided by law.

McDouglall, Gordon R.	Betsworth, Richard D.
Clark, Bobby G.	Kilgore, Larry L.
Kroutil, Michael L.	Patton, Robert L.
Tate, Arthur C.	Moran, Raymond L.
Simmons, Donald L.	Hall, John W.
Smith, Eric M.	Marthouse, Robert C., Jr.
Robson, Joseph R.	Standard, Bob E.
Colfack, Brian R.	Menifee, James T.
Holland, Lee, Jr.	Taylor, John O.
Horwhat, Paul, Jr.	Damstrom, Gayle H.
Lawson, Michael P.	Gallis, John N.
Stoddard, Sheldon T.	Shore, John E.
McClure, Charles D.	Rice, Stephen C.
George, James A.	Rupp, Gary L.
Boehm, Russell K.	
Carsten, John E.	

The following-named enlisted candidates selected as alternates to be ensigns in the Medical Service Corps, for temporary service, subject to the qualification therefor as provided by law.

Shehane, Claude T.	McCoy, Thomas R.
Wocher, John C.	Featherstone, Theodore C., Jr.
Smith, Albert J.	Lusk, George B.
Swafford, James J., Jr.	Hubner, Jon R.
Cribb, Danny W.	Goulet, Mark B.
Maskulak, George M.	Goains, Bobby D.
Wyatt, Edward P., Jr.	Kotrola, Albert G.
Stringfield, Walter	McCourt, Stephen L.
Riddle, Thomas E.	Pagan, Herman J.
Vanzee, Stephen P.	
Johansen, Paul D.	

The following-named civilian college graduates to be permanent commanders in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law:

Fuad M. Bitar	Edward J. Shelton, Jr.
William McDonald	

The following-named Ex-USN/USNR officers to be permanent captains in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualifications therefor as provided by law:

Norman V. Cooley, Jr.	John W. E. Fries
	Robert J. Zullo

Michael J. Dunne, Ex-USN officer to be a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Capt. Jack M. Monasterio, USAR to be a permanant commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Ian M. Ballard, Ex-USNNR to be a commander in the Medical Corps in the Reserve of the U.S. Navy, for temporary service, subject to the qualification therefor as provided by law.

Maj. Robert L. Damm, USA to be a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Capt. Jerald B. Felder, ANG to be a permanent commander in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

Gaspar W. Anastasi, U.S. Navy officer, to be a permanent commander and a temporary Captain in the Medical Corps in the Reserve of the U.S. Navy, subject to the qualification therefor as provided by law.

The following-named U.S. Navy officers to be commanders in the Medical Corps in the Reserve of the U.S. Navy for temporary service, subject to the qualification therefor as provided by law:

Richard E. Carlson	Allan L. Mattern
Francis M. Criswell	Norman D. Nelson
Carl G. Kardinal	Charlie W. Shaeffer
Robert T. McKinlay, Jr.	

The following-named chief warrant officers to be lieutenants (j.g.) in the Navy, limited duty, for temporary service in the classification indicated, and as permanent warrant officers and/or permanent and temporary warrant officers, subject to the qualification therefor as provided by law:

Deck

Donald W. Harmer

Aviation Ordnance

Jim W. Ballas

The following-named (Naval Reserve officers) to be permanent commanders and temporary commanders in the Medical Corps of the Navy, subject to the qualification therefor as provided by law:

Theodore D. Gross	Robert W. Higgins

William A. Wells (Navy Enlisted Scientific Education Program candidate) to be a permanent ensign in the Line or Staff Corps of the Navy, subject to the qualification therefor as provided by law.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 15, 1974:

U.S. RAILWAY ASSOCIATION

Arthur D. Lewis, of Connecticut, to be chairman of the Board of Directors of the U.S. Railway Association for a term of 6 years.

NATIONAL RAILROAD PASSENGER CORPORATION

Gerald D. Morgan, of Maryland, to be a Member of the Board of Directors of the National Railroad Passenger Corporation for a term of four years.

FEDERAL ENERGY ADMINISTRATION

The following-named persons to be Assistant Administrators of the Federal Energy Administration:

Leonard B. Pouliot, of Virginia.
John W. Weber, of Connecticut.
Eric Roger Zausner, of Virginia.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

COL. AL KEY HONORED

HON. JOHN STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Monday, July 15, 1974

Mr. STENNIS. Mr. President, Col. Al Key, a distinguished citizen who served two terms as mayor of Meridian, Miss., was honored at a recent meeting of the Meridian Exchange Club. He was enrolled in the "Book of Golden Deeds," which is the highest tribute that can be paid by an Exchange Club, and is awarded on the basis of outstanding character and accomplishments on behalf of fellow citizens.

I have known Al Key for a long time, and he certainly qualifies in every respect for this honor. He has done a lot in his lifetime—for his friends, for his city, for his country, and for aviation, which has been his vocation since 1926.

It was 39 years ago, on July 1, 1935, that Al Key and his brother Fred landed their light airplane at the Meridian Airport, after an incredible flight. They had set an in-flight endurance record of over 27 days. In doing so they pioneered

techniques of refueling planes in flight. You can imagine the summer storms that they encountered during that long period of time, as they circled the skies above Meridian, and the ingenuity and stamina it took to keep their airplane supplied with gasoline and oil, and the engine functioning properly.

Their flight received national and international acclaim, of course, and their airplane, which was named the "Ole Miss," can now be seen just a few blocks down the Mall from the Capitol, in the Smithsonian Institution.

Al Key had a distinguished record in World War II, flying bombers in both theaters of war. He remained in the service after the war, and retired from the Air Force as a colonel in 1960, to return to Meridian.

He is a native of my own native county in Mississippi—Kemper County. He is a long-time friend—a stalwart friend—and it gives me pleasure to have this opportunity to pay a tribute to him on the Senate floor.

Mr. President, I ask unanimous consent to print in the RECORD a newspaper article about the Exchange Club award to Al Key, from the Meridian Star of June 16, 1974.

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

HIGHEST EXCHANGE AWARD GOES TO FORMER MAYOR

The highest honor that can be accorded a citizen for his "outstandingness and goodness by an Exchange Club" has been awarded to Al Key, a retired Air Force colonel and former Meridian mayor.

Key, who with his brother, Fred, made aviation history in 1935, has been enrolled in the "Book of Golden Deeds" by the Meridian Exchange Club.

The honor, awarded to persons who have worked diligently for God and country in helping others, was presented to Key at a weekly luncheon meeting of the Exchange Club by Reginald McDonald, chairman of the Golden Deeds committee.

"I can't tell you how much I appreciate this," Key said as he accepted the honor. "What I have done for the good of the people is because I just happened to be in the right place at the right time.

"Thank you very much."

Leading up to the presentation, Atty. Aubert Dunn spoke to the club of his friendship with Key which began back in the 1920's.

That friendship has been a pleasurable one, full of loyalty, kindnesses and generosities, Dunn said.

Paying tribute to Key for his "loyalty, consistency, character and generosity," Dunn said he had never associated with "anyone grander, more consistent or more genuine."

He noted that it was 39 years ago this month that Key and his brother were flying their plane, the Ole Miss, over Meridian setting an in-flight endurance record of more than 27 days and pioneering refueling of planes while in flight.

"I only wish they had kept the Ole Miss in Meridian along with other artifacts to be placed in a building of some type, something that would give Meridian an outstanding tourist attraction," Dunn stated.

A native of Kemper County, Key moved to Lauderdale County 56 years ago. He finished high school at Poplar Springs High in Meridian, attended and played in the band at Hattiesburg Normal School for one year and later attended Mississippi A. and M. College.

He began taking flying lessons in 1926 at the Nicholas Beazley Flying School in Marshall, Mo. Key and his brother, Fred, later operated a flying school in Sedalia, Mo., for a while before returning to Meridian and opening an aviation training school at the old Bonita Airport, becoming the first licensed pilots in the city.

In 1930, the brothers were made managers of the new Meridian Municipal Airport, named Key Field in their honor after their history-making flight which came to an end at 6:06 p.m. July 1, 1935.

When World War II began with the bombing of Pearl Harbor, Capt. Al Key had already been ferrying bombers to Newfoundland for shipment to England.

He was dispatched to the Pacific where he flew B-17's, earned the Distinguished Flying Cross and ribbons and citations for valor too numerous to mention.

An oak leaf cluster was added to the DSC for his achievements in the European Theater after the end of the war in the Pacific. Returned to the United States, Key trained new fliers for the final conquest of Germany.

Promoted to a full colonel, Key remained in the Air Force after the war and retired March 31, 1960, joining his brother in the operation of a flying service at Key Field.

Key served two terms as mayor of Meridian, from 1965 until July 1 of last year.

A WORD FOR WOMENS' RIGHTS

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ROGERS. Mr. Speaker, I would like to insert in the RECORD a recent article which was published by the Palm Beach Times, regarding the commendable work of Claudette Pelletier, a young woman attorney in the Palm Beach County State Attorney's Office, who is in charge of job discrimination cases involving women. Ms. Pelletier has made a significant contribution in the area of womens' rights and I am pleased to recognize her efforts in this manner.

The article follows:

PUTTING SOME JUSTICE IN THE JOB

(By Fran Hathaway)

If you believe you are being discriminated against in the working world simply because you are female, Claudette Pelletier is hoping you'll give her a call.

If you even think there are inequities on the job related to your sex, she wishes you'd telephone and find out for sure.

Discrimination in employment due to sex is against the law, she points out, and she will help you go to court if necessary—at no cost to you—to prove it.

Claudette is an assistant county attorney specifically in charge of helping women who encounter any kind of roadblock because of sex. But she is particularly interested in combating discrimination on the job. And these days, she has the heavy, welcome weight of recent court decisions solidly behind her.

Just weeks ago, the U.S. Supreme Court in a 5-3 decision against the Corning Glass Works declared that employers must take positive steps to get rid of all wage discrimination against women. Even the smallest vestige of it, said the court, violates the federal Equal Pay Act of 1963.

Corning, as result of the decision, will be paying more than $300,000 in back wages to victims of discrimination at three plants in Corning, N.Y. and as yet uncomputed amounts to workers at another facility.

Somewhat earlier, in April of this year, the Equal Employment Opportunity Commission (EEOC) negotiated an agreement between the U.S. government, the major steel corporations, and the United Steelworkers of America which provide approximately 40,000 women and minority employes $30,940,000 in back pay.

Last year, American Telephone and Telegraph Co. finally agreed to pay 15,000 women and minority employes $15 million, much of it in back pay, because of alleged discrimination.

While these are the biggies—the cases that make the headlines—smaller, individual instances of job discrimination are now also being rectified. No longer need a female jobseeker nod meekly when an employer dismisses her with, "I'm afraid we are looking for a man for this job." No longer need women watch silently, grinding their teeth, as male co-workers win promotions to positions which they could do as well or better.

The law states there shall be no discrimination in employment on the basis of race, color, religion, national origin, or sex. And finally, in 1974, it appears the hard reality has caught up with the pretty words.

It has been years in coming. The Equal Pay Act was passed in 1963. Title VII of the Civil Rights Act of 1964 is now a decade old. These prohibit discrimination in employment among most employers. In addition, Executive Order 11246, effective since 1968, prohibits discrimination by an employer with a federal contract over $10,000.

Still, the traditional practices which kept women on the lower rungs of the job and salary ladder did not change with the drying of the ink on the legislation. That has taken longer, and sometimes has required court decrees. Today, however, there is no reason why the conscientious working woman cannot find justice on the job.

Claudette Pelletier will help see to it.

Certainly, she realizes, not all job problems are clear-cut. That's why she welcomes even anonymous telephone calls seeking information. All a woman need do if she suspects discriminations says Claudette, is phone her at the courthouse, 655-5200, and explain her situation. If there seems to be cause for action, Claudette will recommend which action.

In some cases, she says, the discriminatory practice may be simple to dispel. A friendly discussion between employer and employe can erase many problems satisfactorily. If the matter is one which applies to several or all women in the company, she adds, presenting the boss with a united front will help.

If, however, the woman employe gets an "It's all in your head, dear" response from the employer, then it's time to call Claudette. She will investigate and, if warranted, file a complaint.

The complaint will go to the EEOC's regional office in Miami, which will try to settle the matter amicably. If that proves impossible, it will take it to court. The court, if it finds for the woman, will decide damages to be paid by the company. There is no cost to the woman.

Claudette says she has found that many women, when discussing job discrimination informally, believe they are dealt with unfairly. Yet they've had to "take it" for so long they hold back now, still not realizing something can indeed be done.

Another reason for their hesitancy, she feels, is fear of losing their jobs. But this need not be a concern, she stresses.

"If any reprisal occurred," she says, "such as the loss of a job, the EEOC would take immediate action. The law prohibits that, too."

What does constitute discrimination due to sex at work? When does it stop being "all in your head" and start being complaints you can document for the EEOC?

Perhaps you have a pretty good suspicion that you are being paid less than a man who is doing essentially the same work you are. Perhaps you see men being promoted past you when you are equally qualified for a higher, better-paying position.

Maybe you are not included in management-training or degree programs that are open to males in your department. Maybe you're not invited to conferences or board meetings related to your work while male employes with similar responsibility are encouraged to attend.

Among the clearest cases of sex discrimination are those related to hiring. If you seek a certain job and are denied it simply because it has always been done before by a man, now you needn't sit back. You can take action. Sometimes, Claudette points out, such old ideas hang on irrationally even when employers are fully aware of the law. She cites a recent classified ad, for example, placed by a library which needed a driver:

"Male desired," it read, then added in blithe contradiction, "We are an equal opportunity employer . . ."

How many times have you yourself looked at jobs filled by men in your company and thought, "I could do that well, or better!", yet hesitated to apply for them because you knew you'd hear, "Oh, but that's a position for a man."

This may be accepted company policy, or it may be only ignorance. But the law says it's a no-no.

Claudette Pelletier has known her own share of discrimination due to sex and, like most intelligent women, hasn't liked it very much.

"For as long as I can remember," she says, "I resented the inequities, the role-playing that was forced on women."

Even now, she smiles, when people visit her office to discuss the tax matters she also handles, they often expect a man.

"Please ask the attorney about this," they may request.

"But I am the attorney," she reiterates.

Claudette is aware that such ingrained stereotypes do not vanish overnight, no one expects that. But she does feel injustice on the job must be baninshed more quickly. Too many women are their family's sole support to foot-drag on this one.

The law is clear, she says, though it will, at times, be necessary to take concrete action to see it is enforced. Yet even one woman doing so—standing up for and winning her rights—can stiffen the resolve of countless others in Palm Beach County. That's why Claudette hopes that women with complaints will come forth without fear.

"It would show," she says, "that action can be taken—and will be!"

TRIBUTE TO C. C. MOSELEY

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Monday, July 15, 1974

Mr. HELMS. Mr. President, one of a rare breed of Americans has recently departed from this world, and the Republic is diminished by his loss. He perhaps was not a famous man in the accepted definition of fame. But many Members of Congress knew him well and admired him greatly.

He did not even seek fame. He never ran for office, but he did contribute his time and his resources to political campaigns for more than 30 years. He was not an organization man either, but an individualist in the true sense of the word.

I refer, of course, to Mr. C. C. Moseley.

The extent and variety of his exploits almost stagger the imagination. As a youth, he was a champion athlete at the University of Southern California. During the First World War, he became a combat pilot and later went on to win the Pulitzer International Air Races in 1920. Turning in a new direction, he then founded Western Airlines and served as the director of many major corporations, including Curtiss-Wright, American Airlines, and Douglas Aircraft. His aircraft schools served as the training bases for thousands of pilots and mechanics who were so vital to our efforts in World War II. In his later years, he bred thoroughbred horses and purebred cattle in Wyoming, and he even entered a horse in the Kentucky Derby.

On June 17, 1974, Mr. Moseley passed away, ending a long and distinguished career. Many of us here on Capitol Hill will remember him as a loyal supporter of outstanding candidates for office. He directed much of his energy and financial support to the election races of BARRY GOLDWATER, Ronald Reagan, and Max Rafferty. Devoted to the cause of ordered liberty, he frequently wrote to individuals and newspapers throughout the country, and to every Senator and Congressman. As an informed student of world communism and American defense strategy, he predicted with unerring accuracy Soviet nuclear development, Communist penetration of the Middle East, and warned against suicidal plans for East-West trade.

Perhaps he should best be remembered, however, as a man who came to symbolize what the historians call the American Dream, the dream that any man, no matter what his station in life, can improve his condition through individual initiative and hard work. Knowing that this dream would cease to be a reality under the utopian schemes of paternalism and egalitarianism, C. C. Moseley exerted his greatest efforts in opposing inflationary measures and deficit spending. Let us hope that his life will serve as an inspiration to other businessmen in the future, and encourage more of them to come forward in defense of the free enterprise system that has given us our freedom and independence.

CAPTIVE NATIONS WEEK

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. PATTEN. Mr. Speaker, the third week in July is set aside by our Congress to commemorate the peoples living under Soviet rule in Eastern and Central Europe. The people of Albania, Bulgaria, Poland, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, and Rumania are brave people who still toil under the yoke of Communist oppression. They are muzzled by the forces of foreign domination, and it is we in the Congress and free people everywhere who must call attention to their lamentable condition.

These countries and their inhabitants, like others elsewhere in the world, want only the rights and guarantees of liberty enjoyed by people in the community of free nations. We must not relent in our support and encouragement of freedom and self-determination, wherever men are now denied these fundamentals of human existence.

For 30 years the Soviet Union has sought our acquiescence in accepting that country's control over these captive lands—a control that precludes free expression of ideas, personal mobility, or exchange of information. While these brave people in the captive nations still grasp the hope for liberty, we must not forsake their cause.

Let us proceed to ease tensions between East and West, and seek an understanding with those who would spread their influence over free men. But let us never lose our resolve to see dignity restored to the lives of those people to whom freedom is only a dim memory of the past, and a cautious hope for the future.

I yearn for the day when men and women everywhere can enjoy the fruits of freedom under self-government, and I will continue to support their efforts to attain that most basic of all human necessities. On this occasion marking Captive Nations Week I am reminded of the words of the late Robert Kennedy, who implored us to remember that no man can be truly free until every man is free. It is with firm resolve to see this desire become a reality that we are mindful of the task that must still be done, and of the countless millions who look to us for support. As we hold dear our personal liberty, so too must we cherish the hope and desires of people the world over to share in that ideal.

PROPOSED AMENDMENTS TO THE SURFACE MINING CONTROL AND RECLAMATION ACT OF 1974

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1974

Mr. HOSMER. Mr. Speaker, pursuant to clause 6, rule XXIII, of the Rules of the United States House of Representatives, I am causing to be printed in the CONGRESSIONAL RECORD a third series of amendments which I shall offer to H.R. 11500.

Mr. Speaker, it is a fact that extreme environmentalists are opposed to H.R. 11500 in its present form. It is a fact that the coal industry is opposed to H.R. 11500 in its present form. It is also a fact that the administration is opposed to H.R. 11500 in its present form. Why are all these people opposed to H.R. 11500? Because, Mr. Speaker, H.R. 11500 is a bad bill. This third series of amendments

which I shall offer to H.R. 11500 I hope will make it a bill that this Nation and its people who are energy dependent can live with.

My third series of amendments are as follows:

III—THIRD SERIES OF AMENDMENTS TO H.R. 11500

121. Page 142, line 3. Strike out "SEC. 101." and insert a "SEC. 101." to read as follows:

"SEC. 101. The Congress finds that—

"(a) the extraction of coal by underground and surface mining from the earth is a significant and essential activity which contributes to the economic, social, and material well-being of the Nation;

"(b) there are surface and underground coal mining operations on public and private lands in the Nation which adversely affect the environment by destroying or diminishing the availability of land for commercial, industrial, recreational, agricultural, historic, and forestry purposes, by causing erosion and landslides; by contributing to floods and the pollution of water, land, and air; by destroying public and privte property; by creating hazards to life and property; and by precluding postmining land uses common to the area of mining;

"(c) surface and underground coal mining operations presently contribute significantly to the Nation's energy requirements, and substantial quantities of the Nation's coal reserves lie close to the surface, and can only be recovered by surface mining methods, and therefore, it is essential to the national interest to insure the existence of an expanding and economically healthy coal mining industry;

"(d) surface and underground coal mining operations affect interstate commerce, contribute to the economic well-being, security, and general welfare of the Nation and should be conducted in an environmentally sound manner;

"(e) the initial and principal continuing responsibility for developing and enforcing environmental regulations for surface and underground coal mining operations should rest with the States; and

"(f) the cooperative effort established by this Act is necessary to prevent or mitigate adverse environmental effects of present and future surface coal mining operations."

122. Page 144, line 4. Strike out "SEC. 102." and insert a "SEC. 102." to read as follows:

"SEC. 102. It is the purpose of this Act to—

"(a) encourage a nationwide effort to regulate surface coal mining operations to prevent or substantially reduce their adverse environmental effects, to stimulate and encourage the development of new, environmentally sound surface coal mining and reclamation techniques, and to assist the States in carrying out programs for those purposes;

"(b) assure that the rights of surface landowners and other persons with a legal interest in the land or appurtenances thereto are protected from the adverse impacts of surface coal mining operations pursuant to the provisions of this Act;

"(c) assure that surface coal mining operations are not conducted where reclamation as required by this Act is not feasible;

"(d) assure that the coal supply essential to the Nation's energy requirements, and to its economic and social well-being is provided in accordance with the policy of Mining and Minerals Policy Act of 1970; and

"(e) assure that appropriate procedures are provided for public participation in the development, revision, and enforcement of regulations, standards, mining and reclamation plans, or programs established by the Secretary or any State pursuant to the provisions of this Act."

123. Page 145, line 21. Strike out "SEC. 201." and insert a "SEC. 201." to read as follows:

"SEC. 201. (a) On and after ninety days from the date of enactment of this Act, no person shall open or develop any new or previously mined or abandoned site for surface coal mining operations on lands on which such operations are regulated by a State regulatory authority unless such person has obtained a permit from such regulatory authority. All such permits shall contain terms requiring compliance with the interim surface coal mining and reclamation performance standards specified in subsection (c) of this section. The regulatory authority shall act upon all applications for such permit within thirty days from the receipt thereof.

"(b) Within sixty days from the date of enactment of this Act, the State regulatory authority shall review and amend all existing permits in order to incorporate in them the interim surface coal mining and reclamation performance standards of subsection (c) of this section. On or before one hundred and twenty days from the date of issuance of such amended permit, all surface coal mining operations existing at the date of enactment of this Act on lands on which such operations are regulated by a State regulatory authority shall comply with the interim surface coal mining and reclamation performance standards in subsection (c) of this section with respect to lands from which the overburden has not been removed.

"(c) Pending approval and implementation of a State program in accordance with section 203 of this Act, or preparation and implementation of a Federal program in accordance with section 204 of this Act, the following interim surface coal mining and reclamation performance standards shall be applicable to surface coal mining operations on lands on which such operations are regulated by a State regulatory authority, as specified in subsections (a) and (b) of this section:

"(1) with respect to surface coal mining operations on steep slopes, no spoil, debris, or abandoned or discarded mine equipment may be placed on the natural or other downslope below the bench or cut created to expose the coal seam except that spoil from the cut necessary to obtain access to the coal seam may be placed on a limited or specified area of the downslope: *Provided,* That the spoil is shaped and graded in such a way so as to prevent slides, and minimize erosion, and water pollution, and is revegetated in accordance with paragraph (3) below: *Provided further, however,* That the regulatory authority may permit limited or temporary placement of spoil on a specified area of the downslope on steep slopes in conjunction with surface coal mining operations which will create a plateau with all highwalls eliminated, if such placement is consistent with the approved postmining land use of the mine site;

"(2) with respect to all surface coal mining operations backfill, compact (where advisable to insure stability or to prevent leaching of toxic materials), and grade in order to restore the approximate original contour of the land with all high walls, spoil piles, and depressions eliminated, unless depressions are consistent with the approved postmining land use of the mine site;

"(3) the provisions of paragraphs (1) and (2) of this subsection shall not apply to surface coal mining operations where the permittee demonstrates that the overburden, giving due consideration to volumetric expansion, is insufficient to restore the approximate original contour, in which case the permittee, at a minimum, shall backfill, grade, and compact (where advisable) in order to cover all acid-forming and other toxic materials, to achieve an angle of repose based upon soil and climate characteristics for the area of land to be affected, and to facilitate a land use consistent with that approved for the postmining land use of the mine site;

"(4) the regulatory authority may grant exceptions to paragraphs (1) and (2) if the regulatory authority finds that one or more variations from the requirements set forth in paragraphs (1) and (2) will result in the land having an equal or better economic or public use and that such use is likely to be achieved within a reasonable time and is consistent with surrounding land uses and with local, State, and Federal law;

"(5) with respect to all surface coal mining operations, permanently establish, on regraded and all other lands affected, a stable and self-regenerative vegetative cover, existed prior to mining and which, where advisable, shall consist of native vegetation;

"(6) with respect to all surface coal mining operations, remove the topsoil in a separate layer, replace it simultaneously on a backfill area or segregate it in a separate pile from the subsoil, and if the topsoil is not replaced in a time short enough to avoid deterioration of topsoil, maintain a successful cover by quick growing vegetation or by other means so that the topsoil is protected from wind and water erosion, contamination from any acid or toxic material, and is in a usable condition for sustaining vegetation when replaced during reclamation, except if the topsoil is not capable of sustaining vegetation, or if another material from the mining cycle can be shown to be more suitable for vegetation requirements, then the operator shall so remove, segregate, and protect that material which is best able to support vegetation, unless the permittee demonstrates that another method of soil conservation would be at least equally effective for revegetation purposes;

"(7) with respect to surface disposal of coal mine wastes, coal processing wastes, or other wastes in areas other than the mine workings or excavations, stabilize all waste piles in designated areas, through compaction, layering with incombustible and impervious materials, and grading followed by vegetation of the finished surface to prevent, to the extent practicable, air and surface or ground water pollution and to assure compatibility with natural surroundings in order that the site can and will be stabilized and revegetated according to the provisions of this Act;

(8) with respect to the use of impoundments for the disposal of coal processing wastes or other liquid or solid wastes, incorporate sound engineering practices for the design and construction of water retention facilities which will not endanger the health or safety of the public in the event of failure, that construction will be so designed to achieve necessary stability with an adequate margin of safety to protect against failure, that leachate will not pollute surface or ground water, and that no fines, slimes and other unsuitable coal processing wastes are used as the principal material in the construction of water impoundments, water retention facilities, dams, or settling ponds;

"(9) prevent to the extent practicable adverse effects to the quantity and quality of water in surface and ground water systems both during and after surface coal mining and reclamation; and

"(10) minimize offsite damages that may result from surface coal mining operations and institute immediate efforts to correct such conditions.

"(d) (1) Upon petition by the permittee or the applicant for a permit, and after public notice and opportunity for comment by interested parties, the regulatory authority may modify the application of the interim surface coal mining and reclamation per-

formance standards set forth in paragraphs (1), (2), (3), and (4) of subsection (c) of this section, if the permittee demonstrates to the satisfaction of the regulatory authority that—

"(A) he has not been able to obtain the equipment necessary to comply with such standards;

"(B) the surface coal mining operations will be conducted so as to meet all other standards specified in subsection (c) of this section and will result in a stable surface configuration in accordance with a surface coal mining and reclamation plan approved by the regulatory authority; and

"(C) such modification will not cause hazards to the health and safety of the public or significant imminent environmental harm to land, air, or water resources which cannot reasonably be considered reclaimable.

"(2) Any such modification will be reviewed periodically by the regulatory authority and shall cease to be effective upon implementation of a State program pursuant to section 203 of this Act or a Federal program pursuant to section 204 of this Act.

"(e) The Secretary shall issue regulations to be effective one hundred and eighty days from the date of enactment of this Act in accordance with the procedures of section 202, establishing an interim Federal surface coal mining evaluation and enforcement program. Such program shall remain in effect in each State in which there are surface coal mining operations regulated by a State regulatory authority until the State program has been approved and implemented pursuant to section 203 of this Act or until a Federal program has been prepared and implemented pursuant to section 204 of this Act. The interim Federal surface coal mining evaluation and enforcement program shall—

"(1) include inspections of surface coal mining operations on a random basis (but at least one inspection for every site every three months), without advance notice to the mine operator, for the purpose of evaluating State administration of, and ascertaining compliance with, the interim surface coal mining and reclamation performance standards of subsection (c) above. The Secretary shall cause any necessary enforcement action to be implemented in accordance with section 220 with respect to violations identified at the inspections;

"(2) provide that the State regulatory agency file with the Secretary copies of inspection reports made;

"(3) provide that upon receipt of State inspection reports indicating that any surface coal mining operation has been found in violation of the standards of subsection (c) of this section, during not less than two consecutive State inspections or upon receipt by the Secretary of information which would give rise to reasonable belief that such standards are being violated by any surface coal mining operation, the Secretary shall order the immediate inspection of such operation by Federal inspectors and necessary enforcement actions, if any, to be implemented in accordance with the provisions of section 220. The inspector shall contact the informant prior to the inspection and shall allow the informant to accompany him on the inspection; and

"(4) provide that moneys authorized pursuant to this Act shall be available to the Secretary prior to the approval of a State program pursuant to section 203 of this Act to reimburse the States for conducting those inspections in which the standards in subsection (c) above, are enforced and for the administration of this section."

124. Page 157, line 4. Strike out "SEC. 202." and insert a "SEC. 202." to read as follows:

"SEC. 202. Not later than the end of the one-hundred-and-eighty-day period immediately following the date of enactment of this Act, the Secretary shall promulgate and publish in the Federal Register regulations covering a permanent regulatory procedure for surface coal mining and reclamation operations setting permanent surface coal mining and reclamation performance standards based on the provisions of sections 211 and 212 and establishing procedures and requirements for preparation, submission and approval of State programs, and the development and implementation of Federal programs under this title. Such regulations shall not be promulgated and published by the Secretary until he has—

"(a) published proposed regulations in the Federal Register and afforded interested persons and State and local governments a period of not less than forty-five days after such publication to submit written comments thereon;

"(b) consulted with and considered the recommendations of the Administrator of the Environmental Protection Agency with respect to those regulations promulgated under this section which relate to air or water quality standards promulgated under the authority of the Federal Water Pollution Control Act (33 U.S.C. 1151–1175) and the Clean Air Act, as amended (42 U.S.C. 1857); and

"(c) held at least one public hearing on the proposed regulations.

The date, time, and place of any hearing held on the proposed regulations shall be set out in the publication of the proposed regulations. The Secretary shall consider all comments and relevant data presented at such hearing before final promulgation and publication of the regulations."

125. Page 158, line 20. After the word "surface" insert "coal".

126. Page 158, line 25. After the word "surface" insert "coal".

127. Page 159, line 14, After the word "surface" insert "coal".

128. Page 159, line 19. Strike out lines 19, 20, 21, 22 and 23, and insert in lieu thereof the following:

"(6) for the purpose of avoiding duplication, establishment of a process for coordinating the review and issuance of permits for surface coal mining and reclamation operations with any other Federal or State permit process applicable to the proposed operations."

129. Page 160, line 6. Strike out lines 6 and 7, and insert in lieu thereof the following:

"(2) consulted with and considered the recommendations of the Administrator of the Environmental Protection Agency with".

130. Page 160, line 17. Strike out line 17, and insert in lieu thereof the following: "surface coal mining and reclamation performance standards."

131. Page 160, line 21. Strike out subsection "c" and insert subsections "(c)", "(d)" and "(e)" to read as follows:

"(c) If the Secretary disapproves any proposed State program, in whole or in part, he shall notify the State in writing of his decision and set forth in detail the reasons therefor. The State shall have sixty days in which to resubmit a revised State program, or portion thereof.

"(d) For the purposes of this section and section 204, the inability of a State to take any action to prepare, submit or enforce a State program, or any portion thereof, because the action is enjoined by the issuance of an injunction by any court of competent jurisdiction shall not result in a loss of eligibility for financial assistance under title VII of this Act or in the imposition of a Federal program. Regulation of the surface coal mining operations covered or to be covered by the State program subject to the injunction shall be conducted by the State until such time as the injunction terminates or for one year, whichever is shorter, at which time the requirements of this section and section 204 shall again be fully applicable.

"(e) If State compliance with this section requires an act of the State legislature, the Secretary may extend the period for submission of a State program up to an additional twelve months."

132. Page 161, line 8. Strike out "SEC. 204." and insert a "SEC. 204." to read as follows:

"SEC. 204. (a) The Secretary shall prepare, promulgate, and implement a Federal program for the regulation of surface coal mining operations in any State which fails to—

"(1) submit a State program covering surface coal mining and reclamation operations by the end of the twenty-four-month period beginning on the date of enactment of this Act;

"(2) resubmit an acceptable State program, or portion thereof, within sixty days of disapproval of a proposed State program, in whole or in part: *Provided,* That the Secretary shall not implement a Federal program prior to the expiration of the initial period allowed for submission of a State program as provided for in clause (1) of this subsection; or

"(3) adequately implement, enforce, or maintain a State program approved pursuant to section 203.

"(b) Prior to implementation of a Federal program pursuant to section 204(a), the Secretary shall consult with and publicly disclose the views of the Administrator of the Environmental Protection Agency, the Secretary of Agriculture, and the heads of other Federal agencies concerned with or having expertise pertinent thereto and shall hold at least one public hearing within the State for which the Federal program is to be implemented.

"(c) Whenever a Federal program is promulgated for a State pursuant to this Act, any statutes or regulations of such State which are in effect to regulate surface coal mining operations subject to this Act shall, insofar as they are inconsistent or interfere with the purposes and the requirements of this Act and the Federal program, be preempted and superseded by the Federal program."

133. Page 162, line 20. Strike out "SEC. 206." and insert a "SEC. 206." to read as follows:

"SEC. 206. (a) To be eligible to assume primary regulatory authority pursuant to section 203, each State shall establish a planning process enabling objective decisions to be made based upon public hearings and competent and scientifically sound data and information as to which, if any, areas or types of areas of a State (except Federal lands) cannot be reclaimed with existing techniques to satisfy applicable standards and requirements of law. The State agency will not issue permits for surface coal mining of such areas unless it determines, with respect to any such permit, that the technology is available to satisfy applicable performance standards.

"(b) The Secretary, and, in the case of national forest lands, the Secretary of Agriculture, shall conduct a review of the Federal lands and determine, pursuant to the standards set forth in subsection (a) of this section, areas or types of areas on Federal lands which cannot be reclaimed with existing techniques to satisfy applicable standards and requirements of law. Permits for surface coal mining will not be issued to mine such areas unless it is determined, with respect to any such permit, that the technology is available to satisfy applicable performance standards.

"(c) In no event is an area to be designated unsuitable for surface coal mining operations on which surface coal mining operations are being conducted on the date of enactment of this Act, or under a permit issued pursuant to this Act, or where substantial legal and financial commitments in such operations are in existence prior to the date of enactment of this Act. Designation of an area as unsuitable for mining shall not prevent mineral exploration of the area so designated."

134. Page 167, line 21. Following line 21, insert a subsection "(c)" to read as follows:

"(c) Any person engaged in surface coal mining operations pursuant to a permit issued under section 201 and awaiting administrative action on his application for a permit from the appropriate regulatory authority in accordance with this section may continue to operate for a four-month period beyond the time specified in subsection (a) of this section if the appropriate regulatory authority has not acted on his application."

135. Page 167, line 23. Strike out "SEC. 209." and insert a "SEC. 209." to read as follows:

"SEC. 209. (a) The regulatory authority shall notify the applicant for a surface coal mining and reclamation permit within a period of time established by law or regulation, not to exceed ninety days, that the application has been approved or disapproved. If approved, the permit shall be issued after the performance bond or deposit and public liability insurance policy required by section 216 of this Act has been filed. If the application is disapproved, specific reasons therefor must be set forth in the notification. Within thirty days after the applicant is notified that the permit or any portion thereof has been denied, the applicant may request a hearing on the reasons for said disapproval unless a hearing has already been held under section 209. Such hearing shall be held in the locality of the proposed surface coal mining operation as soon as practicable after receipt of the request for a hearing and after appropriate notice and publication of the date, time, and location of such hearing. Within sixty days after the hearing the regulatory authority shall issue and furnish the applicant and any other parties to the hearing the written decision of the regulatory authority granting or denying the permit in whole or in part and stating the reasons therefor.

"(b) Within ten days after the granting of a permit, the regulatory authority shall notify the State and the local official who has the duty of collecting real estate taxes in the local political subdivision in which the area of land to be affected is located that a permit has been issued and shall describe the location of the land.

"(c) Prior to the issuance of a permit, the regulatory authority may require the applicant to alter his proposed surface coal mining and reclamation plan with respect to the methods, sequence, timing of specific operations in the plan, or the deletion of specific operations or areas from all or part of the plan in order to assure that the surface coal mining and reclamation objectives of this Act are met.

"(d) No permit will be issued unless the regulatory authority finds that:

"(1) all applicable requirements of this Act and the State or Federal program have been satisfied;

"(2) the applicant can demonstrate that reclamation as required by this Act and the appropriate State or Federal program under this Act can be accomplished under the surface coal mining and reclamation plan contained in the permit application;

"(3) the land to be affected does not lie within three hundred feet from any occupied dwelling unless the owner thereof waives this requirement, nor within three hundred feet of any public building, school, church, community, or institutional building or cemetery; or the land to be affected does not lie within one hundred feet of the outside right-of-way line of any public road, except that the regulatory authority may permit such roads to be relocated, if the interests of the public and the landowners affected thereby will be protected;

"(4) no lake, river, stream, creek, or watercourse may be moved, interrupted, or destroyed during the surface coal mining or reclamation process except that lakes, rivers, streams, creeks, or watercourses may be relocated where consistent with the approved mining and reclamation plan; and no surface coal mining or reclamation activities will be conducted within one hundred feet of any lake, river, stream, or creek, except where permitted by the approved mining and reclamation plan;

"(5) surface coal mining operations will not take place on any area of land within one thousand feet of parks or places listed in the National Register of Historic Sites, unless screening or other measures approved by the regulatory authority are used or if the mining of the area will not adversely affect or reduce the usage of the park or place; and

"(6) the application on its face is complete, accurate, and contains no false information.

"(e) The regulatory authority shall not issue any new surface coal mining permit or renew or revise any existing surface coal mining permit if it finds that the applicant has failed and continues to fail to comply with any of the provisions of this Act applicable to any State, Federal, or Federal lands program, or if the applicant fails to submit proof that violations have been corrected or are in the process of being corrected to the satisfaction of the regulatory authority, department, or agency which has jurisdiction over such violation.

"(f) Any person having an interest which is or may be adversely affected by the proposed surface coal mining and reclamation operation or any Federal, State, or local governmental agency having responsibilities affected by the proposed operation shall have the right to file written objections to any permit application and request a public hearing thereon within thirty days after the last publication of the advertisement pursuant to section 210. If written objections are filed and a hearing requested, the regulatory authority shall hold a public hearing in the locality of the proposed surface coal mining and reclamation operation as soon as practicable from the date of receipt of such objections and after appropriate notice and publication of the date, time, and location of such hearing. Within sixty days after the hearing the regulatory authority shall issue and furnish the parties to the hearing the written decision of the regulatory authority granting or denying the permit in whole or in part and stating the reasons therefor."

136. Page 173, line 2. Strike out "SEC. 210." and insert a "SEC. 210." to read as follows:

"SEC. 210. (a) Each application for a permit pursuant to a State or Federal program under this Act shall be submitted in a manner satisfactory to the regulatory authority and shall contain:

"(1) the names and addresses of the permit applicants (if the applicant is a subsidiary corporation, the name and address of the parent corporation shall be included); every legal owner of the property (surface and mineral) to be mined; the holders of any leasehold or other equitable interest in the property; any purchaser of the property under a real estate contract; the operator if he is a person different from the applicant; and, if any of these are business entities other than a single proprietor, the names and addresses of principals, officers, and resident agent;

"(2) the names and addresses of every officer, partner, director, or person performing a function similar to a director, of the applicant, together with the name and address of any person or group owning, of record or beneficially, 10 per centum or more of any class of stock of the applicant and a list of all names under which the applicant, partner, or principal shareholder previously operated a surface coal mining operation within the United States or its territories and possessions;

"(3) a description of the type and method of surface coal mining operation that exists or is proposed;

"(4) evidence of the applicant's legal right to enter and commence surface coal mining operations on the area affected;

"(5) the names and addresses of the owners of record of all surface and subsurface areas abutting on the permit area;

"(6) a statement of any current or previous surface coal mining permits in the United States held by the applicant and the permit identification;

"(7) a statement of whether the applicant, any subsidiary, affiliate, or persons controlled by or under common control with the applicant, has held a Federal or State surface coal mining permit which subsequent to 1960 has been suspended or revoked or has had a surface coal mining performance bond or similar security deposited in lieu of bond forfeited and a brief explanation of the facts involved in each case;

"(8) such maps and topographical information, including the location of all underground mines in the area, as the regulatory authority may require, which shall be in sufficient detail to clearly indicate the nature and extent of the overburden to be disturbed, the coal to be mined, and the drainage of the area to be affected;

"(9) a copy of the applicant's advertisement of the ownership, location, and boundaries of the proposed site of the surface coal mining and reclamation operation (such advertisement shall be placed in a newspaper of general circulation in the locality of the proposed site at least once a week for four successive weeks and may be submitted to the regulatory authority after the application is filed);

"(10) a schedule listing any and all violations of this Act and any law, rule, or regulation of the United States or of any department or agency in the United States pertaining to air, or water environmental protection incurred by the applicant in connection with any surface coal mining operation during the one-year period prior to the date of application. The schedule shall also indicate the final resolution of any such notice of violation.

"(b) Each application for a permit shall be required to submit to the regulatory authority, as part of the permit application, a surface coal mining and reclamation plan which shall contain:

"(1) the engineering techniques proposed to be used in the surface coal mining and reclamation operation and a description of the major equipment; a plan for the control of surface water drainage and of water accumulation; a plan where appropriate for backfilling, soil stabilization, and compacting, grading, and appropriate revegetation (where vegetation existed prior to mining); an estimate of the cost per acre of the reclamation, including statements as to how the permittee plans to comply with each of the applicable surface coal mining and reclamation performance standards established under this Act;

"(2) the consideration which has been given to developing the surface coal mining and reclamation plan in a manner consistent with local physical, environmental, and climatological conditions and current surface coal mining and reclamation technologies;

"(3) the consideration which has been given to insuring the maximum practicable recovery of the coal;

"(4) a detailed estimated timetable for the accomplishment of each major step in the surface coal mining and reclamation plan;

"(5) the consideration which has been given to making the surface coal mining and reclamation operation consistent with applicable State and local land use programs;

"(6) a description, if any, of the hydrologic consequences of the surface coal mining and reclamation operation, both on and off the mine site, with respect to the hydro-

logic regime, quantity and quality of water in surface and ground water systems, including the dissolved and suspended solids under seasonal flow conditions, and the collection of sufficient data for the mine site and surrounding area so that an assessment can be made of the probable cumulative impacts of all anticipated surface coal mining in the area upon the hydrology of the area and particularly upon water availability;

"(7) a statement of the results of test borings or core samplings from the land to be affected, including where appropriate, the surface elevation and logs of the drill holes so that the strike and dip of the coal seams may be determined; the nature and depth of the various strata of overburden; the location of subsurface water, if encountered, and its quality; the thickness of the coal seam found; an analysis of the chemical properties of such coal to determine the sulfur content and the content of other potentially acid or toxic forming substances of the overburden and the stratum lying immediately underneath the coal to be mined; and

"(8) proprietary information, which if made available to the public would result in competitive injury to the applicant, may be designated confidential and, if accepted by the regulatory authority shall be subject to the provisions of section 1905 of title 18, United States Code. Appropriate protective orders against unauthorized disclosure or use by third parties may be issued with respect to such information, and violations of such orders shall be subject to penalties set forth in section 224 of this Act.

"(c) Each applicant for a surface coal mining and reclamation permit shall file a copy of his application for public inspection with an appropriate official, approved by the regulatory authority, in the locality where the mining is proposed to occur, except for that information pertaining to the coal seam itself.

"(d) A valid permit issued pursuant to this Act shall carry with it a right of successive renewals provided that the permittee has complied with such permit. Prior to approving the renewal of any permit, the regulatory authority shall review the permit and the surface coal mining and reclamation operation and may require such new conditions and requirements as are necessary or prescribed by changing circumstances. A permittee wishing to obtain renewal of a permit shall make application for such renewal within one year prior to the expiration of the permit. The application for renewal shall contain:

"(1) a listing of any claim settlements or judgments against the applicant arising out of, or in connection with, surface coal mining operations under said permit;

"(2) written assurance by the person issuing the performance bond in effect for said operation that the bond continues and will continue in full force and effect for any extension requested in such application for renewal as well as any additional bond the regulatory authority may require pursuant to section 216 of this Act;

"(3) revised, additional, or updated information required under this section.

Prior to the approval of any extension of the permit, the regulatory authority shall notify all parties who participated in the public review and hearings on the original or previous permit, as well as providing notice to the appropriate public authorities, and taking such other steps as required in section 209 of this Act."

137. Page 184, line 19. Strike out lines 19 and 20, and all of "SEC. 211.", and insert in lieu thereof the following:

"SURFACE COAL MINING AND RECLAMATION PERFORMANCE STANDARDS

"SEC. 211. (a) Any permit issued under any approved State or Federal program pursuant to this Act to conduct surface coal mining operations shall require that such surface coal mining operations will meet all applicable surface coal mining and reclamation performance standards of this Act.

"(b) The following general surface coal mining and reclamation performance standards shall be applicable to all surface coal mining and reclamation operations and shall require the permittee to—

"(1) conduct surface coal mining operations so as to maximize the utilization and conservation of the coal being mined so that reaffecting the land in the future through surface coal mining operations can be minimized;

"(2) restore the land affected to a condition capable of supporting the uses which it was capable of supporting prior to any mining, or an equal or better economic or public use suitable to the locality;

"(3) minimize to the extent practicable, any temporary environmental damage so that it will affect only the permit area;

"(4) limit the excavation area from which coal has been removed at any one time during mining by combining the process of reclamation with the process of mining to keep reclamation operations current, and completing such reclamation in any separate distinguishable portion of the mined area as soon as feasible, but not later than the time specified in a reclamation schedule which shall be attached to the permit;

"(5) remove the topsoil from the land in a separate layer, replace it simultaneously on a backfill area or segregate it, and if the topsoil is not replaced on a backfill area within a time short enough to avoid deterioration of the topsoil, maintain a successful cover by quick growing plant or other means thereafter so that the topsoil is protected from wind and water erosion, and contamination from any acid or toxic material, and is in a usable condition for sustaining vegetation, except if the topsoil is not capable of sustaining vegetation or if another material from the mining cycle can be shown to be more suitable for vegetation requirements, then the permittee shall so remove, segregate, and protect that material which is best able to support vegetation, unless the permittee demonstrates in the reclamation plan that another method of soil conservation would be at least equally effective for revegetation purposes;

"(6) stabilize and protect all surface areas affected by the surface coal mining and reclamation operation to control as effectively as possible erosion and attendant air and water pollution;

"(7) provide that all debris, acid, highly mineralized toxic materials, or materials constituting a fire hazard are treated or disposed of in a manner designed to prevent contamination of ground or surface waters and sustained combustion;

"(8) backfill, compact (where advisable to provide stability or to prevent leaching of toxic materials), and grade in order to restore the approximate original contour of the land with all highwalls, spoil piles and depressions eliminated (unless small depressions are needed in order to retain moisture to assist revegetation or as otherwise authorized pursuant to paragraph (9) of this subsection): *Provided, however*, That in surface coal mining operations where the permittee demonstrates that the overburden, giving due consideration to volumetric expansion, is insufficient to restore the approximate original contour, the permittee, at a minimum, shall backfill, grade, and compact (where advisable) in order to cover all acid-forming and other toxic materials, to achieve an angle of repose based upon soil and climate characteristics of the area of land to be affected and to facilitate a land use consistent with that approved for the post mining land use of the mine site;

"(9) construct, if authorized in the approved surface coal mining and reclamation plan and permit, permanent impoundments of water on mining sites as part of reclamation activities only when it is adequately demonstrated that—

"(A) the size of the impoundment is adequate for its intended purposes;

"(B) the impoundment dam construction will be so designed to achieve necessary stability with an adequate margin of safety;

"(C) the quality of impounded water will be suitable on a permanent basis for its intended use and that degradation of water quality in the receiving stream as a result of discharges from the impoundment will be minimized;

"(D) the level of water will be reasonably stable;

"(E) final grading will provide adequate safety and access for proposed water users; and

"(F) diminution of the quality or quantity of water utilized by adjacent or surrounding landowners for agricultural, industrial, recreational, or domestic uses will be minimized;

"(10) refrain from the construction of roads or other access ways up a stream bed or drainage channel or in such proximity to such bed or channel so as to result in serious adverse effects on the normal flow of water;

"(11) replace the topsoil or the other more suitable material from the mining cycle which has been segregated and protected;

"(12) establish on the regraded areas and all other lands affected a stable and self-regenerating vegetative cover (including agricultural crops if approved by the regulatory authority), where cover existed prior to mining, which, where advisable, shall be comprised of native vegetation;

"(13) assume the responsibility for successful revegetation for a period of five full years after the completion of reclamation (as determined by the regulatory authority) in order to provide a stable and self-regenerating vegetative cover suitable to the area, except in those areas or regions of the country where the annual average precipitation is twenty-six inches or less, then the permittee's assumption of responsibility and liability will extend for a period of ten full years after the completion of reclamation: *Provided*, That unless prior thereto, the operator can demonstrate to the satisfaction of the regulatory authority that such a vegetative cover has been established for at least three full growing seasons;

"(14) minimize the disturbances to the hydrologic balance at the mine site and in associated offsite areas and to the quality and quantity of water in surface and ground water systems both during and after surface coal mining and reclamation operations by—

"(A) avoiding acid or other toxic mine drainage to the extent practicable by preventing, retaining, or treating, drainage to reduce mineral content which adversely affects downstream water uses when it is released to water courses;

"(B) casing, sealing, or otherwise managing boreholes, shafts, and wells in a manner designed to prevent acid or other toxic drainage to ground and surface waters;

"(C) conducting surface coal mining operations so as to minimize to the extent practicable the adverse effects of water runoff from the permit area;

"(D) if required, removing and disposing of siltation structures and retained silt from drainways in an evironmentally safe manner;

"(E) restoring to the maximum extent practicable recharge capacity of the aquifer at the minesite to premining conditions; and

"(F) relocating surface and ground water in a manner consistent with the permittee's approved surface coal mining and reclamation plan.

"(15) minimize offsite damages that may result from surface coal mining operations

and institute immediate efforts to correct such conditions;

"(16) with respect to the use of impoundments for disposal of mine wastes or other liquid or solid wastes, incorporate sound engineering practices for the design and construction of water retention facilities which will not endanger the health and safety of the public in the event of failure, construct such facilities to achieve necessary stability with an adequate margin of safety to protect against failure, prevent leachate from polluting surface or ground water and prohibit fines, slimes, and other unsuitable coal processing wastes from being used as the principal material in the construction of water impoundments, water retention facilities, dams, or settling ponds;

"(17) with respect to surface disposal of mine wastes, coal processing wastes, and other wastes in areas other than the mine workings or excavations, stabilize all waste piles in designated areas through construction in compacted layers with incombustible and impervious materials, and provide that the final contour of the waste pile will be compatible with natural surroundings and that the site can and will be stabilized and revegetated according to the provisions of this Act;

"(18) with respect to the use of explosives——

"(A) provide advance written notice to local governments and advance notice to residents who would be affected by the use of such explosives by publication in a newspaper of general circulation in the locality of the proposed site at least once a week for four successive weeks of the planned blasting schedules and the posting of such schedules at the entrances to the permit area, and maintain for a period of at least three years a log of the magnitudes and times of blasts;

"(B) limit the type of explosives and detonating equipment, the size, the timing and frequency of blasts based upon the physical conditions of the site so as to prevent (i) injury to persons, (ii) damage to public and private property outside the permit area, and (iii) adverse impacts on any underground mine, and

"(C) refrain from blasting in specific areas where the safety of the public or private property or natural formations of more than local interest are endangered;

"(19) refrain from surface coal mining within five hundred feet of active underground mine workings in order to prevent breakthroughs;

"(20) construct access roads, haulroads, or haulageways with appropriate limits applied to grade, width, surface materials, spacing, and size of culverts in order to control drainage and prevent erosion outside the permit area, and upon the completion of mining either reclaim such roads by regrading and revegetation or provide for their maintenance so as to control erosion and siltation of streams and adjacent lands; and

"(21) fill auger holes to a depth of not less than three times the diameter with an impervious and noncombustible material.

"(c) The following mining and reclamation performance standards shall be applicable to steep-slope surface coal mining and shall be in addition to those general performance standards required by this section: *Provided, however,* That the provisions of this subsection (c) shall not apply to those situations in which an operator is mining on flat or gently rolling terrain, on which an occasional steep-slope is encountered through which the mining operation is to proceed, leaving a plain or predominantly flat area:

"(1) No spoil, debris, soil, waste materials, or abandoned or disabled mine equipment may be placed on the natural or other downslope below the bench or cut created to expose the coal seam except that, where necessary, spoil from the cut necessary to obtain access to the coal seam may be placed on a limited or specified area of the downslope, provided that the spoil is shaped and graded in such a way so as to prevent slides and minimize erosion and water pollution and that the other requirements of subsection (b) can still be met.

"(2) For the purposes of this subsection, the term "steepslope" is any slope above twenty degrees or such other slope as the regulatory authority may determine to be necessary based upon soil, climate, and other characteristics of a region or State.

"(d) (1) In cases where an industrial, commercial, agricultural, residential, recreational or public facility development is proposed for postmining use of the affected land, the regulatory authority may grant appropriate exceptions to the requirements for regrading, backfilling, and spoil placement as set forth in subsection 211(b)(8) and in subsection 211(c)(1) of this Act, if the regulatory authority determines:

(A) after consultation with the appropriate land use planning agencies, if any, the proposed development is deemed to constitute an equal or better economic or public use of the affected land, as compared with the premining use;

"(B) the equal or better economic or public use can be most effectively obtained only if one or more exceptions to the requirements for regrading, backfilling, and spoil placement as set forth in subsection 211(b)(8) and subsection 211(c)(1) of this Act are granted;

"(2) With respect to subsection 211(b)(12) and subsection 211(b)(13) of this Act, where postmining land use development is in compliance with all the requirements of this subsection and where the regulatory authority has found that an exception to the revegetation standards is necessary to achieve the postmining land use development, the regulatory authority may grant an appropriate exception.

"(3) All exceptions granted under the provisions of this subsection will be reviewed periodically by the regulatory authority to assure compliance with the terms of the approved schedule and reclamation plan.

"(e) The Secretary may develop, promulgate, and revise, as may be appropriate, improved surface coal mining and reclamation performance standards for the protection of the environment and public health and safety. Such development and revision of improved surface coal mining and reclamation performance standards shall be based upon the latest available scientific data, the technical feasibility of the standards, and experience gained under this and other environmental protection statutes. The performance standards of subsections (b) and (c) of this section shall be applicable until superseded in whole or in part by improved surface coal mining and reclamation performance standards promulgated by the Secretary. No improved surface coal mining and reclamation performance standards promulgated under this subsection shall reduce the protection afforded the environment and the health and safety of the public below that provided by the performance standards contained in subsections (b) and (c) of this section. Improved surface coal mining and reclamation performance standards shall not be promulgated by the Secretary until he has followed the procedures specified in subsections (a), (b), and (c) of section 202 of this Act."

138. Page 199, line 14. Strike out "SEC. 212." and insert a "SEC. 212." to read as follows:

"SEC. 212. (a) In order to regulate the adverse effects of surface operations incident to underground coal mining, the Secretary shall, in accordance with the procedures established under section 202 of this Act, promulgate rules and regulations embodying the requirements specified in subsection (c) of this section which shall be applicable to surface operations incident to underground coal mining.

"(b) The performance standards specified in subsection (c) of this section shall be applicable to all such operations until superseded in whole or in part by improved performance standards promulgated by the Secretary in accordance with subsection (e) of section 211 of this Act.

(c) Any approved State or Federal program pursuant to this Act and relating to surface operations incident to underground coal mining shall require the underground coal mine operator to—

"(1) seal all portals, entryways, drifts, shafts, or other openings between the surface and underground mineworkings when no longer needed for the conduct of the underground coal mining operation;

"(2) with respect to surface disposal of mine wastes, coal processing wastes, and other wastes in areas other than mineworkings or excavations, stabilize all waste piles created by the current operations in designated areas through construction in compacted layers with incombustible and impervious materials, and provide that the final contour of the waste pile will be compatible with natural surroundings and that the site is stabilized and revegetated according to the provisions of this section;

"(3) with respect to the use of impoundments for disposal of mine wastes or other liquid and solid wastes incorporate sound engineering practices for the design and construction of water retention facilities which will not endanger the health and safety of the public in the event of failure, construct such facilities to achieve necessary stability with an adequate margin of safety to protect against failure, prevent leachate from polluting surface or ground water, and prohibit fines, slimes and other unsuitable coal processing wastes from being used as the principal material in the construction of water impoundments, water retention facilities, dams, or settling ponds;

"(4) establish on regraded areas and all other lands affected, a stable and self-regenerating vegetative cover, where cover existing prior to mining, which, where advisable, shall be comprised of native vegetation;

"(5) minimize off-site damages resulting from surface operations incident to underground coal mining; and

"(6) prevent to the extent practicable the discharge of waterborne pollutants both during and after mining.

"(d) All operators of underground coal mines, both during and after mining, shall have abatement and remedial programs to prevent the discharge of waterborne pollutants to the extent practical and to eliminate fire hazards and other conditions which constitute a hazard to public health and safey."

139. Page 202, line 18. Strike out "SEC. 213." and insert a "SEC. 213." to read as follows:

"SEC. 213. (a) During the term of the permit the permittee may submit an application, together with a revised surface coal mining and reclamation plan, to the regulatory authority for a revision of the permit.

"(b) An application for a revision of a permit shall not be approved unless the regulatory authority finds that reclamation as required by this Act and the State or Federal program can be accomplished under the revised surface coal mining and reclamation plan. The revision shall be approved or disapproved within a period of time established by the State or Federal program, but such period shall not exceed ninety days. The regulatory authority shall establish guidelines for a determination of the scale

or extent of a revision request for which all permit application information requirements and procedures, including notice and hearings, shall apply: *Provided*, That any revision which proposes a substantial change in the intended future use of the land or significant alterations in the mining and reclamation plan shall, at a minimum, be subject to the notice and hearing requirements of section 209 of this Act.

"(c) Any extensions to the area covered by the permit except incidental boundary revisions shall be made by application for another permit.

"(d) The regulatory authority may require reasonable revision or modification of the permit provisions during the term of such permit: *Provided*, That such revision or modification shall be subject to notice and hearing requirements established by the State or Federal program.

"(e) Permits issued pursuant to an approved State program shall be valid but reviewable under a Federal program. Following promulgation of a Federal program, the Secretary shall review such permits to determine if the requirements of this Act are being carried out. If the Secretary determines that any permit has been granted contrary to the requirements of this Act, he shall so advise the permittee and provide him a reasonable opportunity for submission of a new application and reasonable time to conform ongoing surface coal mining and reclamation operations to the requirements of the Federal program.

"(f) If a State submits a proposed State program to the Secretary after a Federal program has been promulgated and implemented, and if the Secretary approves the State program, the Federal program shall cease to be effective thirty days after such approval. Permits issued pursuant to the Federal program shall be valid but reviewable under the approved State program. The State regulatory authority may review such permits to determine if the requirements of the approved State program are being carried out. If the State regulatory authority determines that any permit has been granted contrary to the requirements of the approved State program, it shall so advise the permittee and provide a reasonable opportunity for submission of a new application and reasonable time to conform ongoing surface coal mining and reclamation operations to the requirements of the approved State program."

140. Page 208, line 20. Strike out "SEC. 216." and insert a "SEC. 216." to read as follows:

"SEC. 216. (a) After a surface coal mining and reclamation permit application has been approved but before such a permit is issued, the applicant shall file with the regulatory authority, on a form prescribed and furnished by the regulatory authority, a bond for performance payable, as appropriate, to the United States or the State, under an approved State program, and conditioned that the applicant shall faithfully perform all the applicable requirements under this Act. The bond shall cover that area of land within the permit area upon which the applicant will initiate and conduct surface mining and reclamation operations within the initial year of the permit term. As succeeding increments of surface coal mining and reclamation operations are to be initiated and conducted within the permit area, the permittee shall file annually with the regulatory authority on additional bond or bonds to cover such increments in accordance with this section. The amount of the bond required for each bonded area shall depend upon the reclamation requirements of the approved permit and shall be determined by the regulatory authority. The amount of the bond shall be sufficient to assure the completion of the reclamation plan if the work had to be performed by a third party in the event of forfeiture; in no case shall the bond be less than $10,000.

"(b) The bond shall be executed by the applicant and a corporate surety approved by the regulatory authority, except that the applicant may elect to deposit cash, negotiable bonds of the United States Government or such State, or negotiable certificates of deposit of any bank organized under the laws of any State or the United States. The cash deposit or market value of such securities shall be equal to or greater than the amount of the bond required for the bonded area.

"(c) The amount of the bond or deposit required shall be increased or decreased by the regulatory authority from time to time as affected land acreages are changed or where the cost of future reclamation increases or decreases.

"(d) After a surface coal mining and reclamation permit application has been approved but before such permit is issued, the applicant for a permit shall be required to submit to the regulatory authority a certificate issued by an insurance company authorized to do business in the United States certifying that the applicant has a public liability insurance policy in force for the surface coal mining and reclamation operation for which such permit is sought, or evidence that the applicant has satisfied State or Federal self-insurance requirements. Such policy shall provide for both on- and off-site personal injury and property damage protection in an amount adequate to compensate any persons injured or damaged as a result of surface coal mining and reclamation operations and entitled to compensation under the applicable provisions of Federal or State law, but in any event shall not be less than $100,000, or for such higher amounts as the regulatory authority deems necessary in light of potential risk and magnitude of possible off-site damages. Such policy shall be for the term of the permit and any renewal, including the length of any and all reclamation operations required by this Act."

141. Page 211, line 16. Strike out "SEC. 217." and insert a "SEC. 217." to read as follows:

"SEC. 217. (a) The permittee may file a request with the regulatory authority for the release of all or part of the performance bond or deposit. Within thirty days after any application for bond or deposit release has been filed with the regulatory authority, the permittee shall submit a copy of an advertisement placed at least once a week for three consecutive weeks in a newspaper of general circulation in the locality of the surface coal mining operation. Such advertisement shall be considered part of any bond release application and shall contain a notification of the location of the land affected, the number of acres, the permit number and the date approved, the amount of the bond filed and the portion sought to be released, and the type of reclamation work performed. In addition, as part of any bond release application, the permittee shall submit copies of letters which have been sent to adjoining property owners, and local governmental bodies, planning agencies, sewage and water treatment authorities, water companies, and all other public utility companies whose facilities cross or may be sufficiently close to the concerned area to be affected thereby in the locality in which the surface coal mining and reclamation activities took place, notifying them of intent to seek release of the bond.

"(b) The regulatory authority may release in whole or in part said bond or deposit if the authority is satisfied that reclamation covered by the bond or deposit or portion thereof has been accomplished as required by this Act: *Provided, however*, That—

"(1) no bond shall be fully released until all reclamation requirements of this Act are fully met, and

"(2) an inspection and evaluation of the affected surface coal mining and reclamation operation is made by the regulatory authority or its authorized representative prior to the release of all or any portion of the bond.

"(c) If the regulatory authority disapproves the application for release of the bond or portion thereof, the authority shall notify the permittee, in writing, stating the reasons for disapproval and recommending actions necessary to secure said release. The permittee shall be afforded an opportunity for a public hearing in accordance with the procedures specified in section 209(a), unless a hearing has already been held under subsection (d) of this section.

"(d) Any person having an interest which is or may be adversely affected by the proposed release of the bond or any Federal, State, or local governmental agency having responsibilities affected by the proposed release shall have the right to file written objections to the proposed release of the bond and request a public hearing thereon to the regulatory authority within thirty days after the last notice has been given in accordance with subsection (a) of this section. If written objections are filed and a hearing requested, the regulatory authority shall inform all the interested parties, of the time and place of the hearing, which shall be held in the locality of the affected surface coal mining operation as soon as practicable after receipt of the request for such hearing. The date, time, and location of such public hearing shall be advertised by the regulatory authority in a newspaper of general circulation in the locality once a week for three consecutive weeks."

142. Page 218, line 12. Strike out "SEC. 219." and insert a "SEC. 219." to read as follows:

"SEC. 219. (a) The Secretary shall cause to be made such inspections of any surface coal mining and reclamation operations as are necessary to evaluate the administration of approved State programs, or to develop or enforce any Federal program, and for such purposes authorized representatives of the Secretary shall have a right of entry to, upon, or through any surface coal mining and reclamation operations.

"(b) For the purpose of developing or assisting in the development, administration, and enforcement of any approved State or Federal program under this Act or in the administration and enforcement of any permit under this Act, or determining whether any person is in violation of any requirement of any such State or Federal program or any other requirement of this Act, the regulatory authority shall—

"(1) require any permittee to (A) establish and maintain appropriate records, (B) make monthly reports to the regulatory authority, (C) install, use, and maintain any necessary monitoring equipment or methods, (D) evaluate results in accordance with such methods, at such locations, intervals, and in such manner as the regulatory authority shall prescribe, and (E) provide such other information relative to surface coal mining and reclamation operations as the regulatory authority deems reasonable and necessary;

"(2) for those surface coal mining and reclamation operations which remove or disturb strata that serve as aquifers which significantly insure the hydrologic balance or water use either on or off the mining site, specify those—

"(A) monitoring sites to record the quantity and quality of surface drainage above and below the minesite as well as in the potential zone of influence;

"(B) monitoring sites to record level, amount, and samples of ground water and aquifers potentially affected by the mining and also directly below the lowermost (deepest) coal seam to be mined;

"(C) records of well logs and borehole data to be maintained; and

"(D) monitoring sites to record precipitation.

The monitoring, data collection, and analysis required by this section shall be conducted according to standards and procedures set forth by the regulatory authority in order to assure their reliability and validity; and

"(3) the authorized representatives of the regulatory authority, without advance notice and upon presentation of appropriate credentials (A) shall have the right of entry to, upon, or through any surface coal mining and reclamation operations or any premises in which any records required to be maintained under paragraph (1) of this subsection are located; and (B) may at reasonable times, and without delay, have access to and copy any records, inspect any monitoring equipment or method of operation required under this Act.

"(c) The inspections by the regulatory authority shall (1) occur on an irregular basis averaging not less than one inspection per month for the surface coal mining and reclamation operations for coal covered by each permit; (2) occur without prior notice to the permittee or his agents or employees; and (3) include the filing of inspection reports adequate to enforce the requirements of and to carry out the terms and purposes of this Act. The regulatory authority shall make copies of such inspection reports freely available to the public at a central location in the pertinent geographic area of mining. The Secretary or the regulatory authority shall establish a system of continual rotation of inspectors so that the same inspector does not consistently visit the same operations.

"(d) Each permittee shall conspicuously maintain at the entrances to the surface coal mining and reclamation operation a clearly visible sign which sets forth the name, business address, and phone number of the permittee and the permit number of the surface coal mining and reclamation operation.

"(e) Each authorized representative of the regulatory authority, upon detection of each violation of any requirement of a State or Federal program pursuant to this Act, shall forthwith inform the permittee in writing, and shall report in writing any such violation to the regulatory authority."

143. Page 221, line 23. Strike out "SEC. 220." and insert a "SEC. 220." to read as follows:

"SEC. 220. (a)(1) Whenever, on the basis of any information available, including receipt of information from any person, the Secretary has reason to believe that any person is in violation of any requirement of this Act or any permit condition required by this Act, the Secretary shall notify the State regulatory authority, if one exists, in the State in which such violation exists. If no such State authority exists or the State regulatory authority fails within ten days after notification to take appropriate action to cause said violation to be corrected or to show good cause for such failure and transmit notification of its action to the Secretary, the Secretary shall immediately order Federal inspection of the surface coal mining operation at which the alleged violation is occurring unless the information available to the Secretary is a result of a previous Federal inspection of such surface coal mining operation. When the Federal inspection results from information provided to the Secretary by any person, the Secretary shall notify such person when the Federal inspection is proposed to be carried out and such person shall be allowed to accompany the inspector during the inspection.

"(2) When, on the basis of any Federal inspection, the Secretary or his authorized representative determines that any permittee is in violation of any requirement of this Act or any permit condition required by this Act, which violation also creates an imminent danger to the health or safety of the public, or is causing, or can reasonably be expected to cause significant imminent environmental harm to land, air, or water resources, which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan, the Secretary or his authorized representative shall immediately order a cessation of surface coal mining and reclamation operations or the portion thereof relevant to the violation. Such cessation order shall remain in effect until the Secretary or his authorized representative determines that the violation has been abated.

"(3) When, on the basis of a Federal inspection which is carried out during the enforcement of a Federal program or a Federal lands program, or during Federal enforcement of a State program in accordance with subsection (b) of this section, the Secretary or his authorized representative determines that any permittee is in violation of any requirement of this Act or any permit condition required by this Act, but such violation does not create an imminent danger to the health or safety of the public, or cause or can be reasonably expected to cause significant imminent environmental harm to land, air, or water resources which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan, the Secretary or his authorized representative shall issue a notice to the permittee or his agent fixing a reasonable time for the abatement of the violation. If, upon the expiration of the period of time as originally fixed or subsequently extended, the Secretary or his authorized representative finds that the violation has not been abated, he shall immediately order a cessation of surface coal mining and reclamation operations or the portion thereof relevant to the violation. Such cessation order shall remain in effect until the Secretary or his authorized representative determines that the violation has been abated.

"(4) When, on the basis of a Federal inspection which is carried out during the enforcement of a Federal program, or a Federal lands program, or during Federal enforcement of a State program in accordance with subsection (b) of this section, the Secretary or his authorized representative determines that a pattern of violations of any requirements of this Act or any permit conditions required by this Act exists or has existed, and if the Secretary or his authorized representative also finds that such violations are caused by the unwarranted failure of the permittee to comply with any requirements of this Act or any permit conditions, or that such violations are willfully caused by the permittee, the Secretary or his authorized representative shall forthwith issue an order to the permittee to show cause why the permit should not be suspended or revoked.

"(5) Notices and orders issued pursuant to this section shall set forth with reasonable specificity the nature of the violation and the remedial action required, the period of time established for abatement, and, where appropriate, a reasonable description of the portion of the surface coal mining and reclamation operation to which a cessation order applies. Each notice or other order issued under this section shall be given promptly to the permittee or his agent by the Secretary or his authorized representative who issues such notice or order, and all such notices and orders shall be in writing and shall be signed by such authorized representative. Any notice or order issued pursuant to this section may be modified, vacated, or terminated by the Secretary or his authorized representative. A copy of any such order or notice shall be sent to the State regulatory authority in the State in which the violation occurs.

"(b) Whenever the Secretary finds that violations of any approved State program appear to result from a failure of the State to enforce such program effectively, he shall so notify the State. If the Secretary finds that such failure extends beyond thirty days after such notice, he shall give public notice of such finding. During the period beginning with such public notice and ending when such State satisfies the Secretary that it will enforce this Act, the Secretary shall enforce any permit condition required under this Act, shall issue new or revised permits in accordance with the requirements of this Act, and may issue such notices and orders as are necessary for compliance therewith.

"(c) The Secretary may request the Attorney General to institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the surface coal mining and reclamation operation is located or in which the permittee thereof has his principal office, whenever such permittee or his agent (A) violates or fails or refuses to comply with any order or decision issued by the Secretary under this Act, or (B) interferes with, hinders, or delays the Secretary or his authorized representative in carrying out the provisions of this Act, or (C) refuses to admit such authorized representative to the mine, or (D) refuses to permit inspection of the mine by such authorized representative, or (E) refuses to furnish any information or report requested by the Secretary in furtherance of the provisions of this Act, or (F) refuses to permit access to, and copying of, such records as the Secretary determines necessary in carrying out the provisions of this Act. Such court shall have jurisdiction to provide such relief as may be appropriate. Temporary restraining orders shall be issued in accordance with Rule 65 of the Federal Rules of Civil Procedure, as amended. Except as otherwise provided herein, any relief granted by the court to enforce an order under clause (A) of this subsection shall continue in effect until the completion or final termination of all proceedings for review of such order under this title, unless, prior thereto, the district court granting such relief sets it aside or modifies it."

144. Page 227, line 11. Strike out "SEC. 221." and insert a "SEC. 221." to read as follows:

"SEC. 221. (a)(1) Any action of the Secretary to approve or disapprove a State program pursuant to section 203 of this Act or to prepare and promulgate a Federal program pursuant to section 204 of this Act shall be subject to judicial review only by the appropriate United States Court of Appeals upon the filing in such court within thirty days from the date of such action of a petition by any person who participated in the administrative proceedings related thereto and who is aggrieved by the action praying that the action be modified or set aside in whole or in part. A copy of the petition shall forthwith be sent by registered or certified mail to the other parties, the Secretary, and the Attorney General and thereupon the Secretary shall certify and the Attorney General shall file in such court the record upon which the action complained of was issued, as provided in section 2112 of title 28, United States Code.

"(2) Any promulgation of regulations by the Secretary to sections 211, 212, and 225 of this Act shall be subject to judicial review only by the appropriate United States Court of Appeals in accordance with the procedures set forth in subsection (1) of this section.

"(3) All other orders or decisions issued by the Secretary pursuant to this Act shall be subject to judicial review only in the United States District Court for the locality in which the surface coal mining operation

is located. Such review shall be in accordance with the Federal Rules of Civil Procedure. In the case of a proceeding to review an order or decision issued by the Secretary under section 224 of this Act, the court shall have jurisdiction to enter an order requiring payment of any civil penalty assessment enforced by its judgment.

"(b) The court shall hear such petition or complaint on the evidence presented and on the record made before the Secretary. The court may affirm, vacate, or modify any order or decision or may remand the proceedings to the Secretary for such further action as it may direct.

"(c) In the case of a proceeding to review any order or decision issued by the Secretary under this Act, the court may, under such conditions as it may prescribe, grant such temporary relief as it deems appropriate pending final determination of the proceeding if—

"(1) all parties to the proceeding have been notified and given an opportunity to be heard on a request for temporary relief;

"(2) there is a substantial likelihood that the person requesting such relief will prevail on the merits of the final determination of the proceeding; and

"(3) such relief will not present imminent danger to the public health and safety or cause significant imminent environmental harm to the land, air, or water resources which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan.

"(d) The commencement of a proceeding under this section shall not, unless specifically ordered by the court, operate as a stay of the order or decision of the Secretary."

145. Page 229, line 24. Strike out "SEC. 222." and insert a "SEC. 222." to read as follows:

"SEC. 222. (a) (1) A notice or order issued to a permittee pursuant to the provisions of subparagraphs (a) (2) and (3) of section 220 of this title, or to any person having an interest which is or may be adversely affected by such notice or order or by any modification, vacation, or termination of such notice or order, may apply to the Secretary for review of the notice or order within thirty days of receipt thereof or within thirty days of its modification, vacation, or termination. Upon receipt of such application, the Secretary shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing, at the request of the applicant or person having an interest which is or may be adversely affected, to enable the applicant and such person to present information relating to the issuance and continuance of such notice or order or the modification, vacation, or termination thereof. The filing of an application for review under this subsection shall not operate as a stay of any order or notice.

"(2) The permittee and other interested persons shall be given written notice of the time and place of the hearing at least five days prior thereto. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code.

"(b) Upon receiving the report of such investigation, the Secretary shall make findings of fact, and shall issue a written decision, incorporating therein an order vacating, affirming, modifying, or terminating the notice or order, or the modification, vacation, or termination of such notice or order complained of and incorporate his findings therein.

"(c) Pending completion of the investigation required by this section, the applicant may file with the Secretary a written request that the Secretary grant temporary relief from any notice or order issued under section 220(a)(3) of this title together with a detailed statement giving reasons for granting such relief. The Secretary may grant such relief, with or without a hearing, under such conditions as he may prescribe, if—

"(1) the applicant shows that there is substantial likelihood that the findings of the Secretary will be favorable to him; and

"(2) such relief will not present imminent danger to the health or safety of the public or cause significant imminent environmental harm to the land, air, or water resources which cannot reasonably be considered reclaimable within the scope of the bonded reclamation plan.

"(d) Following the issuance of an order to show cause as to why a permit should not be suspended or revoked pursuant to section 220(a)(4), the Secretary shall hold a public hearing after giving written notice of the time, place, and date thereof. Any such hearing shall be of record and shall be subject to section 554 of title V of the United States Code. Within sixty days following the public hearing, the Secretary shall issue and furnish to the permittee and all other parties to the hearing a written decision, and the reasons therefor, concerning suspension or revocation of the permit. If the Secretary revokes the permit, the permittee shall immediately cease surface coal mining operations on the permit area and shall complete reclamation within a period specified by the Secretary, or the Secretary shall declare as forfeited the performance bonds for the operation.

"(e) In view of the urgent need for prompt decision of matters submitted to the Secretary under this section, action shall be taken as promptly as practicable, consistent with adequate consideration of the issues involved."

146. Page 232, line 10. Strike out "SEC. 223." and insert a "SEC. 223." to read as follows:

"SEC. 223. (a) Except as provided in subsection (c) of this section any person having an interest which is or may be adversely affected by actions of the Secretary or the regulatory authority may commence a civil action on his own behalf in an appropriate United States district court—

"(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any regulation, order, or permit issued under this Act;

"(2) against the Secretary where there is alleged a failure of the Secretary or State regulatory authority to perform any act or duty under this Act which is not discretionary.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to remedy such violation or failure and to apply any appropriate civil penalties or injunctive relief under this Act.

"(b) No action may be commenced—

"(1) under subsection (a)(1) of this section—

"(A) prior to sixty days after the plaintiff has given notice of the alleged violation (i) to the Secretary, (ii) to the State in which the alleged violation occurs, and (iii) to any alleged violator of the regulation, order, or permit, or provision of this Act;

"(B) if the Secretary or State has commenced and is diligently prosecuting administrative or judicial action to require compliance with the regulation, permit, order, or provision of this Act, but in any such action in a court of the United States any person described in subsection (a) may intervene as a matter of right;

"(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice of such action to the regulatory authority. Notice under this subsection shall be given in such manner as the Secretary shall prescribe by regulation.

"(c) The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, except against the United States or any Federal officer or agency, whenever the court determines such award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(d) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of this Act or to seek any other relief (including relief against the Secretary or a State agency).

"(e) The Secretary, if not a party in any action under this section, may intervene as a matter of right."

147. Page 238, line 20. Strike out "SEC. 225." and insert a "SEC. 225." to read as follows:

"SEC. 225. (a)(1) After the date of enactment of this Act all new surface coal mining permits, leases, or contracts issued with respect to surface coal mining operations on Federal lands shall incorporate therein the interim surface coal mining and reclamation performance standards of subsection (c) of section 201 of this Act.

"(a)(2) Within sixty days from the date of enactment of this Act, the Secretary shall review and amend all existing surface coal mining permits, leases, or contracts in order to incorporate therein the interim surface coal mining and reclamation performance standards of subsection (c) of section 201 of this Act. On or before one hundred and twenty days from the date of issuance of such amended permit, lease, or contract, all surface coal mining operations existing at the date of enactment of this Act on Federal lands shall comply with the interim surface coal mining and reclamation performance standards with respect to lands from which the overburden has not been removed.

"(b) The Secretary, in consultation with the heads of other Federal land managing departments and agencies, shall promulgate and implement a Federal lands program which shall be applicable to all surface coal mining and reclamation operations taking place on any Federal land. The Federal lands program shall incorporate all surface coal mining reclamation requirements of this Act and shall take into consideration the diverse physical, climatological, and other unique characteristics of the Federal lands in question.

"(c) Within eighteen months after the date of enactment of this Act, all surface coal mining reclamation requirements of this Act through the Federal lands program shall be incorporated by reference or otherwise in any Federal mineral lease, permit, or contract issued by the Secretary which may involve surface coal mining and reclamation operations or surface operations incident to underground coal mines. Incorporation of such requirements shall not, however, limit in any way the authority of the Secretary to subsequently issue new regulations, revise the Federal lands program to deal with changing conditions or changed technology, and to require the lease, permit, or contract holder to conform any surface coal mining and reclamation operations to the requirements of this Act and the regulations issued pursuant to this Act. With respect to national forest lands, the Secretary shall include in permits, leases, and contracts those conditions and requirements deemed necessary by the Secretary of Agriculture. The Secretary of Agriculture shall administer the provisions of such surface coal mining leases, permits, or contracts relating to reclamation and surface use, and is authorized to enforce such provisions.

"The Secretary, or in the case of lands

within national forests the Secretary of Agriculture, may enter into agreements with a State or with a number of States to provide for a joint Federal-State program covering a permit or permits for surface coal mining and reclamation operations on land areas which contain lands within any State and Federal lands which are interspersed or checkerboarded and which should, for conservation and administrative purposes, be regulated as a single-management unit. To implement a joint Federal-State program the Secretary, or in the case of lands within national forests the Secretary of Agriculture, may enter into agreements with the States, may delegate authority to the States, or may accept a delegation of authority from the States for the purpose of avoiding duality of administration of a single permit for surface coal mining and reclamation operations. Such agreements shall incorporate all of the requirements of this Act, and shall not preclude Federal inspection or enforcement of the provisions of this Act as provided in sections 219 and 220.

"(d) Except as specifically provided in subsection (c), this section shall not be construed as authorizing the Secretary or the Secretary of Agriculture to delegate to the States any authority or jurisdiction to regulate or administer surface coal mining and reclamation operations or other activities taking place on the Federal lands.

"(e) This section shall not be construed as authorizing the Secretary to delegate to the States any authority or jurisdiction to regulate or administer surface coal mining and reclamation operations or other activities taking place on Indian lands or to delegate to the States trustee responsibilities toward Indians and Indian lands."

148. Page 249, line. Strike out "Title IV".

149. Page 265, line 17. Strike out "Title V".

150. Page 272, line 1. Strike out "Title VII" and insert a "Title VII" to read as follows:

"TITLE VII—GENERAL PROVISIONS AND ADMINISTRATION

"AUTHORITY OF THE SECRETARY

"SEC. 701. (a) In carrying out his responsibilities under this Act the Secretary shall:

"(1) administer the State grant-in-aid program for the development of State programs for surface coal mining and reclamation operations provided for in this title;

"(2) maintain a continuing study of surface coal mining and reclamation operations in the United States;

"(3) assist the States in the development of State programs for surface coal mining and reclamation operations which meet the requirements of this Act;

"(4) publish and promulgate such rules and regulations as may be necessary to carry out the purposes and provisions of this Act; and

"(5) conduct hearings, administer oaths, issue subpenas, and compel the attendance of witnesses and production of written or printed materials as necessary to carry out his duties under this Act.

"(b) For the purpose of carrying out his responsibilities under this Act, including the enforcement thereof, the Secretary may by agreement utilize with or without reimbursement the services, personnel, and facilities of any Federal agency.

"STUDY OF SUBSIDENCE AND UNDERGROUND WASTE DISPOSAL IN COAL MINES

"SEC. 702. The Secretary shall conduct a full and complete study and investigation of the practices of backfilling all coal mine wastes and coal processing plant wastes in mine voids or other equally effective disposal methods and the control of subsidence to maximize the stability, value, and use of lands overlying underground coal mines. The Secretary shall report to the Congress the results of such study and investigation no later than the end of the two-year period beginning on the date of enacement of this Act.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 703. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"RELATION TO OTHER LAWS

"SEC. 704. Nothing in this Act or in any State regulations approved pursuant to it shall be construed to conflict with any of the following Acts or with any rule or regulation promulgated thereunder:

"(1) The Federal Metal and Nonmetallic Mine Safety Act (30 U.S.C. 721–740).

"(2) The Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 801).

"(3) The Federal Water Pollution Control Act (33 U.S.C. 1151–1175), the State laws enacted pursuant thereto, or other Federal laws relating to preservation of water quality.

"(4) The Clean Air Act, as amended (42 U.S.C. 1857).

"(5) The Solid Waste Disposal Act (42 U.S.C. 3251).

"(6) The Refuse Act of 1899 (33 U.S.C. 407).

"(7) The Fish and Wildlife Coordination Act (16 U.S.C. 661–666c).

"EMPLOYEE PROTECTION

"SEC. 705. (a) No person shall discharge, or in any other way discriminate against, or cause to be discharged or discriminated against, any employee or any authorized representative of employees by reason of the fact that such employee or representative has filed, instituted, or caused to be filed or instituted any proceeding under this Act, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this Act.

"(b) Any employee or a representative of employees who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such alleged violation occurs, apply to the Secretary for a review of such discharge or alleged discrimination. A copy of the application shall be sent to the person or operator who will be the respondent. Upon receipt of such application, the Secretary shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to such review to enable the parties to present information relating ot the alleged violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5 of the United States Code. Upon receiving the report of such investigation the Secretary shall make findings of fact. If he finds that a violation did occur, he shall issue a decision incorporating therein his findings and an order requiring the party committing the violation to take such affirmative action to abate the violation as the Secretary deems appropriate, including, but not limited to, the rehiring or reinstatement of the employee or representative of employees to his former position with compensation. If he finds that there was no violation, he shall issue such a finding. Orders issued by the Secretary under this subparagraph shall be subject to judicial review in the same manner as other orders and decisions of the Secretary are subject to judicial review under this Act.

"(c) Whenever an order is issued under this section, at the request of applicant, a sum equal to the aggregate amount of all costs and expenses (including attorneys' fees), to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the persons committing the violation.

"GRANTS TO THE STATES

"SEC. 706. (a) The Secretary is authorized to make annual grants to any State for the purpose of assisting such State in developing, administering, and enforcing State programs under this Act. Such grants shall not exceed 80 per centum of the program development costs incurred during the year prior to approval by the Secretary, shall not exceed 60 per centum of the total costs incurred during the first year following approval, 45 per centum during the second year following approval, 30 per centum during the third year following approval, and 15 per centum during the fourth year following approval. Not later than the end of the fourth year following approval, the State program shall be fully funded from State sources, and each application for a permit pursuant to an approved State program or a Federal program under the provision of this Act shall provide for payment of fees as determined by the regulatory authority. Such fees shall be based as nearly as possible upon the actual or anticipated costs of reviewing, administering, and enforcing such permit, and shall be payable on a phased basis over the period of the permit.

"(b) The Secretary is authorized to cooperate with and provide assistance to any State for the purpose of assisting it in the development, administration, and enforcement of its State programs. Such cooperation and assistance shall include—

"(1) technical assistance and training, including provision of necessary curricular and instruction materials, in the development, administration, and enforcement of the State programs; and

"(2) assistance in preparing and maintaining a continuing inventory of information on surface coal mining and reclamation operations for each State for the purposes of evaluating the effectiveness of the State programs. Such assistance shall include all Federal departments and agencies making available data relevant to surface coal mining and reclamation operations and to the development, administration, and enforcement of State programs concerning such operations.

"PROTECTION OF THE SURFACE OWNER

"SEC. 707. (a) In those instances in which the surface owner is not the owner of the mineral estate proposed to be mined by surface coal mining operations, the application for a permit shall include the following:

"(1) the written consent of, or a waiver by, the owner or owners of the surface lands involved to enter and commence surface coal mining operations on such land, or, in lieu thereof,

"(2) the execution of a bond or undertaking to the United States or the State, whichever is applicable, for the use and benefit of the surface owner or owners of the land, to secure the immediate payment equal to any damages to the surface estate which the surface coal mining operation will cause to the crops or to the tangible improvements of the surface owner as may be determined by the parties involved or as determined and fixed in an action brought against the permittee or upon the bond in a court of competent jurisdiction. This bond is in addition to the performance bond required for reclamation by this Act.

"(b) For the purposes of this section, the term 'surface coal mining operation' does not include underground mining for coal.

"PROTECTION OF GOVERNMENT EMPLOYEES

"SEC. 708. Section 1114, title 18, United States Code, is, hereby amended by adding the words 'or of the Department of the Interior' after the words 'Department of Labor' contained in that section.

"SEVERABILITY

"SEC. 709. If any provision of this Act or the applicability thereof to any person or circumstance is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.

"DEFINITIONS

"SEC. 710. For the purposes of this Act—

"(1) the term 'Secretary' means the Secretary of the Interior, except where otherwise described;

"(2) the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam;

"(3) The term 'commerce' means trade, traffic, commerce, transportation, transmission, or communication among the several States, or between a State and any other place outside thereof, or between points in the same State which directly or indirectly affect interstate commerce;

"(4) The term 'surface coal mining operations' means—

(A) activities conducted on the surface of lands in connection with a surface coal mine the products of which enter commerce or the operations of which directly or indirectly affect commerce. Such activities include excavation for the purpose of obtaining coal including such common methods as contour, strip, auger, mountaintop removal, box cut, and area mining (but not open pit mining), and in situ distillation or retorting, leaching, or other chemical or physical processing, and the cleaning, concentrating, or other processing or preparation, or loading of coal for interstate commerce at or near the mine site: *Provided, however,* That such activities do not include the extraction of coal incidental to the extraction of other minerals where coal does not exceed 16⅔ per centum of the tonnage of minerals removed for purposes of commercial use or sale; and

"(B) the areas upon which such activities occur or where such activities disturb the natural land surface. Such areas shall also include land affected by mineral exploration operations which substantially disturb the natural land surface, and any adjacent land the use of which is incidental to any such activities, all lands affected by the construction of new roads or the improvement or use of existing roads to gain access to the site of such activities and for haulage, and excavations, workings, impoundments, dams, refuse banks, dumps, stockpiles, overburden piles, spoil banks, culm banks, holes or depressions, repair areas, storage areas, processing areas, shipping areas, and other areas upon which are sited structures, facilities, or other property or materials on the surface, resulting from or incident to such activities;

"(5) the term 'surface coal mining and reclamation operations' means surface coal mining operations and all activities necessary and incident to the reclamation of such operations;

"(6) The term 'lands within any State' or 'lands within such State' means all lands within a State other than Federal lands and Indian lands;

"(7) The term 'Federal lands' means any land or interest in land owned by the United States without regard to how the United States acquired ownership of the land and without regard to the agency having responsibility for management thereof;

"(8) The term 'State program' means a program established by a State pursuant to title II to regulate surface coal mining and reclamation operations on lands within a State in accordance with the requirements of this Act and regulations issued by the Secretary pursuant to this Act;

"(9) The term 'Federal program' means a program established by the Secretary to regulate surface coal mining and reclamation operations on lands within any State in accordance with the requirements of this Act;

"(10) The term 'Federal lands program' means a program established pursuant to title II to regulate surface coal mining and reclamation operations on Federal lands;

"(11) The term 'mining and reclamation plan' means a plan submitted by an applicant for a permit under a State program, Federal program, or Federal lands program which sets forth a plan for mining and reclamation of the proposed surface coal mining operations pursuant to section 210;

"(12) The term 'State regulatory authority' means the department or agency in each State which has primary responsibility in that State for administering the State program pursuant to this Act;

"(13) The term 'regulatory authority' means the State regulatory authority where the State is administering this Act under an approved State program or the Secretary where the Secretary is administering any or all provisions of this Act;

"(14) The term 'person' means an individual, partnership, association, society, joint stock company, firm, company, corporation, or other business organization;

"(15) The term 'permit' means a document issued by the regulatory authority for a surface coal mining site pursuant to a State program, or a Federal lands program, authorizing the permittee to conduct surface coal mining and reclamation operations;

"(16) The term 'permit applicant' or 'applicant' means a person applying for a permit;

"(17) The term 'permittee' means a person holding a permit;

"(18) The term 'backfilling to approximate original contour' means that part of the surface coal mining and reclamation process achieved by backfilling and grading of the mined area so that it closely resembles the surface configuration of the land prior to surface coal mining and blends into and complements the drainage pattern of the surrounding terrain, with all highwalls, spoil piles, and depressions eliminated except that water impoundments may be permitted where the regulatory authority determines that they are necessary or desirable for reclamation or public recreation purposes;

"(19) The term 'operator' means any person engaged in surface coal mining operations;

"(20) The term 'reclamation' or 'reclaim' means the process of land, air, and water treatment that restricts and controls water degradation, air pollution, damage to aquatic or wildlife habitat, flooding, erosion, and other harmful effects resulting from surface coal mining operations, so that the affected areas, including, where appropriate, areas adjacent to the mining site are restored to a stable condition capable of supporting the uses which they were capable of supporting prior to mining or an equal or better economic or public use suitable to the locality;

"(21) The term 'unwarranted failure to comply' means the failure of 'permittee to prevent the occurrence of any violation of his permit or any requirement of this Act due to indifference, lack of diligence, or lack of reasonable care, or the failure to abate any violation of such permit or the Act due to indifference, lack of diligence, or lack of reasonable care;

"(22) 'Open pit mining' means surface mining in which (1) the amount of material removed is large in proportion to the surface area disturbed; (2) mining continues in the same area proceeding downward with lateral expansion of the pit necessary to maintain slope stability or as necessary to accommodate the orderly expansion of the total mining operation; (3) the operations take place on the same relatively limited site for an extended period of time; (4) there is no practicable method to reclaim the land in the manner required by this Act; and (5) there is no practicable alternative method of mining the mineral or ore involved;

"(2) The term 'imminent danger to the health or safety of the public' means the existence of any condition or practice, or any violation of a permit or other requirement of this Act in a surface coal mining and reclamation operation, which condition, practice, or violation could reasonably be expected to cause death or serious physical harm to persons outside the permit area before such condition, practice, or violation can be abated."

LET HE WHO IS WITHOUT SIN CAST THE FIRST STONE

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. HUBER. Mr. Speaker, recently a Lutheran minister in my congressional district wrote a very thoughtful letter to the President which I felt said a lot about some of the hypocrisy in evidence as a result of Watergate. The quotation concerning former President Lincoln and his popularity in 1863 is particularly applicable, I feel. The letter from Reverend Halsted of Ferndale, Mich., follows:

ZION LUTHERAN CHURCH,
Ferndale, Mich., May 17, 1974.

THE PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I write this letter because I want you to know that I support your position and have confidence in your ability to govern our country.

I recognize that you receive thousands of letters, and that it is physically impossible for you to read all of them. However, I hope that whoever opens this one will feel that it is worth your personal perusal.

One of the things that bothers me about the whole Watergate investigation is the wave of self-righteousness that is likely to emerge from it. Suddenly, people whose own records are surely not without blemish are issuing clarion calls for righteousness. They are busy with brooms, sweeping everybody's office but their own. They refuse to extend to others privileges of confidentiality that many of them, on certain occasions, must certainly have not hesitated to take for themselves.

Believe me, there are many conversations that I, as a Lutheran minister, have had in the privacy of my office or home that I should not want to be made public. I am sure that if they were, it wouldn't be long before some of the self-righteous "elite" would start to move to defrock me. I am a human being. So are you. The fact that I happen to be a Lutheran minister and you happen to be the President of these United States does not in any way make either you or me any less human.

I recently completed a series of sermons on the Twelve Apostles. Aside from their common faith in the Lord, the one fact that strikes me about these men, which I tried to get across to my people, is that they were indeed a motley group, common, ordinary men with a diversity of talents. They were wholly and totally human. They had strengths, certainly! But they also had weak-

nesses. So do we all. Even those who have presumed your guilt and seem so ready to put you on the cross.

As to the media, I have experienced in my own small way how capable some reporters are in taking things out of context. I have often wondered what people in other cities, whose only source of information is the media, must think about our neighbor, Detroit. Isn't it strange how those living in a situation never think it is quite as bad as those standing on the sidelines? And the chances are that most of those standing on the sidelines have been guided to their opinions by the so called responsible journalists.

I know your time is precious, so I don't want to burden you with a lot of other things I might say; but before I close this letter, please let me share with you a quote that I recently picked up from a friend, who also is one of your supporters:

"As to the politics of Washington, the most striking thing is the absence of personal loyalty to the President. It does not exist. He has no admirers, no enthusiastic supporters, none to bet on his head. If a Republican convention were to be held tomorrow, he would not get the vote of a State. He does not act, or talk or feel like the ruler of a great empire in a great crisis. This is felt by all, and has got down through all the layers of society. It has a disastrous effect on all departments and classes of officials, as well as on the public.

"Nixon? No Lincoln. Words written by Richard Dana about President Lincoln in 1863 when his standing was at the lowest level of his presidency."

Hang in there, Mr. President. Don't give into the self-styled "do-gooders," who are so busy with the speck in their brother's eye that they can't see the log in their own. You have a lot of supporters despite what the newspapers say.

Sincerely yours,

GEORGE HALSTED,
Senior Pastor.

CAPTIVE NATIONS WEEK

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ADDABBO. Mr. Speaker, this week marks the annual observance of Captive Nations Week, a time when we in the Congress join with religious and civic leaders across the country in reaffirming our commitment to the basic, inalienable rights of the people living in captive nations to independence and freedom. The belief in the right to freedom as a basic international right is one which needs to be asserted without qualification at this moment in history. That is the purpose of this week and it is appropriate that we in Congress make our voices heard on this most timely and fundamental subject.

As words of détente fill the air, we must never lose sight of our basic principles. To do so for expediency now would result in disaster for all of us later. The issues of the individual's right to freedom or a nation's right to independence from the oppression of tyrannical rule cannot be ignored, compromised or tampered with for the short-term diplomatic successes of the day.

I am always appalled to hear the numbers of people living in East and Central Europe under Communist rule, more than 100 million people who have not lost the hope for freedom and who must not lose the support of America. This week provides an opportunity for us all to reaffirm our support to these 100 million people and to the principles of independence and freedom.

ONE OF THE LARGEST U.S. FLAGS FLOWN ATOP U.S. CAPITOL

HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. DOWNING. Mr. Speaker, on Thursday, June 20, 1974, one of largest of U.S. flags, 23 by 40 feet, was flown atop the U.S. Capitol.

The flag is unique. It was brought all the way from Texas and delivered to me for the purpose of arranging for its raising above the Nation's Capitol.

This past April 15, the Noncommissioned Officers Association of the U.S.A.—NCOA—raised this very flag in front of its new International Headquarters Building in San Antonio, Tex. The association was convening its 13th annual international convention, and the 60-foot pole on which the flag was flown was being dedicated to the thousands of noncommissioned and petty officers who gave their lives in defense of this great Nation.

The flag, visible for many miles, fluttered proudly in the Texas sun. It inspired many who looked upon its broad stripes and stars. It moved one U.S. Air Force NCO, Wesley A. Shaner, so dramatically, that he returned to his hotel and prepared the following resolution:

Be it resolved: That at one hour before sunset on April 20, 1974, our Legislative Committee Representative, with appropriate ceremony, secure our coveted American Flag; that he transport it by the most expeditious means possible, and have it raised over our Nation's Capitol Building as a one-day symbol of the NCOA's rededication to our government and American people, of the NCOA's patriotism, benevolence, integrity, and our love of our Country. Be it further resolved that our flag be returned with haste, dignity, and honor; and that it again be raised above our Headquarters with pomp and ceremony so that it may serve to constantly remind us of our rededication to our beloved Country.

The resolution was adopted unanimously by the NCOA membership assembled in convention on April 19. The following day, the flag was delivered to Command Sgt. Maj. Fred E. Darling, U.S. Army, retired, a staff member of the NCOA Legislative Office, and he personally carried it to Washington, D.C.

Subsequently, I was honored by a visit from the association's representatives. They bestowed upon me a coveted membership in the NCOA International Rat Pack Chapter.

To be selected as a member of this honor chapter, one must distinguish himself or herself as a member of the association. I was selected in appreciation for my interest in the organization and because I had sponsored the NCOA recommended legislation to provide severance pay for regular enlisted members of the Armed Forces who were denied reenlistment after serving this Nation honorably (H.R. 13032).

As they pinned the symbol of membership, a gold metal rat with red eyes, on my lapel, I was given my first task—to have the NCOA flag flown above the Capitol.

Mr. Speaker, I am proud to have assisted my fellow NCOA members, 160,000-plus, in realizing their mandate, and I join them in rededicating ourselves to the best interests of our beloved country.

HUMAN EVENTS CATTLEMEN'S STAMPEDE

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. PEYSER. Mr. Speaker, Human Events has recently printed a fine analytical piece on the current problems of the livestock industry which makes a compelling case to oppose the "Emergency Livestock Credit Act." I would like to insert it into the RECORD at this time:

CATTLEMEN'S STAMPEDE: IT THREATENS TO RUN ROUGHSHOD OVER SOUND PUBLIC POLICY

(By Robert M. Bleiberg)

"As one who has seen perhaps more than his share of old movies, not to mention such television favorites as 'Rawhide,' 'Bonanza' and 'Lawman,' this observer lately has been struck by what he can only call the decline of the West.

"Time was when gunslingers, gamblers and cowboys were faithful to tradition; however, these days, especially on 23-inch screens, their once-sharp images all too often tend to blur. Instead of villains who are mean clean through—like black-gloved Jack Palance, in the unforgettable *Shane*—we now have repentant badmen. Redskins frequently wind up as heroes, while the U.S. Cavalry, like today's much-maligned Air Force, is loaded with hate-filled neurotics. Even the legendary cattle baron no longer runs true to form: from an evil old man who loves to gun down squatters and nesters, he has somehow turned into squareshooting Ben Cartwright, neighborly owner of the Ponderosa.

"Myths, so the saying goes, die hard. Yet even a true believer in the legends of the West must admit that recent history has shaken his faith. From every corner of the Old Frontier—from Dodge City, Tombstone and other places fabled in story and song—the nation's cowpokes have been raising a wholly uncharacteristic cry for help. While their rugged forebears were willing to go it alone against all kinds of hazards, natural and man-made alike, today's cattlemen are evidently a different breed. Threatened by a mounting flood of imported beef, they have sought to stampede Congress into coming to the rescue."

So wrote *Barron's* over a decade ago, when U.S. cattlemen (who, by the way, still pride themselves on rugged individualism) had just begun their first drive on Washington. While filled with sound and fury—our own wry comments evoked a personal attack from Cervi's *Rocky Mountain Journal*—the hell-bent-for-leather approach swiftly stalled;

several months later, Congress passed the Meat Import Quota Act of 1964, which decreed largely symbolic ceilings on foreign shipments to these shores.

Now the ranchers are staging a re-run. Appalled at the recent plunge in cattle prices, they have besieged the lawmakers with fresh pleas for assistance, including the reimposition of quotas with teeth; creation of a stockpile of canned beef and pork, as well as a disaster relief fund for feeders, comprising a federal bounty of $100 per head on all cattle slaughtered since March 1; generous federal loan guarantees.

This time around, Congress has been quick to respond. "Whenever we see 19 U.S. senators line up on Monday morning to make speeches on the same subject," as Sen. Lloyd Bentsen (D.-Tex.) told his colleagues recently, they mean business.

In any case, the lawmakers have acted with unprecedented speed. After a one-day hearing given over to feedlot operators and their bankers, the Senate Agriculture Committee passed a resolution urging President Nixon to reimpose import quotas on beef, which have been suspended since 1972. With fine bipartisanship, the group also approved a $3-billion program of emergency loan guarantees aimed at getting cattlemen off the hook.

The Administration, in turn, has been steadily giving ground. It has begun buying beef for the school lunch program and other giveaways. In an effort to pressure the nation's food chains into lowering meat prices, Kenneth Rush, newly appointed economic counsellor to the White House, has dragged out the battered old jawbone. And after an initial show of resistance, Secretary of Agriculture Earl L. Butz recently was signifying his willingness to go along with the senators. "I'm a realist," he told reporters.

True enough, this year, unlike a decade ago, the cattlemen aren't crying wolf. Prey to their own mistaken market judgments, they also have suffered from unworkable price controls, notably during Freeze Two, as well as from a panicky ban by the Food & Drug Administration of diethylstilbestrol (DES), a feed additive the lack of which has cost the trade hundreds of millions of dollars. Nonetheless, the industry has gone off half-cocked.

There's no sense, for one thing, in trying to make hapless middlemen like meat packers and food chains—shades of Big John Connally and his five-dollar Eggs Benedict—which are lucky to net 1 per cent of sales, the villain of the price. Again, slapping on import quotas might succeed in temporarily raising prices, notably for hamburger—and would surely trigger the outrage of foreign suppliers and domestic consumers—but it would move relatively little of the mountains of beef and pork piled up in cold storage.

Federal loan guarantees, finally, might bail out more bankers than ranchers and extend the painful adjustment, which, whatever Washington decides to do, sooner or later will run its course. Like nature itself, the farm cycle is a hanging judge, from whose verdict there is no appeal.

But there is cause for complaint. For cattle growers have been victimized by a combination of adverse circumstances, manmade and natural alike.

To illustrate, FDA, acting on flimsy scientific findings and without due process of law, 15 months ago abruptly banned the use of DES either in cattle feed or as an implant. While the ban, by order of a federal court, was lifted in January, output of the precious stuff, which speeds growth and improves animal quality, has largely ground to a halt. Pending a final FDA decision (already far too long delayed), growers, despite extra costs put at upwards of a half-billion dollars a year, are reluctant to use it. By the same token, beef prices remained frozen for weeks after the general thaw set in last summer, thereby disrupting the channels of trade and warping even professional estimates of supply and demand.

During the protracted freeze, ranchers and feeders, banking on higher prices, withheld their animals from market. Came the thaw, however, and quotations, instead of going up, went down. Thus, feeder steers, which at last summer's peak topped $60 per hundredweight (choice weight, 600–700 pounds, at Kansas City), lately have dropped below $40. Hogs, calves, and lambs have plunged too.

What the trade—encouraged, no doubt, by perennially bullish government forecasts—ignored is that demand for meat is elastic; people can cut down or do without. Which is what they have been doing. For the first time in living memory, U.S. per capita consumption of meat last year declined, from 116 pounds to 109 pounds, a drop which, despite somewhat lower over-the-counter tabs, shows no sign of reversing. Meanwhile, meat production has mounted apace—up 8 per cent so far in 1974. Hence stocks of beef, pork and lamb have surged to over one billion pounds, half again as much as last year, and cold storage space is hard to find. Ranchers, feeders and farmers are losing money hand over fist—at least $100 an animal, and over $1 billion all told to date.

Small wonder that they are bellowing for help and busily hunting scapegoats. Or that they always ride off the wrong way. Largely at their behest, Congress in 1964 created the National Commission to Investigate Food Marketing, a body which, after making the expected charges (and headlines) went into history's dustbin. This time it's a "task force on meat margins," which Secretary Butz, "realistically" bowing to political pressure, announced would be set up in USDA. Yet it's plain that neither food chains nor meat packers wear black hats.

Retail meat prices haven't declined as much as wholesale, but they never rose as fast, either; meanwhile other costs of doing business have increased by leaps and bounds. Nor should housewives forget that during the freeze, supermarkets were buying beef on the hoof, having it custom-slaughtered and selling the cuts to customers at a loss.

Profit margins, which nearly vanished for a while last year, remain paper-thin—perhaps eight-tenths of 1 per cent. "We should try to send a few of the law-breaking, profiterring pirates among the chain stores to jail," shrilled the *Rocky Mountain Journal* in 1964. Some people never learn.

Count among them the legislative and executive branches of government. What both should be doing is moving posthaste to repeal the Delaney Amendment, which, among other mischief, originally led the zealots at FDA to ban DES, and still keeps it in a kind of commercial limbo. Instead, they have opted for the usual—and usually fruitless—expedient of throwing money at the problem.

By voting $3 billion in federal loan guarantees, the senators hope to prevent some hard-pressed cattlemen (including, be it noted, large numbers of city slickers in tax shelters) from going broke. To the degree that they succeed, however, they will merely stave off the inevitable and prolong the agony. Lower, not higher, prices up and down the line are the only way to clear a balky market. The rest is baloney.

"THE GREAT PAYCHECK RAID"—SOCIAL SECURITY TAX SEEN BLATANT INJUSTICE

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. BURKE of Massachusetts. Mr. Speaker, a Boston Herald-American reporter, Bill Duncliffe, has been taking a rather careful look at the great paycheck raid on low- and middle-income America in a recent series of articles.

The article I am submitting for the RECORD today, examines the impact of the social security tax and irrefutably concludes that it is a blatant injustice on low- and middle-income taxpayers.

The article follows:

[From the Boston Herald American, July 11, 1974]

"THE GREAT PAYCHECK RAID"—SOCIAL SECURITY TAX SEEN BLATANT INJUSTICE

(By Bill Duncliffe)

Each week your livelihood—and that of every other person in Massachusetts—is being picked apart by a multitude of national, state, and local taxes.

But while everyone is aware of how much is taken in withholding and Social Security taxes, few realize how large a slice of their income is being consumed by the many other levies to which they are subjected.

Two typical wage earners opened up their financial records and family budgets to the Herald American in order to explore just how these indirect and hidden taxes hurt them.

What was found—and what it all means, to you as well as to them, is told in his series, "The Great Paycheck Raid."

One of the financial facts of life that infuriates a hard-pressed Boston factory worker is that the government—after making some small allowance for his having to support a wife and five children on a paycheck of just $201 a week—still nicks him for nearly $7 of that in Federal income taxes.

What burns him even more is that the same government—making no allowance at all for his family size or needs—then takes another $10 from the same shrinking paycheck for Social Security taxes.

Thus, the factory hand's earnings are raided for more in SS "contributions" than in withholding taxes, and his case is far from unusual—because more than half of the working population of the nation is in the same undesirable fix.

That is, in the eyes of many economists and at least 133 Congressmen, a blatant and indefensible injustice, but up to now their fight to correct it has been a losing one. One of the leaders of that fight is Rep. James A. Burke of Milton, who is second only to Rep. Wilbur Mills of Arkansas in the ranking of Democrats on the House Ways and Means Committee.

Burke is one of the authors of a bill that would give low-income wage earners a cut of at least $136.50 a year in Social Security taxes.

He would do that by reducing the rate of taxation now charged to employe and employer alike from its present 5.85 percent to 3.90 percent. He would also force the government to pay one-third of the cost from general revenue, and he would extend the maximum salary limit on which the tax can be charged from the current $13,200 to $25,000.

That way, Burke said, those in the lower pay bracket would get some tax relief, those in the higher salary ranges would be made to pay a fairer share of their income to the SS fund, the burden of SS costs would be borne in part by a government that now contributes nothing to them—and domestic industry would get a badly-needed boost in its constant battle against foreign competition.

No less than 132 of Burke's colleagues thought enough of his idea to sign their names to it as co-sponsors—but despite his high position on Ways and Means he is still three or four votes short of what he

needs to force that Committee to send his bill to the floor for debate.

His hope now is to wangle a change in rules so that it can be placed before the House as an amendment to some other measure. If that ever happens, he said, he's sure it will sail through with little or no trouble at all.

But even if that unlikely series of events occurs there is virtually no chance that the Senate will okay rewriting of the SS tax law this year—because even the mills of the gods grind with greater speed than those of government in making changes in the status quo.

Yet Burke is convinced that his idea is one whose time is coming, and while he has no quarrel with a system that seeks to provide benefits for the elderly, the disabled, and the survivors of deceased wage earners, he is by no means enchanted with the method that has been devised to finance them.

"The tax is the most regressive one we have in that the person who earns $100,000 a year pays no more than the one who earns $13,200. Both pay the same—$772.20—and what is even worse is that a worker making from $7000 to $10,000 a year has a proportionately greater cut taken from his earnings than does a person in the higher salary ranges.

"Social Security is this government's major spending program, affecting more people directly than any other. It is high time that the burdens of that program were spread more evenly among the American people."

Ways and Means has, for several months now, been groping through the tangle of American tax laws in an effort to reform them and make them more equitable. There has been talk that the Committee is thinking seriously of eliminating "little man" tax loopholes such as the deduction for state gas taxes, medical insurance premiums, and the like.

Both Burke and House Majority Leader Thomas P. O'Neill, Jr., of Cambridge, insist that reforms of that nature don't have a ghost of a chance of being approved, that what the Committee will very probably go after are the tax breaks now enjoyed by Big Business.

But as important as it is to correct other inequities, Burke said, measures to do that would be largely meaningless unless the Social Security tax is made fairer for all.

That, he insisted, is basic; it touches the lives of all, and results in injustice where none should exist.

Social security is, in some ways, a good idea that time and events have caused to turn a bit sour.

When it first became law in 1937, the tax rate was one percent of the first $3000 earned—or $30 a year. It stayed that way until 1950, when people who had been middle-aged when the program began reached their retirement years.

Then the Social Security fund began to be drained, and in order to keep it solvent both the rate and the salary limits were gradually raised. In 1950, for example, the rate was increased to 1.50 percent, and in the following year the maximum salary was jumped to $3600.

As more and more people claimed benefits, the bite that was taken out of paychecks became ever greater, especially from 1960 to now. Fifteen years ago, three percent of the first $4800 earned was taken, for a maximum contribution of $144 by the worker. His employer threw in another $144 for a total contribution of $288.

In 1973 each was touched for $631.80—or 5.85 percent of $10,800. This year's tab is $722.20, and unless something is done soon there's no guarantee that by this time next year Social Security won't be making an even more damaging assault on the paychecks of American workers than it does now.

"Anyone who earns $13,200 in 1974 will pay $140.40 more than he did last year," Burke said. "How long can wage earners accept a Social Security tax that is heavier for 50 percent of the work force than personal income taxes?

"For businessmen, reducing the employer's contribution to one-third instead of the present one-half would reduce his cost of doing business and make American goods more competitive abroad. And thousands of small businessmen, some of them on the verge of bankruptcy, would be able to invest money in new machinery and production techniques in an attempt to gain a competitive foothold.

"A three-way split of the payroll tax isn't an untried idea. Many European countries have used this system for years. And the use of some general revenues instead of only the payroll tax has been recommended at regular intervals since Social Security began."

Although Congress may fiddle and fumble its way into 1975 without making up its mind on Social Security reform, there is growing pressure for it outside of Washington.

Locally, Frank Manning of the Legislative Council for Older Americans is convinced that criticism of the tax—though well founded—unintentionally gives senior citizens a bad rap.

He maintained that they aren't the ones primarily responsible for the drain on the SS Fund, since there are approximately 7,000,000 people under the age of 62 who are collecting benefits.

And becasue the payroll tax is now the only source of SS money, he said, a large portion of the public is escaping its obligation to support the program. For that reason, he said, he believes Burke's bill is a good one and wants to see the government tap other tax sources for its proposed one-third contribution to the SS Fund.

While Manning's prime concern is the senior citizen, Sen. Frederick W. Schlosstein, Jr., (D) of Warren insists that the SS tax is doing a job on young taxpayers too.

Schlosstein is chairman of the Legislature's Committee on Taxation, and he is firm in his belief that changes must be made.

"The Social Security tax is the most sheltered one we have because everyone takes it for granted," he said. "And it's probably the one that is figuratively getting away with murder.

"I'm in my fifties now, and I've got five kids. We find it tough to get by, but we manage. If we were just starting out, I'd really be discouraged.

"A person who began paying the tax in '37 and who retired last year didn't contribute more than $5200 to it. But take a young worker today, either with a skilled trade or a college degree.

"He's probably making at least $13,200 a year, and so he's being taxed for the full amount of $722.20. At his age he can probably expect to be in the work force for at least 30 years—and if the rate and the salary limits remain as they are now he will have paid $21,166 into the Fund when he retires.

"But he could work longer than that, and almost certainly the rate and/or the maximum taxable earnings will be raised—and so he'll get hit for even more. Okay, it's true that if he lives five or six years after retirement he'll get back whatever he paid in—but if he had been able to invest that kind of money at eight percent, he'd get a lot larger return on it.

"If I were young, I don't know how I'd look at this system. I think I'd get mighty discouraged trying to plan my future. Something has got to be done about it, because while we've lowered the federal income tax over the years we're still jacking up the SS rate that hits low-income people on the first dollar earned and which doesn't take the number of their children, or other deductions into account.

"There has to be a change made so that the income tax bears a bigger share of financing the Social Security program. We used to call it insurance but it isn't that at all; it's a tax on a social program, and if something isn't done it's going to get completely out of hand."

JERSEY CITY TO LAUNCH KIDNEY DRIVE

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. DOMINICK V. DANIELS. Mr. Speaker, the Heckman Foundation named for Judge August Heckman, of Jersey City, N.J., is doing a most notable service to our community. This foundation is seeking funds for research on kidney disorders which kill thousands of Americans annually.

On July 17, 1974, the Jersey Journal, a leading newspaper in the Garden State, described the notable good work which the Heckman Foundation is doing in this area. I commend the officers of the foundation and its most able director, Jacob A. "Jack" Robinson, and I am proud to associate myself with their good work.

The Jersey Journal article of June 17, 1974, follows:

JERSEY CITY TO LAUNCH KIDNEY DRIVE

A statewide drive for kidney donations will be undertaken in Jersey City this month by the Heckman Foundation, Jack Robinson, director of the nonprofit organization announced today.

Robinson said Jersey City was picked for the start of the drive in honor of Hudson County Superior Court Judge August Heckman, for whom the organization is named. Heckman is a Jersey City resident.

The Heckman Foundation also will seek contributions for research on kidney disorders, which Robinson called the fifth largest cause of death in the United States, and for the purchase of equipment, such as dialysis machines, to aid those persons afflicted with the disorders.

The Foundation also will set up an intensive program to get people to donate their kidneys after their deaths so there will be as little waiting time as possible for those who need kidney transplants.

Heckman gave up one of his own kidneys in an unsuccessful attempt to save the life of one of his sons. The lad died after receiving three kidney transplants.

The judge's daughter now is on a dialysis machine after having received a kidney which was donated to her by her mother.

According to Robinson, the foundation was incorporated more than a year ago, but is just starting to get off the ground.

The vice president of South Bergen Hospital and a member of the finance committee of St. Mary's Hospital in Passaic, Robinson said the foundation already has been asked to give a $30,000 grant to the Cornell Medical Center to develop a new serum for kidney disease.

Robinson said the foundation will give the grant as soon as enough money has been raised.

SAWHILL SEEKS FUEL DECONTROL BY MARCH 1975

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. MACDONALD. Mr. Speaker, I introduce, for appropriate reference and prompt action, an amendment to the Emergency Petroleum Allocation Act of 1973 (Public Law 93–159) which would make one simple change: Extend the life of the act from February 28, 1975, to June 30, 1976.

According to a story in Sunday's Washington Post, the Federal Energy Administration has already embarked on a systematic strategy to dismantle the allocation program. I believe the Members of Congress will be interested in this plan; the Washington Post story is reprinted following these remarks.

Mr. Speaker, this amendment is simple, but essential. The Emergency Petroleum Allocation Act of 1973 was one of the most important pieces of legislation enacted by the Congress last year. It established an allocation program which—despite its faults and despite some problems of administration—did the job intended. As a result of that program thousands of independent petroleum marketers remained in business and these marketers and the millions of consumers they serve were assured of an adequate supply of gasoline and home heating oil.

As the Congress knows, a year ago these independents were threatened with extinction; independent gasoline stations were closing down, independent marketers of heating oil, the terminal operators and retail dealers, found their supply arrangements with major oil companies were being arbitrarily terminated.

Now, most independents can look back on a year in which they not only survived, but did well. It is clear that the reason they survived and did well was the action of Congress last November in passing, over the objection of the administration and the major oil companies, the Emergency Petroleum Allocation Act.

That act is due to expire at the end of next February—right in the middle of winter. It must be extended. For, despite the apparent improvement in supplies, despite the end of the Arab embargo and despite the strong pressures of the major oil companies, there is still need for an allocation program, particularly on gasoline, home heating oil and crude oil. Independents are still having difficulty getting supplies; some majors are still refusing to cooperate with the Government program; stocks are hardly at safe levels, and it is clear that without an allocation system, the independents would be at the mercy of the majors, and, as was the case a year ago, and would be threatened with extinction. After all, a year ago, we did not have an embargo; and for the last 5 years, we have had chronic heating oil shortages in New England, so there is no cause for optimism about either suppliers or the behavior of the major oil companies.

There is a further reason for prompt action on the extension. February 28, 1975, comes very soon after next Congress convenes, and I fear we would not be able to act on an extension in time. If we wait until next year we will be playing right into the hands of those who wish to delay and, therefore, kill the bill, the major oil companies. In short, if we do not act now, the act could well expire. And as one who comes from New England, I do not look forward to expiration of that act in the middle of winter.

My amendment also brings some order out of the recent congressional enactments in the field of energy by making the expiration of the Allocation Act correspond to the expiration of the Federal Energy Administration Act (Public Law 93–275). The FEA, of course, administers the allocation program.

I do not believe that any substantive changes are needed in the act itself. Despite criticism from certain quarters, I believe that the act is good legislation; it provides clear guidelines and sufficient flexibility to the executive branch. Whatever flaws have developed in the allocation regulations lie in the contents of the regulation themselves, not the legislative framework.

Approval of the extension contained in my amendment does not, of course, mean that allocation controls necessarily remain in effect. As my colleagues know, under section 4(g)(2) of the act, the executive branch may suspend controls on any product for a 90-day period whenever a formal finding is made that there is no shortage of the product. We felt that this "escape valve" provided sufficient flexibility to insure that controls could be lifted whenever supply conditions and the competitive position of independent marketers so warranted. Thus, I wish to make clear to my colleagues—and to the administration and the major oil companies—that we are not voting for extension of the allocation program itself, but only the authority to establish or continue allocation when necessary. But such standby authority is essential if we are to avoid next spring the chaos and disruption and threat to independent marketers that existed last spring.

As the Post story indicates, the administration is apparently preparing to exercise this authority to suspend controls on certain products. I wish to point out, however, that in doing so the strict requirements of the act of Congress must be followed. This means that a formal finding must be made and transmitted to the Congress and that finding must be made on the basis of a formal rulemaking procedure, with full opportunity for written and oral comment. I emphasize that since this finding will involve the interests of so many persons, it must be based on the record of an oral hearing, as well as written submissions. Under section 4(g)(2) of the current law, after the President makes his formal finding, he must transmit it to both Houses of the Congress; if after 5 working days, neither House has passed a resolution of disapproval, the suspension goes into effect.

Mr. Speaker, the amendment I offer today is essential to the survival of independent petroleum marketers—branded and unbranded—throughout our Nation. The Allocation Act we passed last year assured the survival and viability of thousands of such marketers over the past 8 months. I shall, therefore, seek prompt action on this amendment.

The article follows:

SAWHILL SEEKS FUEL CONTROL BY MARCH 1975

(By Morton Mintz)

A grand strategy for an "orderly phase-out of both petroleum allocation and price controls" has been proposed by Federal Energy Administrator John C. Sawhill to the White House, it was learned yesterday.

"It is essential that our strategy promote a stable economic *and political* environment in which the allocation program will be seen as having served its purpose and vested interests in its extension will be minimal," Sawhill said in a 13-page memo. The emphasis was in the original.

Sawhill said the strategy is aimed at achieving "a smooth transition to total decontrol by Feb. 28, 1975," when the Emergency Petroleum Allocation Act is due to expire, and to "avoid congressional action to extend the Allocation Act."

Sawhill sent the memo—a copy of which was obtained by a reporter—to six top White House advisers, including Kenneth Rush, President Nixon's co-ordinator of economic policy; Roy L. Ash, director of the Office of Management and Budget; William E. Simon, Secretary of the Treasury, and Herbert Stein, chairman of the Council of Economic Advisers.

The last page of the memo, which was dated June 10, was a "time schedule for deallocation" listing for each major category of petroleum products a proposed action and the month in which the action would be taken.

As recommended by Sawhill, the "phased decontrol strategy" would begin with residual fuel oil and be followed by propane and then by aviation fuel.

The strategy for residual fuel oil was in fact implemented on July 5, to deregulate.

The agency apparently intends to proceed on a compressed schedule. It did not disclose the technical basis for the proposal until last Friday, although it set hearings for July 22 and 23, and although the allocation law gives Congress only five days to exercise a vote before deregulation takes effect—in this case, on Aug. 1.

One purpose of the law is "to protect the competitive viability of the independent sector of the petroleum industry," Sawhill notes in the memo.

The squeeze on independents is largely limited to gasoline, heating oil and independent refineries, while "other products do not have a significant independent marketing sector, and a decision to deallocate does not hinge on market-share questions," Sawhill said.

However, an informed source told a reporter that independent sellers of residual fuel oil whose customers do not include utilities have about 70 per cent of the market in the New York metropolitan area and about 65 per cent in New England.

The desire for overall "quick decontrol must be weighed against minimizing the possibility that Congress will (1) extend the Emergency Petroleum Allocation Act, . . . or (2) enact more comprehensive or stringent petroleum controls," Sawhill told the White

House advisers, who also included Peter Flanigan and John T. Dunlop.

"Similarly, we wish to insure a smooth transition, with minimal risk of creating economic dislocations or the need to reverse ourselves and reimpose controls later in the year should unforeseen events adversely affect current supply/demand projections," Sawhill said.

He went on to outline the "phased decontrol strategy" which, after deallocating residual fuel oil, propane and aviation fuel, would:

Substantially relax controls over other products "when suppliers possess more than sufficient quantities to meet the entitlements of their historical customers."

End the system under which certain supplies are set aside for states to allocate and under which states are authorized to establish priorities among purchasers who are without allocations.

Implement "a market-share monitoring system and begin the analysis and recommendations on the two-tier pricing system needed prior to decontrolling crude oil, gasoline and distillate.'

Under the two-tier system, the price of "old" oil is controlled and the price of "new' and imported oil is not.

The price of a barrel of "old" crude is $5.25. The Cost of Living Council and Sawhill have acknowledged that it was raised by $1 last December without any hard evidence that the increase would produce the desired result, a significant expansion of production.

The uncontrolled world-market price of a barrel of crude, landed in New York, is about $12.25.

For the time being, such "wide disparities" in prices for controlled and uncontrolled crude made it "not feasible" to decontrol crude as well as gasoline and distillate, Sawhill said.

He pointed out that major oil companies control "a very large percentage" of the domestic production of less costly "old" oil. For that reason, he said, the average crude oil cost for the 15 largest refiners is only about $8.70 per barrel, while for independents and small refiners it ranges up to $15 even if a few pay as little as $5.

A LONG LOOK AT THE SSS

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. CONABLE. Mr. Speaker, I would like to call my colleagues' attention to the lead editorial in today's Wall Street Journal about the problems of the social security system. I am not sure that I agree with all of the conclusions of the writer of this editorial, but I consider it a good and a responsible action to the growing concern that is being expressed about the neglect and carelessness with which a majority in Congress have permitted themselves to undercut a sound system by expedient politics. To repeat a phrase I have used on the floor during recent debates on across-the-board increases:

We have no business playing politics with something as important to the American people as their social security system. They deserve better.

This is not a surprising idea, nor is it an idea on which any of us hold a copyright, but in fact we cannot continue to debauch the social security system without very severe fiscal and social consequences.

The administration has recently announced the appointment of a new Social Security Advisory Council headed by W. Allen Wallis, the chancellor of the University of Rochester and himself a well-known economist. Among others our highly respected former colleague, John Byrnes of Wisconsin, is a member of this Council. It is vitally necessary that the work of this Council, and the recommendations they can be expected to make for the long term course of the social security system be received with the greatest care by Congress. The time is late and the stakes are high not only for those worthy people who have paid into social security for most of their lifetime, but for generations of working people yet to come.

The editorial follows:

A LONG LOOK AT THE SSS

We read with interest last week's cover story in U.S. News and World Report on the Social Security System, which concludes that the system is in desperately poor financial condition. "The failure to reform Social Security, almost everyone agrees, could lead in the long run to disaster."

It is worse than that, USN&WR says that by 1990, even though a worker pays a maximum Social Security tax of $2,070.45, which has to be matched by his employer, the system will be paying out $20 billion more in benefits than it takes in that year. Unhappily, the assumptions cranked into these numbers are those of the Social Security Administrators, numbers that are obsolete and ridiculously optimistic. Unless taxes are increased substantially, or benefits reduced substantially, deficits on the order of $20 billion could arrive by 1980, growing by leaps and bounds from there.

The most disheartening number, an official one, is provided by the Treasury Department. As of June 30, 1973, the unfunded liability of the system was $2.1 trillion. Another way of putting it is this: In a very real economic sense, the national debt is at least $2.1 trillion larger than the politicians say it is. If, as of June 30, 1973, the system had refused to accept new workers, saying it would only collect taxes and pay benefits to those already covered, its outlays over the next 75 years would exceed receipts by $2.1 trillion, plus market rates of interest compounded annually. In the last year, this number has grown by about $300 billion.

So far, Congress has blinked away this enormous pool of debt by passing a law that defines "actuarial soundness." Its reasoning is that the SSS would never close off to new work-force entrants, hence there would always be new workers to pay the benefits to the new recipients. By the congressional "dynamic assumptions" definition of actuarial soundness, the system is only in deficit by $62 billion, spread over the next 75 years.

As it happens, for the dynamic assumptions method to hold up the assumptions have to be as dynamic in reality as they were on the planning boards. They have not been. Working on the 1960 Census figures, the Social Security bureaucrats projected a 1964–1975 birth rate gradually declining from 21 per 1,000 to 20 per 1,000, then climbing again. Instead, the birth rate dropped like a stone throughout the period and now stands at around 15 per 1,000. The bureaucrats projected a growth in real wages over the period of 2.1% a year; between 1965 and 1973 real wage growth averaged 1.7%.

The errors imply much higher taxes are required to sustain benefit levels, and of course imply economic insanity if Congress continues to hike benefit levels. How much higher taxes? In their "Actuarial Audit of the Social Security System," Robert Kaplan of Carnegie-Mellon University and Roman Weil of the University of Chicago assert that realistic assumptions "imply taxes 50% to 75% higher than current levels." The SSS actuaries will not be able to avoid admitting some of this when they put out their new assumptions based on the 1970 Census. The Kaplan-Weil argument is that the dynamics have worsened since 1970 and should be faced up to now.

What's to be done? The first thing is that the public has to be told, by the politicians, that it is not possible to maintain the current rate schedule and benefit level. One or both have to be adjusted. It is of vital importance that the public be told in that most of the work force is now counting on the purchasing power the current benefit levels yield for their retirement years.

Congress may cringe at the idea of trimming these benefit levels, but sharp tax boosts won't be popular either. Liberals will want to dip into the general fund to keep the system going a little longer, but within two or three years this method will be cleaning out the Treasury. All other "worthwhile" government programs will have to be chopped out to sustain Social Security. That, too, appears to be politically impossible. Indeed, there are no politically appealing ways to straighten out this mess. But the longer the nation waits to do it, the more it will hurt.

AMENDMENT TO H.R. 11500

HON. MARK ANDREWS

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ANDREWS of North Dakota. Mr. Speaker, I submit herewith the second amendment I intend to offer to H.R. 11500, the Surface Mining Control and Reclamation Act of 1974:

AMENDMENT TO H.R. 11500 OFFERED BY MR. ANDREWS

(a) Page 250, line 14, strike out all after period down through line 22.

(b) Page 250, after line 14, insert the following new subsection (e) of section 401:

(e) For purposes of meeting obligations with respect to schools, roads or health care, twenty per centum of the reclamation fee calculated pursuant to subsection (d) of this section prior to any deduction made pursuant to subsection (f) of this section shall be returned to that county, school district or Indian tribe in which or in whose lands the coal on which said fee has been assessed has been mined. Such funds shall be returned to the appropriate county, school district, or Indian tribe on a quarterly basis.

(c) Page 250, strike out lines 23–26 and page 251, strike out lines 1–5 and substitute in lieu thereof the following:

(f) All operators of surface and underground coal mining operations may deduct from any fee assessed pursuant to subsection (d) above the amount not to exceed 80 per centum of such fee of any reclamation fee, license fee, severance tax, or other similar charge paid by the operator to any State with respect to coal mining operations in such state, in the proportion that the proceeds of such fee, tax, or charge are used by the State to support reclamation of abandoned mined lands in accord with the provisions of this Act.

(d) Reletter subsection 401(f) to 401(g).

THE DEFUNIS SYNDROME

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ARCHER. Mr. Speaker, the Supreme Court recently considered a case involving a very significant issue—the problem of reverse discrimination. Unfortunately five members of the Supreme Court found the case moot and in effect dismissed it. I regret that our high tribunal did not consider the ramifications of this legal problem. I commend to the attention of my colleagues an excellent column on "The DeFunis Syndrome" by James Jackson Kilpatrick which appeared in the June 1974 issue of Nation's Business:

THE DEFUNIS SYNDROME

(By James J. Kilpatrick)

A syndrome, by definition, is "a group of signs and symptoms that occur together and characterize a particular abnormality." Marco DeFunis is a law student at the University of Washington. Sooner or later a perplexed and wary Supreme Court will have to decide how to treat the DeFunis Syndrome.

A more familiar name for this abnormality is "reverse discrimination." The short and ugly word is racism. But this is a racism quite different from the racism that once afflicted not only America's South but other regions also. The DeFunis Syndrome identifies a benevolent cruelty, a benign evil. The purpose is compassionate; the effect is intolerable.

Much has been written in recent weeks about the case of Marco DeFunis, but it will do no harm to recall the essential points. In the summer of 1971, after winning his bachelor's degree *magna cum laude*, young DeFunis applied for admission to the University of Washington Law School. His records were not the most brilliant submitted that summer, but they were not bad: He averaged a respectable 582 on his critical Law School Admission Test; he had a writing ability score of 61; his junior-senior grade average was 3.71 on a scale of 4.00; he made Phi Beta Kappa. Under a point system widely used by schools of law, this added up to a predicted first-year grade average of 76.23.

As applications were received by the University of Washington Law School and run through its computer, a number of threshold decisions were made. There were some 1,600 applications; there were 150 openings. The school put all applications from white students in one group. In another it put all applications from blacks, Chicanos, American Indians and Filipinos. The two groups then were handled separately.

Mr. DeFunis is white. An admissions committee screening white applicants drew a line at 77.0 on the scale of predicted first-year averages. It drew another line at 74.5. Applicants with scores above 77 were, as a general proposition, offered admission. Those below 74.5 were summarily denied. Mr. DeFunis was toward the top of the middle group. In late July, 1971, he got the cold word: His application had been rejected.

Meanwhile, the minority applicants were being reviewed. Applications from blacks went to a committee consisting of a black law student and a professor who had worked the previous summer on a special program for disadvantaged college students. Applications from the other minority groups went to an assistant dean. The minority applicants were compared competitively with one another, but never with the group as a whole.

In the end, 37 minority applicants were accepted. Of these, 36 had predicted first-year averages below Marco DeFunis' 76.23. Thirty had averages below 74.0.

On Aug. 19, 1971, Mr. DeFunis and his parents brought suit, asking a court order to compel his admission and charging that he had been denied equal protection of the laws. A trial court agreed, and ordered him admitted. Then the Washington State Supreme Court reversed, *DeFunis* v. *Odegaard*, 507 P. 2d 1169 (1973), but Mr. DeFunis won a stay from U.S. Supreme Court Justice William O. Douglas. He continued his studies while his appeal was perfected. Last April 23, five members of the U.S. Supreme Court found his case moot, and in effect dismissed it.

It was an anti-climactic ending, but a Court famed for raising landmarks has a way of sometimes raising sand dunes instead. Under Article III of the Constitution, the Court has jurisdiction only over true "cases or controversies," and the Court may have properly followed its rule of judicial restraint in refusing to reach the merits of the DeFunis appeal. The young student had not filed a class action; he had sued only for his own admission, and plainly he had won the admission he sought. He is to graduate this month. The Court's action may have been a cop-out—Justices Douglas, Brennan, Marshall and White were eager to get to the merits—but it may also have been sound jurisprudence.

The DeFunis Syndrome presents a fairly elementary problem in constitutional law, or so it seems to me, but it presents a fearfully difficult problem in public policy.

What the law says, in the Fourteenth Amendment, is that no state may deny to "any person within its jurisdiction" the equal protection of its laws. In 1954, a unanimous Supreme Court gave that provision specific meaning in terms of state-operated schools. The Court held, in brief, that whatever the practice may have been since 1868, states no longer could assign or classify students by reason of the color of their skin. Plainly, what the State of Washington was doing in its law school was assigning and classifying students by reason of the color of their skin. The admissions procedures, in a phrase often employed by the Court, amounted to "invidious discrimination." The Court cannot possibly approve any such practice without abandoning constitutional principles that since 1954 have become embedded in our law. Yet there is another side. University of Washington authorities argued, with much validity, that it is both educationally and socially desirable to see that a number of black and other minority students are admitted to law schools and eventually to the practice of law. For whatever reason, minority applicants generally have poorer test scores than white applicants. If test scores alone may be considered, few such applicants ever would gain admission.

Employers throughout the nation are having to cope with other manifestations of the DeFunis Syndrome. Acting (one assumes) under the Commerce Clause, the Congress in 1964 made it unlawful for employers to discriminate in hiring, firing or promotions by reason of race or sex. Executive orders have supplemented this action. A flourishing bureaucracy has sprung up within the Equal Employment Opportunity Commission to enforce the law. The practice is growing to assign "goals," or "guidelines," which in simple English are quotas.

Judges have tended to support these bureaucratic demands, not only as to private employers but as to public agencies also, with the result that states and municipalities find themselves struggling with court orders to employ black policemen, firemen, teachers, sanitarians and others, up to a certain percentage. The effect is to reject qualified whites in favor of less qualified blacks. The practice is creating a smoldering resentment among whites who thus become victims of racial discrimination—the same kind of smoldering resentment that for generations was kindled among blacks—and it is doubtful that the quota system does much for the egos of the hired blacks.

As in the DeFunis case, standardized tests no longer carry much weight. The Supreme Court's 8–0 ruling in *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971) had a chilling effect on all such screening procedures. Under this combination of circumstances, employers who are worried about federal contracts, federal licenses or their own public image are finding themselves virtually compelled to hire minority applicants willy-nilly, qualified or no, simply to placate the judges or the bureaucrats. On balance, the effects may be socially good, and many minority workers, who might never have been hired at all, doubtless turn into excellent employees. But the system slowly is poisoning healthy race relations and is perverting the very concept of "equal opportunity." There can be no genuinely equal opportunity among university applicants or job-seekers when some are more equal than others.

Some months ago EEOC descended upon the Memphis Publishing Co., publishers of the *Commercial Appeal* and the *Press-Scimitar*. A black composing room porter had been fired, for good cause as it turned out, but the incident provoked a full-blown proceeding. EEOC's idea, spelled out in a proposed conciliation agreement dated Oct. 18, 1973, was to compel the company to undertake an elaborate and intensified program of affirmative action to find black applicants for jobs. The company was to agree that "no applicant will be disqualified for employment solely because he has an arrest record or does not have a high school diploma." As a general proposition, the company was not to administer to black applicants "any general intelligence or aptitude tests" which had not been approved by EEOC.

Paragraph 13 of the proposed EEOC agreement was intended to commit the newspapers to a quota system: "Subject to the availability of qualified black applicants, the respondent will hire new employees for the job classifications listed below in the ratios indicated for each classification until 40 per cent of the employees in each listed classification are black." The job classifications in which the 40 per cent ratio was to be reached included all editorial departments, classified advertising, local advertising, office and clerical positions, composing room, engraving department and "management."

The Memphis newspapers understandably declined to accept any such "conciliation agreement," but they did voluntarily step up their programs of minority hiring. At this writing so far as EEOC is concerned, the status is quo.

What is the employer to do with such intrusions into the orderly and efficient management of his company? I do not know how it is in other professions, but I know that in Southern newspapering the supply of genuinely qualified blacks nowhere approaches the quotas proposed by EEOC. Ultimately it may be different, and one can appreciate the thrust of the chicken-and-egg argument: Which comes first? The opportunities or the applicants? If employers had tried more earnestly in the past to seek qualified blacks, women, Chicanos, Orientals and others, presumably there would be more such qualified applicants today.

Of this much I am certain: It is both unfair and unconstitutional to reject a Marco DeFunis because he is white—or more accurately, because he is not black. His constitutional right to equal protection is an individual right, not to be denied him in the name of any group. To reject a Marco

DeFunis, solely because of his race, is a wrong. I am equally certain that the University of Washington was pursuing a compassionate, enlightened and desirable goal in seeking deliberately to increase the number of minority lawyers. The end was exemplary, but the means toward that end were also a wrong.

Neither in law nor in equity can two wrongs be made to add up to a right. In some fashion, a way must be found to treat the DeFunis Syndrome, both in public institutions and in private employment, so that individual rights are preserved and a a good society is promoted. But do I know such a way? No, I do not.

MAN, WHAT A WOMAN

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. HANRAHAN. Mr. Speaker, Mrs. Rita Oster was recently named "Man of the Year" by the Evergreen Park Chamber of Commerce. This is the highest honor bestowed upon a member of the community by the chamber. Mrs. Oster definitely deserves recognition, and being named "Man of the Year" is certainly unusual. For the interest of my colleagues, I insert the following article from the Economist newspaper:

MAN, WHAT A WOMAN

Amidst the current furor over equal rights for women and the woman's lib movement the fact that the Evergreen Park Chamber of Commerce has named a woman its "Man of the Year" simply cannot be overlooked.

It is an act that could please everybody, or nobody, depending upon how you look at it.

There are those—led by the Chamber of Commerce members themselves, we are sure—who look upon the selection as a great step forward for equality among the sexes. After all, here is a predominantly male organization bestowing its highest honor on a female. If that doesn't prove equality, what does it take?

On the other hand, it is to be expected that the most ardent among the woman's libbers would be inclined to blast the designation as yet another example of male chauvinism. To them naming a woman "man of the year" has to be a demeaning contradiction. Some have suggested, we understand, that the award be rejected on these grounds.

We don't mean to fan the controversy.

It may be worth noting, however, that Chambers of Commerce are generally pretty conservative organizations. Thus, when one of them salutes a woman it has to be looked upon as another victory for women. Particularly in Evergreen Park, where sentiment apparently is such that some of the legislators do not hesitate to speak out against the equal rights amendment.

We have no doubt that if the trend continues a new name will be found for the title as you obviously could not go on year after year naming a woman as "man of the year."

We suppose the person most concerned should be the woman herself. Let us add hastily that she is perfectly happy with everything just as it is. "Personally, I wouldn't have it any other way," she told our reporter.

"She" is Mrs. Rita Oster, who certainly deserves the recognition. Not only has she been president for the last two years, but before that she was treasurer for two years. So the selection hardly came as a surprise and the Chamber can justifiably point out that it has been "recognizing" the equal ability of women for at least the last four years.

Congratulations to Mrs. Oster and the businessmen.

LONG PRESENTS QUESTIONNAIRE RESULTS

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. LONG of Maryland. Mr. Speaker, residents of my congressional district emphatically favor a cut in Government spending and services, according to results of my recent questionnaire to the Second District.

In addition, 94 percent of those responding want tax relief for middle income and poor families with closing of tax loopholes enjoyed by the well-to-do.

Almost 70 percent insist that the United States demand better treatment of Soviet minorities and Russian cooperation toward peace in exchange for further trade with the U.S.S.R. Over 55 percent felt President Nixon was unwise in proposing military and economic aid to Egypt to get peace in the Middle East.

It is refreshing that 53 percent of my constituents say they still have faith in Congress—confidence that compares favorably with that in the press and television. This expression of faith is substantially greater than that in the President. Only 34 percent say they still have faith in the President; 55 percent say they would vote to impeach.

I want to share with you the answers I received to nine major questions I raised with my constituents last month.

[In percent]

	Yes	No	Maybe
1. The impeachment vote may come in August:			
Would you vote to impeach?	54.93	44.32	0.75
Should the President resign?	41.12	58.13	.75
2. Do you still have faith in:			
The President?	33.67	64.54	1.79
The Congress?	53.17	41.25	5.57
The courts?	52.10	43.97	4.02
The economic system?	45.10	50.14	4.76
The press and TV?	52.30	42.41	5.28
3. To control inflation, should government:			
Raise taxes?	7.16	91.29	1.55
Restore wage-price controls?	55.95	42.07	1.98
Cut spending and government services?	84.97	13.50	1.54
4. Should Congress close tax loopholes enjoyed by well-to-do and reduce taxes to middle income and poor families?	94.27	4.20	1.53
5. To prevent future energy shortages should the government balance supply and demand by:			
Rationing gas and oil?	31.32	65.40	3.29
Easing environmental controls?	33.66	63.58	2.77
Pressing anti-trust action against oil companies?	84.92	13.35	1.73
Letting gas and oil prices clear the market?	41.38	52.25	6.37
Sponsoring research into new energy sources?	94.66	5.20	.14
6. Have you been hit by crime in the last 2 years?	29.63	70.23	.13
7. Do you favor increasing health insurance, social security, veterans', and unemployment benefits, even at cost of higher taxes to you?	46.47	51.22	2.31
8. Is President Nixon wise in proposing military and economic aid to Egypt to get peace in the Middle East?	37.41	55.08	7.51
9. Should Congress insist on Russian co-operation toward peace and on better treatment of minorities (in accordance with the Vanik-Jackson-Long amendment), before allowing more trade with the Soviet Union?	69.96	27.45	2.59

UNITED STATES NEEDS MORE FLAG WAVING BY ITS PEOPLE

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. COCHRAN. Mr. Speaker, recently, a newspaper editorial which appeared in the July 7 edition of the Jackson Clarion-Ledger was brought to my attention. This editorial points out the need for a new direction in the attitude of the American public, and I commend it to the attention of the House:

THE UNITED STATES NEEDS MORE FLAG WAVING BY ITS PEOPLE

Thursday was America's birthday—the 198th anniversary of the founding of this great nation.

There was less flag waving than usual on almost the eve of the bicentennial celebration. It was almost like "who cares?"

Admittedly there are problems with the country, but perhaps it is time to go back to the grassroots and begin a new era of patriotism. There is no telling where it could lead.

If we as a people can become aroused about our country, realize its greatness and its potential, then start waving the flag, perhaps it will be from there that the cures of our ills will result.

Instead of moaning over poor leadership, weak officials, increasing costs of government, Americans need to become real patriots—then look to the future with an eye to healing the wounds, building for a greater time to come.

There is still no freer place in the world, no other spot where the masses have so much. The one greatest lack is in real patriotism.

It showed itself Thursday with the lack of flags flying at homes. It evidences itself every election when so many stay away from the polls. It is in vogue daily when solons—in state houses and in the national capitol—vote on measures without knowing what the "folks back home'" really think because those folks have not made themselves heard.

There was a time, not too many years ago, that July the 4th meant celebrating—patriotism ruled. The people were glad and proud to be Americans. They were happy to declare their allegiance. They flew the flag on every occasion.

When the people stopped doing that the woes began. Instead of holding a hand out for a handout, grab a flag and wave it.

There is nothing that the people of America cannot do. They proved that by putting a man on the moon.

Now is the time to begin a new America—where patriotism reigns and sanity rules.

It can come only from the people—the flag wavers. They can rule with their vote—if all will vote. They can change the directions, even courses of government—if they make known their wishes and prove themselves worthy and wise.

In the next two years, during the push of the bicentennial, it will be possible to build patriotism to new highs. If Americans grab this opportunity, it may well be that the third century of the most revolutionary freedom of the world can begin on a level equal to that of the founding fathers.

Remember those men pledged their honor, their fortunes, even their lives that this new nation, under God, could survive.

Can we offer less today? Are our lives less valuable than theirs?

HOW 11500 BANANAS ON PIKE'S PEAK WOULD AFFECT THE SMALL COAL OPERATOR

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. HOSMER. Mr. Speaker, in an Extension of Remarks in the CONGRESSIONAL RECORD of July 3, Representative PATSY MINK expressed concern over the effects of H.R. 11500 on the small coal operator, particularly Mr. Ed Mears, president of the Mears Coal Co. of Marion Center, Pa.

A member of the House Interior Committee and three staff members visited the Mears operation back in the spring. One of the staff reported in a memorandum to committee members that the mining method used by Mr. Mears appeared to be a successful way of reclaiming steep slopes and implied that the Mears' mines were in compliance with H.R. 11500.

But what did Mr. Mears say about the effect of H.R. 11500 on his operations? In a letter to members of the Interior Committee, he wrote:

> I am afraid if it passes, it will stop me from mining my block-cut method and will put me out of business. I find a number of proposed requirements in that bill that will stop not only my kind of operations but many others like it here in Pennsylvania.

In her remarks on July 3, Representative MINK, after a recital of concern that the provisions of H.R. 11500 "should not prove confiscatory, particularly to those who, like Mr. Mears, have developed new and improved reclamation techniques," stated that the bill approved by the committee "now contains nearly all of Ed Mears' recommended changes, in one form or another" and that "virtually every one of Mr. Mears' complaints about H.R. 11500 has been met by the committee."

But, again, what does Mr. Mears say about the committee-approved bill on his operations?

> As I tried to point out in my letter to Mr. Ruppe, the block-cut method is not a rigid text book formula. Practically every pit requires some form of variation to the method due to the lay of the land, the kind of rock in the overburden, and how much it swells when lifted, and so on. H.R. 11500 does not provide the flexibility to overcome the kind of conditions we normally find in the field. Therefore, I don't see how I can stay in business if the Committee-approved bill is enacted.

Proponents of H.R. 11500 would have us believe that the bill would simply enact the Pennsylvania surface mining law for the whole Nation and would make possible nationwide the use of the modified block-cut mining method employed in Pennsylvania. Mr. Mears, who faces an end to his exemplary operations if H.R. 11500 becomes law, is in compliance with the Pennsylvania law.

There follows the full text of Mr. Mears' letter of July 12, 1974, to Representative MINK with copies shown to the members of the Interior Committee and the Pennsylvania delegation:

JULY 12, 1974.

Hon. PATSY T. MINK,
U.S. House of Representatives,
Washington, D.C.

DEAR MRS. MINK: I have just received a copy of your remarks printed in the July 3 Congressional Record and I appreciate your kind words about our operation and the efforts of you and your committee to make H.R. 11500 a workable bill.

As I tried to point out in my letter to Mr. Ruppe, the block cut method is not a rigid text book formula. Practically every pit requires some form of variation to the method due to the lay of the land, the kind of rock in the overburden, and how much it swells when lifted, and so on. H.R. 11500 does not provide the flexibility to overcome the kind of conditions we normally find in the field. Therefore, I don't see how I can stay in business if the Committee-approved bill is enacted.

While I recognize that the committee has made some improvements in the bill, however I cannot help but feel that I have failed to give you and your committee a clearer understanding of what you call the "realities of surface mining." For example, Section 211(c)(1) concerning spoil on the downslope, I apparently failed to make it clear that for my operations the need to place overburden on the downslope to serve as a haul road to take the coal away and some of the downslope overburden is wind-rowed to form a barrier to retain rocks and boulders on the bench where they will be covered in the grading process, and as a storage area for top soil which is removed prior to the heavy earth moving. When the final grading takes place, the entire area, including the road, is blended together to the degree that one can hardly tell that downslope spoil ever existed. The haul road and rock barrier must be constructed not only for the initial block cut, but for each succeeding block as the operation moves laterally along the outcrop. I fail to understand why placing overburden on the downslope for the initial short linear block cut only is permitted when right now it is graded and stabilized not only for the first block but for each succeeding block under Pennsylvania law which has no such restriction.

The modification to 211(c)(3), concerning disturbance above the highwall, is a half step in the right direction. The modification permits a limited amount of disturbance above the highwall (spoil stacked on slope above highwall) to be used in the final regrading of the mine site. Nowhere in the bill can I find any provision which permits me to use the material above the highwall in combination with beveling the highwall for greater stability of the mined land. What I am after here is to eliminate as much as possible the settling or slumping effect which occurs naturally on any backfill area, thus eventually exposing several feet of highwall.

The modification to 211(b)(19) dealing with abandoned underground mine workings again is a half step in the right direction and would seem to resolve the problem, but unfortunately not all underground mine workings are on a horizontal plane with the surface operation. A good many are within 500 feet below a surface operation and the bill does not recognize this. I suggest it specify horizontal measurement.

The modification to 211(b)(14)(B) concerning erosion recognizes that erosion is a natural process and can be controlled by various practices and techniques. The very serious problem which still exists in this section has to do with the words *"as measured prior to any mining."* This creates an impossible problem for practically all ongoing operations where there were no records before mining began.

Section 211(b)(14)(E) concerning preservation of alluvial valley floors is indeed an improvement over the previous language as far as operations in the humid regions are concerned. I am fortunate not to be mining in arid areas, for it still amounts to prohibition there.

Section 211(c)(14), concerning the term of the permit for steep slope operations, can only be considered as harassment and discriminatory against most small operators such as myself, as opposed to larger area type operations which are entitled to a five-year permit. For practical purposes, in meeting all the requirements of the permitting process with the inevitable delays of hearing procedures, the amended language of a two-year term is of no help.

In the second place, there are more than enough and adequate shut-down procedures to stop any operation in violation of this Act. Therefore, as long as any steep slope operation is in compliance, I can find no good reason for restricting it to a two-year permit. Finally, as you pointed out, careful preplanning and coordination of resources is necessary to meet environmental protection standards. This language actually frustrates the orderly development of a mining area inasmuch as a coal field normally is developed over a time frame longer than two years. Therefore, the perspective needed in making long range judgments by both operators and administrators, such as information contained in a five-year permit plan, is simply not available. Pennsylvania law does not have this kind of restriction.

With respect to concurrent reclamation (Section 211(b)(4), again I failed to make clear the nature of my operations and therefore my concern for the language of this section. I use bulldozers for uncovering the coal and a mobile front-end loader for lifting the coal. These rotate between the active pits. I will normally have one pit of coal being uncovered, another where the coal is being loaded out, and another where backfilling and final grading is going on, in sequential order, and I will specify so in my mining reclamation schedule. However, the bill says that I must reduce the land disturbed incident to surface mining by limiting the amount of surface excavated at any one time and combining mining and reclamation operations and completing reclamation in any separate distinguishable portion of the mined area. What I am saying is that I cannot complete reclamation in the pit in which I am uncovering the coal nor can I in the pit in which I am loading out the coal. But I can and am completing the reclamation work in the pit where the coal has been lifted. The problem is that each pit is "separate and distinguishable" and while my reclamation work is concurrent and in compliance with the Pennsylvania law, it would not be under the language of this section.

The Section 211(b)(13) concerning Bonding for Agriculture Use of the Mined Site: again, the amended language is a half step in the right direction because at least we know when the clock starts running and there are exceptions to the requirements for a diverse, self-regenerative or permanent cover which recognizes most agricultural crops are annuals. There are no exceptions to the requirement that responsibility continue for five full years after the last year of augmented seeding or fertilization which most all annual crops require. Thus it would seem that my bond releases would be held up for this reason. An exception in the section for agricultural crops dealing with the phrase "after the last year of augmented seeding and fertilization" would clarify the language and ease the burden considerably.

Pennsylvania has no such requirement as far as the reclamation fee for rehabilitation of abandoned mined lands, Section 401(d). I cannot help but feel that it is most unfair. The area in which I work is the same in which I grew up and the people I deal with are my neighbors who have known and re-

spected my parents and family over the years. Our reclamation work has been aimed at meeting the needs and desires of land owners, mostly farmers. The modified block cut was just not developed last year and it was not developed to meet the requirements of some laws. It was developed to both mine coal and help achieve the kind of land form which my neighbors wanted. As with most any activity, we learn from our mistakes with the result that those lands which I affected in past years and which I feel are not up to our current standards, are now being reaffected as a result of the greater demand for coal. Thus, my plans call for reclaiming not only the current mining but those limited areas which might be considered not up to today's standards. This is a common practice of many operators. I fail to see the fairness in taxing me to pay for someone else's mistakes, especially when it was the people who received cheap power who benefited. So it would seem the fair way to handle this problem would be to share this cost with all who benefited.

For all the above reasons, I feel there is much yet to be done to make H.R. 11500 a workable bill which in fact will allow the mining of coal and require sound reclamation.

If I can be of any help in this matter, please feel free to call me. Thank you for the consideration of my concerns.

Yours truly,

EDWARD MEARS,
President, Mears Coal Co.

ELECTRONIC SURVEILLANCE

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 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:

(1) ARRESTS

The arrests are, of course, more numerous than the convictions, only here too they follow the offense pattern that seem to predominate, as the three-year figures show.

	G	D	H	K	O	Total
1969						
Arrests	217	57	0	0	80	354
Inst.	16/20	4/4	.....	0/1	5/5	25/30
1970						
Arrests	730	280	.....		26	1036
Inst.	76/120	22/39	.....		8/21	106/180
1971						
Arrests	676	116	.....		25	817
Inst.	68/248	15/21	.....		2/12	85/281

Key: G—gambling; D—drugs; H—homicide; K—kidnaping; O—other.

The comparison with the convictions—at least for 1969, where the conviction figures are probably fairly complete—is instructive.

	G	D	O	Total
1969				
Arrests	217	57	80	354
Convs	101	24	2	127

Key: G—gambling; D—drugs; H—homicide; K—kidnaping; O—other.

(2) INCRIMINATING CONVICTIONS

The incriminating conversation figures are the last element of evidence as to the value of electronic surveillance. On the basis of the summary figures in the Admin. Off. Rep. alone, the percentages ranged from a claim of 82% in 1969 to 70% in 1970, to 71% in 1971. These are, of course, quite high, much more so than the state figures.

Closer analysis of these figures and percentages reveals some interesting facts, however. In the first place, the figures may be grossly inaccurate. In *United States v. King*, 335 F. Supp. 523, 542 (S.D. Cal. 1971), the Government claimed that 80–85% of the conversations overheard in a drug case were incriminating, and it so reported in the 1971 report, Order #35. The Court, however, found that the contemporaneous reports showed that the percentages were really between 5 and 25%. *Id.* at 542–45 ("There is a vast disparity between these figures and the 85% figure now urged upon us by the Government.")

Nor is *King* an isolated example. In *U.S. v. Scott*, 331 F. Supp. 233 (D. D.C. 1971) not only were a very high precentage not incriminating—the Report itself (1970 #19, #20) shows that almost 70% were not incriminating—but the government had made no attempt to minimize the number of non-incriminatory conversations it overheard. All the wiretap evidence which, according to Adm. Off. Rep., cost over $83,000, was thrown out. Analysis of some other cases shows the same failure on the Government's part.

This combination of a proven failure to minimize and dishonesty of reporting, makes it very unlikely that the high percentages are to be trusted. But even that tells only half the story, for in a great many cases, the Government's own reports show a quite high percentage of cases with very few incriminating interceptions, especially when one moves from gambling and drug cases. Analysis of all the federal non-gambling and non-drug cases for 1969–71 shows the following:

Report No.	Proportion incrim.	Arrests	Convictions
1969			
2	25/2,000	7	2
5	0/375	1	0
6	30/900	6	0
18	No records maintained		0
26	1,337/2,175	0	0

Eight of all the 30 1969 installations resulted in interceptions of which 20% or fewer were incriminating. And, as noted above, one of the interceptions in which there were *no* incriminatory conversations (#5) was associated with an arrest, indicating that a facile assumption that association means causality is unwarranted.

The 1970 figures are equally revealing. Of the 21 non-drug and non-gambling interceptions in 1970, there were 5966 interceptions of which only 1193 or 19% were deemed incriminating even by the Government. The number of people overheard was 1,214, with only 33 arrests and 10 convictions:

Order	People	Intercepts	Incrim.	Arrests	Convictions
5	18	266	34	0	.....
28	190	569	15	0	.....
33	55	825	35	3	1
36	6	42	0	0	.....
37	65	88	0	0	.....
73	66	687	214		
76	22	44	24	[1] 1	.....
79	41	501	350		
84	21	104	8	10	6
96 [2]	10	75	15	.....	.....
114	24	33	2	2	.....
118	25	67	21	1	.....
122	448	510	6	0	.....
126	75	166	0	0	.....
136	8	90	20	[3] 7	.....
137	7	23	9	(3)	.....
138	20	45	0	0	.....
150	52	200	4	0	.....
152	35	480	25	4	3
160 [2]	8	45	5	1	.....
168	.....	1,106	406	4	.....
Total	1,214	5,966	1,193	33	10

[1] 1 investigation.
[2] Orders No. 96 and No. 160 were part of the same investigation.
[3] Related to 7 arrests on another order, in 1969.

Even in the gambling and drug area, 10% of the 1970 installations were not associated with significant positive results to date, as follows:

Order	People	Intercepts	Incrim.	Arrests	Convictions
3 (gambling)	175	311	0	0	.....
4 (narcotics)	9	262	18	0	.....
6 (gambling)	1,000	1,500	7	0	.....
29 (gambling)	31	200	5	0	(1)
52 (narcotics)	255	562	3	0	.....
53 (gambling)	15	558	45	0	.....
78 (gambling)	10	195	0	0	.....
92 (gambling)	92	114	6	0	.....
107 (narcotics)	8	126	1	0	
109 (narcotics)	8	126	1	0	(2)
119 (gambling)	25	792	77	0	(2)
123 (gambling)	5	179	9	0	.....
132 (narcotics)	43	192	26	0	2
134 (narcotics)	10	181	0	0	.....
151 (gambling)	10	117	1	0	.....
161 (gambling)	14	32	3	0	.....
165 (gambling)	23	180	10	0	.....
180 (gambling)	27	495	3	0	.....
Total	1,760	6,122	215	0	.....

[1] Related to 2 arrests in 30.
[2] 2 successive 15-day orders, installed on Oct. 16, 1970, and Oct. 26, 1970, are unlikely to produce exactly the identical results.
[3] Dismissed.

All but two of the 12 1971 non-drug and non-gambling installations resulted in interceptions in which less than 20% were incriminating, as follows:

1971

Order	People	Intercepts	Incrim.	Arrests	Convs.
37	.....	800	250	20	18
41	6	16	0	0	0
62	25	1,221	90	.....	.....
94	400	1,380	65	0	0
105	12	110	2	0	0
138	15	53	9	5	.....
159	302	290	34	.....	.....
160	15	93	31	0	0
171	7	12	2	0	0
206	25	182	10	0	0
218	30–35	350	20	0	0
221	1	28	0	0	0

Even in the drug and gambling area, 24 or about 10% of the 248 gambling installations and 9 of the 21 drug installations fell into the less than 20% incriminating category. In sum, 43 of 281, or over 15% fell into this category.

3.—SUMMARY TABLES—RESULTS SO FAR

STATE

PERSONS CONVICTED AND INSTALLATIONS ASSOCIATED THEREWITH, BY OFFENSE

	Gambling	Drugs	Homicide	Kidnaping	Other	Total
1968:[1]						
Convictions					16	16
Assted. inst. total					2/167	2/167
1969:						
Convs	33	32	3	0	99	167
Insts	17/78	10/80	1/19	0/1	27/82	55/260
1970:						
Convs.[2]	212	65	1		55	333
Insts	49/204	20/84	1/20		24/95	94/410
1971:						
Convs.[2]	117	55	8		30	210
Insts	22/304	11/104	1/18		9/84	43/511
Total:						
Convs	362	152	12	0	200	726
Insts	88/586	41/268	3/57	0/1	62/428	194/148

[1] One cannot know whether there were almost no convictions or merely no reports for 1968.
[2] It may be too early for the full report on 1970; it is definitely too early for such data on 1971.

Note: For 1969, the total electronic surveillance effort cost the States about $470,000; the expenses involved in the convictions and the installations associated therewith are approximately $2,800/person and $8,500 per installation for the wiretapping alone.

ARRESTS AND INCRIMINATING CONVERSATIONS—PERSONS ARRESTED AND INSTALLATIONS ASSOCIATED THEREWITH, BY OFFENSE

	Gambling	Drugs	Homicide	Kidnaping	Other	Total
1968:[1]						
Arrests	69	97	6	7	83	262
Insts	14/18	26/68	4/20	1/1	18/60	63/167
1969:[2]						
Arrests	302	86	41	2	218	645
Insts	63/78	27/80	8/19	1/1	39/82	138/260
1970:[3]						
Arrests	930	228	19		152	1,329
Insts	135/204	49/84	8/20		33/95	225/410
1971:[4]						
Arrests	1,380	346	27		211	1,964
Insts	164/304	54/104	7/18	0/1	29/84	254/511
Total:						
Arrests	1,681	757	93	9	664	6,200
Insts	376/604	156/337	27/77	2/3	119/321	

[1] Incriminating conversations: 22 percent.
[2] Incriminating conversations: 28 percent; 133/260 installations produced 20 percent or fewer incriminating conversations.
[3] Incriminating conversations: 30 percent 128/410 installations produced 20 percent or fewer incriminating conversations.
[4] Incriminating conversations: 53 percent; 162/511 installations produced 20 percent or fewer incriminating conversations.

FEDERAL

PERSONS CONVICTED AND INSTALLATIONS ASSOCIATED THEREWITH, BY OFFENSE

	Gambling	Drugs	Kidnaping	Other	Total
1969:[1]					
Convs	101	24	0	2	127
Insts	9/20	2/4		1/5	12/30
1970:					
Convs	123	99		10	232
Insts	17/120	16/39		3/21	36/180
1971:					
Convs	76	21		18	115
Insts	17/248	2/21		1/12	20/281
Total	300	144		30	474
	43/388	20/64		5/38	68/491

[1] It is still too early to make firm judgments about any year but 1969, since the lag period tends to be about 22 mo, with respect to 1969, the cost was $440,287. Assuming not many more convictions, this came to almost $3,500 per person convicted and to almost $37,000 for each of the 12 associated installations, exclusive of lawyers', judges' and other unreported costs.

ARRESTS AND INCRIMINATING CONVERSATIONS—PERSONS ARRESTED AND INSTALLATIONS ASSOCIATED THEREWITH, BY OFFENSE

	Gambling	Drugs	Kidnaping	Other[1]	Total
1969[2]	217	57		80	354
	16/20	4/4	0/1	5/5	25/30
1970[3]	730	280		26	1,036
	76/120	22/39		8/21	106/180
1971[4]	676	116		25	817
	68/248	15/21		2/12	85/281
Totals	1,623	453	0	131	2,207
	160/388	41/64	0/1	15/38	216/491

[1] All but a few of the nondrug and nongambling cases produced very few convictions, arrests or incriminating conversations.
[2] Incriminating conversations: 82 percent; 8/30 produced 20 percent or less incriminating.
[3] Incriminating conversations: 70 percent; 32/180 produced 20 percent or less incriminating.
[4] Incriminating conversations: 71 percent; 43/281 produced 20 percent or less incriminating.

CUT OFF ALL AID TO TURKEY

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. WOLFF. Mr. Speaker, as my colleagues are well aware, the Turkish Government has decided to resume the production of the opium poppy. This decision is going to have a most profound effect on our society. The amount of heroin available in the United States will greatly increase, as will heroin addiction and the resulting crime.

I have introduced legislation cutting off U.S. aid to Turkey. With this in mind, I would like to call to the attention of my colleagues a recent editorial by WNBC–TV:

CUT OFF ALL AID TO TURKEY

In 1971, Turkey halted the growing of opium poppies in return for U.S. subsidies. Since the ban took effect, it is estimated that heroin use in the United States has dropped significantly.

Now the Turks are again growing the poppies and experts predict the first heroin derived from those seeds will once again be available on the streets of the New York area.

Senator James Buckley and Congressman Lester Wolff are urging the Nixon administration to cut off all economic aid to Turkey. Every Member of Congress must join in this effort to prevent the resumption of this dirty business.

The administration must act now.

SECRETARY OF COMMERCE FREDERICK B. DENT

HON. JOHN BUCHANAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. BUCHANAN Mr. Speaker, the Wall Street Journal recently ran a front page story concerning Hon. Frederick B. Dent, Secretary of Commerce. The article has met with strong criticism by

many of those who have had the opportunity of working with and hearing Secretary Dent in his official capacity. I would like now to enclose a letter which Mr. J. Craig Smith of my district has written to the editor of the Journal concerning their article:

Editor, the Wall Street Journal, New York, N.Y.

DEAR SIR: I could hardly disagree more than I do with your front page story concerning Secretary of Commerce Frederick B. Dent.

Your writer says, "Mr. Dent is dull." In my view, Mr. Dent is brilliant. Your writer says, "His manner wooden." I have had the privilege in recent months of hearing him address a half dozen very large audiences. In each instance his address was interrupted by applause, and in each instance he received a standing ovation at the end of his speech. I don't remember seeing any "wooden" speakers getting this kind of reception.

You imply that "Mr. Dent is merely marching to White House orders." Obviously Mr. Dent is loyal to President Nixon. Any member of the President's Cabinet who is not loyal should resign. I can give you complete assurance that on any matter of principle, Mr. Dent doesn't take any marching orders from anybody.

Mr. Dent is an able, dedicated man serving his country at tremendous personal and financial sacrifice to himself and his family.

I hardly expect you to publish this letter. After all, there wasn't much space left on your editorial page after you printed the anti-Nixon diatribe by Arthur Schlesinger, Jr.

Sincerely,

J. CRAIG SMITH.

DR. WILLIAM A. HOLMES

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 11, 1974

Mr. PICKLE. Mr. Speaker, it is indeed an honor for this House to have the opening prayer today given by Dr. William A. Holmes, pastor of the Metropolitan Memorial United Methodist Church. Dr. Holmes occupies the same pulpit which was held by our beloved Chaplain, Dr. Edward G. Latch, where he presided for many years; and immediately previous to that, this church was fortunate to have the concise and eloquent preachings of Dr. Merrill Drennan.

For the past 5 years, Dr. William Holmes served as pastor of the University Methodist Church in Austin, Tex. This historic church has been the principal Methodist Church in Austin and is across the street from the University of Texas campus. Dr. Holmes served this church with great distinction and easily was one of the most loved pastors who ever served that congregation. He and his wife, Nancy, and his family were popular citizens of our community, and the entire family was held in the highest esteem. It is my feeling that the Metropolitan Memorial Church is fortunate to have the service of this outstanding young preacher who will bring further acclaim to this beautiful national church. And we were indeed fortunate to have him with us today.

CONCERNING CAPTIVE NATIONS WEEK

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. FORSYTHE. Mr. Speaker, the third week of July was designated in 1959 as Captive Nations Week. I think that it is particularly important that this year we stop and seriously consider how precious freedom is, realizing that in many nations freedom is only an illusion.

I have been glad to observe the recent lessening of tensions between the United States and major Communist nations, because of my conviction that greater communication and understanding is crucial to the cause of peace. We are now learning far more about life inside the People's Republic of China and the Soviet Union than we have ever known before, and it is my hope that this information will enable us to approach many more people as friends with whom we can work harmoniously.

But I am greatly concerned that this era of detente not be allowed to cause us to loose the necessary perspective in our views. Let us not forget that there are millions of people all over the world living in closed countries, unable to learn or speak the truth, if their governments do not want them to.

I ask that we remember the sobering realities faced by the people in the nations of Armenia, Azerbaijan, Byelorussia, Cossackia, Georgia, Idel-Ural, North Caucasia, Ukraine, Far Eastern Republic, Turkestan, Mongolian People's Republic, Estonia, Latvia, Lithuania, Albania, Bulgaria, Serbia, Croatia, Slovenia, Poland, Romania, and Czechoslovakia.

We have observed many heroic actions taken for freedom within these countries, but still the iron fist reaches out from Moscow to end any attempt by the people to determine their own form of government. More than ever before, they need to know that the people of the United States of America support them in their struggle for freedom.

I ask each American to remember these captive nations this week, and throughout the year. As we have just celebrated the 198th anniversary of American freedom, let us hope and pray together that the captive nations of the world may soon realize their freedom.

It would be easy for us to accept the status quo, and simply acknowledge Communist dominance over these captive nations. But that would be a great tragedy. It is still the moral responsibility of the United States to maintain our firm stand for the cause of world freedom. And this week, especially, the hopes and aspirations of captive peoples are shared by millions of Americans.

IN PRAISE OF THE STEELE AMENDMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. RANGEL. Mr. Speaker, the National Council of Senior Citizens, Inc., released a statement praising the work of our distinguished colleague from Connecticut, ROBERT H. STEELE. I share NCSC's praise for Mr. STEELE's leadership in amending the recently passed Housing and Urban Development Act of 1974 to provide housing for our senior citizens. The housing needs of all Americans have been virtually neglected of late by this administration, but the housing needs of the elderly are of particular importance during this period of spiraling inflation that impacts those on fixed incomes the hardest.

Mr. Speaker, I am pleased to share with my colleagues the NCSC account of the great significance of the Steele amendment:

NEW POLICY ON ELDERLY HOUSING HAS BACKING OF ALL MAJOR NATIONAL ORGANIZATIONS OF OLDER AMERICANS

WASHINGTON, D.C.—A coalition of the nation's eight largest organizations of the elderly has joined to support legislation overwhelmingly adopted by the House of Representatives which provides for an entirely new concept in the construction and financing of housing for America's 21 million senior citizens.

The eight organizations—representing virtually every elderly American are (in alphabetical order): American Association of Homes for the Aging; American Association of Retired Persons—National Retired Teachers Association; B'nai B'rith; the National Caucus of the Black Aged; the National Council on Aging; the National Council of Senior Citizens; and Senior Advocates International, Inc. These groups have combined to support a House of Representatives amendment to the omnibus Housing and Urban Development (HUD) bill, S. 3066. The amendment, introduced by Congressman Robert H. Steele (R., 2, Conn.), would create from 75,000 to 80,000 new senior citizens housing starts.

Basically, the Steele amendment, which was adopted by the House on a 274–112 vote on June 20, combines the best features of the highly successful section 202 housing provision—which had been phased out in 1969 by Presidential fiat—with the rent subsidy program for low-income families. Under the Steele proposal, housing for the elderly would begin again, with financing at the U.S. Treasury borrowing rate—currently 7½ percent. But, to insure that poor elderly individuals and families living on fixed incomes could afford the housing, rent subsidies would be paid in an amount to insure that no renter would have to pay more than 20 percent of his income for housing.

The coalition also emphasized that this "marrying" of the section 202 construction program with the section 23 rent subsidy program to needy elderly responsibly addresses the housing crisis created by the President's precipitous and unilateral moratorium on housing. The Steele amendment will help alleviate the problems created by the Administration's proposals of providing rent subsidies without directly increasing the supply of decent housing units.

It was emphasized in the coalition stand that this amendment would help the government towards meeting the goal established by the 1971 White House Conference on Aging—and completely ignored by the Nixon Administration—of creating at least 120,000 new housing starts for the elderly each year.

The House-passed version of the HUD bill is in Conference with the Senate. Although the Senate bill contained a provision similar to the Steele amendment, the eight coalition organizations believe that the financing arrangements in the House version represent a major improvement. The eight coalition members are taking various steps to notify their membership of the importance of the Steele amendment to older Americans.

The Executive Director of the National Council of Senior Citizens, William R. Hutton, has sent a notice to all of that organization's local affiliated clubs—more than 3,500 in number—urging them to contact their Congressmen and Senators expressing their strong desire to see that the final House-Senate compromise bill include the vital Steele amendment.

In that letter Hutton declared, "No more important effort faces politically active and aware seniors prior to the November elections. The Steele amendment to the HUD bill is the best chance that the elderly have to recover from the effects of President Nixon's disastrous housing decisions."

A SALUTE TO THE CAPTIVE NATIONS OF THE WORLD ON THE BEGINNING OF CAPTIVE NATIONS WEEK

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. RODINO. Mr. Speaker, I would like to call my colleagues attention to the annual observance of Captive Nations' Week which will be observed this year beginning today July 14 and ending on July 20.

In this era of détente, it is easy for us to forget that the sovereign states of Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, and others are still subjected to the control of the Soviet Union.

We who so cherish our freedoms, must take this week in July every year to remind us that the Jeffersonian principals of life, liberty, and the pursuit of happiness have been realized in too few countries. The captive nations of Europe may but dream of the day when they too will enjoy true freedom.

So, Mr. Speaker, even though the face of American Foreign Policy has been changing over the past few years, the underlying philosophy of liberty for all mankind must not be forgotten. We must continue to give our support and understanding to the people of the world who suffer under oppression of any kind.

It is, therefore, fitting that we all pause during the week of July 14, and indeed, throughout the year to reflect upon the plight of the citizens of the over two dozen nations in the captive nations group. For, if we lose sight of these courageous people who have struggled not to have their national identities submerged, we as a nation, will be in grave danger. We must be constantly aware that the "price of freedom is eternal vigilence."

ECONOMY AND EFFICIENCY OF INTERNATIONAL AIR TRAVEL BY GOVERNMENT OFFICIALS

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. MOSS. Mr. Speaker, as you will recall, the House Committee on Government Operations, on October 19, 1973, unanimously approved and submitted House Report 93–599 on the "Economy and Efficiency of International Air Travel by Government Officials." This report was the result of an indepth study and was prepared by our Foreign Operations and Government Information Subcommittee under the chairmanship of our distinguished colleague, the Honorable WILLIAM S. MOORHEAD of Pennsylvania. In view of the significant benefits to be realized on behalf of our hard-pressed taxpayers, we in the House had hoped that the administration would have promptly taken the action recommended and would have months ago expanded the Department of Defense international air transportation system to include all overseas official travelers.

Though years have gone by since our House committee first called this matter directly to the attention of the White House's Office of Management and Budget, the administration has not seen fit to do anything to correct its procurement practices. As a direct result, as each month goes by, the taxpayers are saddled with another $2 million in excessive Government expenditures.

We in the House and Senate must unite and insist that the administration immediately take the action necessary to effect uniform air transportation fares for all official Government travel. Clearly, the Government has a right to have its travelers transported at a minimum of expense consistent with the carriers' recovering their cost and earning a reasonable profit on the service provided. Further, with the substantial reduction in Government business as a direct result of our withdrawal from South Vietnam, it is essential that the administration do everything necessary to ensure that our remaining Government business is fairly and equitably proportioned between the large and small U.S. international air carriers.

It is with great pleasure that I insert in the RECORD—and commend to the reading of our colleagues in the House and in the Senate—the recent statement before the Senate Subcommittee on Treasury, Postal Service, and General Government of the Committee on Appropriations of our esteemed colleague the Honorable WILLIAM S. MOORHEAD of Pennsylvania:

STATEMENT BY CONGRESSMAN WILLIAM S. MOORHEAD, MARCH 20, 1974

Mr. Chairman, members of the Subcommittee, I appreciate this opportunity to appear here today. As you will recall, you invited me to testify in February of last year to share with you the findings of our Subcommittee's investigation of policies of the Internal Revenue Service during your hearings on that subject. This I was most pleased to do because I believe in the fullest possible cooperation between the two legislative bodies, particularly in the investigative and oversight fields.

It is in this same spirit that I have asked for time to share with this Subcommittee the results of more than three years of investigations and hearings by our Foreign Operations and Government Information Subcommittee into all aspects of the Defense Department's international plane load charter system to include all official overseas travelers of the U.S. Government. These activities by our Subcommittee resulted in the unanimous adoption by the House Government Operations Committee of H. Rept. 93–599 last October.

That bipartisan report recommended that the Administrator of General Services Administration delegate authority under existing law to the Secretary of Defense to permit its Military Airlift Command to establish and operate, under charter with U.S. air carriers a worldwide air shuttle system for the overseas transportation of all official travelers of the Federal government.

Our Subcommittee has met periodically with officials of the Defense Department, the State Department, and GSA during the formulation of these plans to implement the Committee's recommendations. I trust that you share our objective that the estimated tax savings of such an international air charter, estimated at from $20 to $30 million annually, not be delayed any longer. The American taxpayer is long suffering and usually patient. But when a Committee of the Congress shows how this much money can be saved by our Government and when—to their credit—the Executive department officials act promptly to carry out that Congressional mandate, many taxpayers would not understand why such savings should not begin promptly.

Of primary interest to you will be the economy and efficiency of this air shuttle service and its favorable effect on future appropriation of funds to support the operations of Government. As we all know, appropriation of the revenue for support of the Government—subject to the power of other committees to report authorizing legislation relating thereto—is a jurisdictional concern of the House and Senate Committees on Appropriations. The House and Senate Committees on Government Operations, on the other hand, have complete jurisdictional responsibility for studying the operation of Government activities at all levels to determine the economy and efficiency of all Government expenditures of all appropriated monies.

Pursuant to the jurisdictional responsibility assigned to the House Committee on Government Operations, the Subcommittee which I chair has thoroughly studied the economy and efficiency of international air travel by Government officials during the past three years. Public hearings were held during July 1972 and again in May 1973. The results of our three year study and the hearings held are reflected in House Report 93–599. I commend these House documents to your careful reading.

House Report 93–599 will convey to you the events which led the Government to the need for expansion of the DOD plane load charter system. The House Report also clearly shows the discriminatory way in which the civil agencies of our Government have been treated by the U.S. scheduled international air carriers. During the past 13 years, a hidden subsidy of more than a quarter billion dollars has been paid from civil

agencies' appropriations to the U.S. scheduled international air carriers—Pan American, Trans World, Northwest Orient, and Braniff.

This hidden subsidy is the direct result of the Civil Aeronautics Board permitting two substantially different rates for official Government travelers being transported on regularly scheduled flights of the U.S. scheduled international air carriers. Let me give you a clear example:

As shown in Pan Am's white paper—which they have been using in their lobbying effort during the past months on the hill, and which you have all probably seen—the U.S. scheduled international air carriers charge two substantially different rates for the business they do with the Government. I specifically call to your attention attachments D–1 and D–2 of Pan Am's white paper. You will note ten European cities listed on attachment D–2. On attachment D–1, you will find these same ten cities listed along with others. On each of these attachments you will also find a column headed "Scheduled Service Cost." As you compare the two attachments, you will note the "Scheduled Service Cost" shown are entirely different. Let me read them for you:

	DOD/CG passengers	Non-DOD/CG passengers
Between Washington and—		
London	$156.87	$280.60
Dublin	151.07	259.80
Paris	157.87	296.70
Brussels	164.77	296.70
Amsterdam	163.97	296.70
Copenhagen	165.97	324.90
Oslo	159.47	317.40
Frankfurt	172.07	317.40
Geneva	172.37	317.40
Rome	188.57	364.00

The low fares shown on Pan Am's attachment D–2 apply to both civilian and military personnel of the Department of Defense and the Coast Guard segment of the Department of Transportation and the dependents of these employees being transported to or from these locations under official Government travel orders. The higher fares shown on Pan Am's attachment D–1 apply to the civilian personnel of the non-DOD agencies and their dependents also being transported under official Government travel orders. Thus, Pan Am, in its "white paper" readily illustrates the discriminatory pricing practice which currently exists.

Gentlemen, I cannot rationally explain to the voters and taxpayers of the district which I represent why it should cost their Government $317 to send a GS–14 auditor working for the State Department or the General Accounting Office to Frankfurt, Germany, when we can send a GS–14 auditor working for the Department of Defense to Frankfurt for only $172. Especially when, in many instances, they will travel together on the same plane and receive precisely the same service from the U.S. scheduled international air carrier.

CAB readily admitted during our May 1973 hearings, that there is absolutely no difference in the mode of travel of these DOD and DOT travelers and other Government travelers being transported on the same regularly scheduled international flights. This point is also illustrated on page 17 of House Report 93–599 and I would quote from Ambassador Ellsworth's letter from Brussels, dated September 3, 1970:

"It is somewhat incongruous to have two of my officers fly to Washington on the same plane with the Government paying $541.00 for the roundtrip of one, and $270.80 for the other."

I would be amazed if any of you could convince the voters and taxpayers of your States of the propriety and wisdom of this two rate system.

Gentlemen, the low rates which are reflected on Pan Am's attachment D–2 come from a special CAB-approved tariff which is known as a "Category Z" tariff. These category Z tariffs were first established with the approval of the Civil Aeronautics Board back about 1961. As shown on page 6 of House Report 93–599, CAB—with the help of the air carrier industry and the Department of Defense—has reviewed the U.S. international air carriers costs of doing business for the past 13 years and has set CAB approved minimum rates for one-way and roundtrip passenger services which have been accepted as fair and equitable by both the Government and the U.S. international air carrier industry.

The Category Z tariffs—which reflect the one-way rates developed by CAB—are thus based on the carriers cost of providing service to the Government. But, because of unusual language in the Category Z tariffs, not all Government overseas passengers are carried at the Category Z rates. Though the airlines incur no advertising or promotional expense, pay no agency commissions, nor incur normal credit costs on the civil agency business which they receive from the Government, they continue to transport the civil agency passengers at full commercial rates.

Subsequent to our 1972 hearings, I urged the GSA officials to again attempt to obtain fair and equitable rates from the U.S. scheduled international air carriers for all Government business. This GSA attempted to do, during the early months of 1973, without success. In reality, both Pan Am and TWA considered the Government passengers of the civil agencies as "captive traffic" and though the Government was doing a half billion dollars worth of business yearly with the U.S. international carriers, little thought was given to treating the Government as a preferred customer. The scheduled carriers want Uncle Sam's business but only at rates which are clearly excessive and discriminatory.

Gentlemen, had the U.S. scheduled international air carriers wanted to continue to transport this Government business on their regularly scheduled flights, it would have been simple enough for them to have done so. All they needed to do was revise special rule 2 of their category Z tariffs to provide for the "Fares, charges, and provisions in the tariff to apply to transportation of persons and baggage upon presentation of a U.S. Government Transportation Request billable to a U.S. Government disbursing or certifying office." Should they have honestly believed that the rates reflected in their category Z tariffs were not fair and equitable to the air carrier industry, then, by all means, they should have returned to the negotiating table instead of trying to pull their chestnuts out of the fire by lobbying here on the Hill.

The Government has a right to have its travelers transported at a minimum of expense consistent with the carriers' recovering their cost of providing the service and earning a reasonable profit. We in the Congress should also expect the Civil Aeronautics Board to impartially carry out its responsibilities and assure that whatever rates are set cover all Government business and are in fact fair and equitable to both the Government and the U.S. air carrier industry.

In addition to the category Z arrangement, the Department of Defense—during the past 13 years—has used what is known as "Category B" service. These services provide for chartered plane load movement of Department of Defense and Department of Transportation (Coast Guard) military and civilian personnel and their official dependents between locations in the United States and overseas under Government contracts with U.S. international air carriers.

The category B services are provided at the round trip rates set by the Civil Aeronautics Board—which as previously stated are based on CAB's review of the carriers costs of doing business with the Government and which have been repeatedly accepted, during the past 13 years, as fair and equitable by both the Government and the air carrier industry.

The contracts between the Government and the U.S. international air carriers permit the Government to order additional transportation services under the contract subject only to the contractor's offering capability. The Government also has the right to divert any flight to a route or area of operation other than as specified in the contract, subject to notice given not less than 24 hours prior to departure.

It is my clear understanding that this is precisely what the Government plans to do. Following the mandate set forth in House Report 93–599, the General Services Administrator has delegated authority to the Secretary of Defense to provide chartered air transportation services to all executive agencies of Government. The Secretary of Defense, in turn, has redelegated this authority to the Air Force's Military Airlift Command.

The Military Airlift Command, which was designated as such by Public Law 89–37, has been authorized under the authority set forth in Title 10 U.S.C. 2208 to use a "working capital fund" to provide air passenger transportation services for the departments and agencies of the Department of Defense. Additionally, under the authority of 10 U.S.C. 2208, subsection (h), the Secretary of Defense, when otherwise authorized by law, is further authorized to permit such services to be rendered for persons outside the Department of Defense. The authority of the Secretary of Defense to provide services to other agencies of Government is further clarified and strengthened by Title 31 U.S.C. 686.

Statutory authority for the Military Airlift Command to contract for and provide mass air transportation services for all agencies, in this instance, is also clearly derived from the Federal Property and Administrative Service Act of 1949. Under section 201 of the Act, the General Services Administrator has the statutory authority to prescribe policies and methods of procurement of transportation services for all executive agencies of Government. He also has the statutory right to procure such services for the use of executive agencies in the proper discharge of their responsibilities. Under section 205, subsection (d) the Administrator is clearly authorized to delegate and to authorize successive redelegations of authorities vested in him by the Act to the head of any other Federal agency.

Gentlemen, after three years of studying this subject matter, there is no doubt in my mind as to the economy and efficiency of the proposed expansion of the DOD plane load charter system nor is there any doubt of the statutory authority for the Government to proceed in this direction. The plane load charter system has worked economically and efficiently for the Department of Defense for 13 years now and I find no reason why it won't work equally as well for the rest of the Government. Let there be no doubt about it, we in the House are firmly convinced of the wisdom and necessity for this action.

Essentially what this means is that official Government travelers will be transported in planeload groups between, say Dulles Airport and major airport overseas such as London, Frankfurt, Madrid, Rome, Athens, Istanbul, Ankara, Tokyo, Panama, and San Juan. Many of the Government's travelers are traveling on official business to these precise points. Others may be going to other nearby cities in connection with their official duties. In those cases, they will be transported to one of the foregoing major airports—at a cost of 2½

cents per passenger-mile—from which they will proceed to their final destination on regularly scheduled flights at regular commercial rates. For example, a State Department official assigned to Olso, Norway, would be transported to London, England—3,658 miles—at 2½¢ per mile—on the governmental air shuttle at which point he would transfer to Pan Am flight 102 and continue on to Oslo—730 miles, at 7½ cents per mile. Should this official instead be assigned to Moscow, why, of course, he could connect with a Pan Am flight from London to Moscow. Currently, our Government is paying $291 to transport this State Department official to Oslo. Under the expanded Department of Defense airlift system, we will be paying less than $150. Savings on transportating our officials to locations in the Far East are even more impressive because of the initial longer distance involved—Washington to Tokyo equals $207 as compared to our current cost of $585.

As U.S.-flag carriers service the major overseas airports mentioned, I foresee no increased usage of foreign-flag carriers to transport our Government travelers. Naturally, I will expect the General Accounting Office to monitor this expansion of the Department of Defense airlift system to insure full use of U.S.-flag carriers.

Likewise, I foresee no increased cost to the Government as a result of layovers while travelers wait for ongoing transportation. Under current Government regulations, official Government travelers are permitted a rest stop in connection with most international flights because of the long distances involved. It is not reasonable for an official traveler—after having flown for more than 17 hours on his way to an official duty station in the Orient—to be permitted a rest stop in, say, Tokyo before completing his trip. Here again, I would expect the General Accounting Office to monitor this expansion of the Department of Defense system to insure the utmost of economy and efficiency. Further, we should note that roughly two-thirds of this traffic is dependent passengers—who are allowed reduced rates of per diem and no salary.

I think that we should also note that we in Government are not the only ones thinking of cut-rate air shuttle services. Just one week ago today, on March 13th, a Civil Aeronautics Board administrative law judge approved a cut-rate air shuttle service for commercial traffic between New York and London. When this commercial air shuttle actually comes into existence, it will be a relatively sure bet that Pan Am and TWA will be right at the head of the line with their petitions asking CAB's permission to operate similar cut-rate services.

Concerning Pan Am's statements in their paper regarding "Diversion of Traffic from U.S. Flag to Foreign Flag," "Tax Revenue Loss," and "Wasteful Expenditures of International Balance of Payments Dollars," one needs only to look at the route patterns of the four U.S. scheduled international air carriers to readily see that our official travelers who are going to destinations other than the proposed air shuttle stops can readily do so on U.S. flag carriers in essentially every instance where the U.S. flag carriers actually service the final destination points. But they would use regular U.S. commercial services from London, or Frankfurt, or Rome, or Tokyo to their final destinations; not New York, or Washington, or San Francisco.

Equally important, during our deliberations we considered how expansion of the Department of Defense airlift system to include all governmental overseas travelers would affect usage of our fuel supplies. Simply stated, it is more efficient, in terms of fuel usage, to fly a plane with a 100-percent seat occupancy than to fly with only a 50- to 60-percent seat occupancy. Also, looking to further fuel conservation in light of the present fuel emergency, the Civil Aeronautics Board, on November 16, 1973, issued an order to permit the U.S. scheduled international air carriers to transport Department of Defense plane load charter passengers on their scheduled flights—at the special charter rates. Not only can we save fuel, we can also fill up some of those empty seats for the air carriers—but at special Government charter rates, which is as it should be.

DOD officials have advised our Subcommittee that in December 1973, they started shifting their planeload charter passengers from separate planes to the empty scheduled seats and that, by February 1974, they had most of this traffic shifted to the scheduled flight—and it's being carried at the 2½c rate rather than the 7½c rate. The shifting of this traffic also overcomes certain of the "Balance of Payments" discussion which Pan Am advances in its white paper.

Lastly, Pan Am's veiled threat to eliminate the special category Z fares falls on deaf ears. Why should the Government consider paying the economy fare of $317 or the category Z fare of $172 to transport a passenger to Frankfurt when the official traveler can be transported from Washington to Frankfurt—on the air shuttle—for $101. Further, should the category Z rates be eliminated, then naturally DOD would expand the DOD planeload charters to include stops at Brussels and Amsterdam and move the balance of the Category Z passengers as Category A passengers—at one-way contract rates which are precisely the same as Category Z rates.

Computation of savings to the Government are quite simple to compute. It's 3,658 air miles to London and 4,053 miles to Frankfurt from Washington, D.C. Thus, savings for every official traveler transported to these gateways at planeload charter rates instead of regular economy class fares would be:

	Economy class fare	Charter rate	Savings per passenger
Washington to—			
London	$280.60	$91.45	$189.15
Frankfurt	317.40	101.33	216.67

Mr. Chairman, members of this subcommittee, I have not discussed the economic repercussions which removal of this $20–30 million yearly hidden subsidy will mean to the four U.S. scheduled international air carriers as it means very little when compared with the $300 million in reduced U.S. Government revenue to the U.S. international air carrier industry as a result of termination of direct U.S. involvement in the hostilities in Indochina.

It is readily apparent that the U.S. international air carrier industry—the supplementals as well as the scheduled carriers—have very real economic problems. Now more than ever before, it is extremely important that the U.S. Government apportion its business fairly to both the large and small U.S. international air carriers.

Perhaps what is needed is an entire legislative overhaul of our commercial air carrier system. Only a few days ago, Transportation Secretary Claude S. Brinegar noted that it may become necessary for the U.S. air carriers to drop their competitive routes and get out of business in some markets altogether. Speaking for the administration, the Secretary clearly indicated that subsidies do not appear to be the answer.

Mr. Chairman, Members of this subcommittee, I thank you most appreciatively for the time you have permitted me. After your remaining witnesses have testified, I may wish to supply additional information and data for your hearing record and will appreciate the privilege of being permitted to do so.

CAPTIVE NATIONS WEEK

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. COUGHLIN. Mr. Speaker, this week, again heralds the annual observance of Captive Nations Week. In this era of rapproachement and improved international relations, it is easy to overlook those nations whose natural sphere lies beyond the aura of renewed hope for world harmony. Captive Nations Week serves as a valuable reminder of the peoples of East-Central Europe, who are striving to assert their rights to freedom and to a government of their own choosing.

It is ironic to note that this year's Captive Nations Week occurs simultaneously with the Conference on Security and Cooperation in Europe. For the first time in three decades, the Soviet Union is hopeful of acquiring recognition for the imposed status quo, existent in Central Europe. This area has long endured as the traditional power fulcrum of Europe, attempting to maintain a balance of power. It must not be abandoned to provide the Soviet Union with sufficient leverage to penetrate further into the European Continent.

The United States and all free countries which are fortunate enough to rest secure on their ideals of independence, bereft of political oppression, must continue to provide unwavering, active support for captive nations not so propitious.

I have consistently demonstrated my support for captive peoples in the Soviet Union by protesting the persecution of its citizens, most recently, prior to President Nixon's visit. Freedom of emigration, an inalienable privilege in free countries and whose assertion we have never had to question, is denied to Soviet citizens. That Soviets will no longer continue to acquiesce to such a flagrant violation of human rights, is evidenced by the dissension that is now permeating the Soviet Union. Scientists, intellectuals, and artists, restrained from leaving the country, are publicly voicing their opposition to the restrictions placed upon them. The world must not be deaf to their voices.

Freedom of speech and of the press, rights guaranteed in the Bill of Rights by the framers of our present society, are witheld from Soviet citizens. Television broadcasts of the Moscow summit on President Nixon's journey for peace were blocked from transmission by Soviet officials. This behavior is blatant indication of the absence of common principles shared by the American and Soviet governments.

Actions such as these, inconceivable to American ideals, should not be tolerated for other areas of the world. In pursuance of a pragmatic, rational amity between the United States and the Soviet Union, obvious injustices cannot be disregarded in the quest of global stability.

The majority of captive nations that

we salute this week lies within Soviet territory. However, this Soviet national problem is of international dimensions and one which the United States cannot condem too strongly. The dawning of détente, although desirable, cannot conceal the enduring plight of captive nations. Invigorated with a new promise of international accord, the world must not expect to dispense with the ugly reality of captive peoples.

Unceasing effort and vigil are required to insure the proliferation of self-determination in Europe and the rest of the world. Let us trust that Captive Nations Week will further propel the effort necessary.

OHIO GOVERNOR GILLIGAN SUPPORTS SURFACE MINING BILL, H.R. 11500

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. SEIBERLING. Mr. Speaker, I am pleased to bring to your attention a letter from the Governor of Ohio, John J. Gilligan, in support of H.R. 11500, the Surface Mining Control and Reclamation Act of 1974.

What Governor Gilligan has to say about surface mining in Ohio can be applied to other mining States as well. He points up the problems inherent in State laws that are not backed up by Federal enforcement and the need for a uniform set of Federal standards.

As Governor Gilligan points out, the existing reclamation requirements in Ohio's surface mining reclamation law, enacted in 1972, already exceed those in most other States. A strong Federal law would put all the coal mining States on an equal basis with regard to mining and reclamation requirements. It would assure that each State set minimum standards on the surface mining of coal and would thus prevent the coal industry from playing off one State against the other.

State laws are important, but they are only as good as the enforcement that backs them up. In the Ohio law, the chief of reclamation was given wide discretionary authority to establish standards by issuing his own rules. The present chief of reclamation wrote tough reclamation rules in specific language, but 48 coal companies immediately filed a court suit to enjoin him from enforcing the rules. That suit is now before the Ohio Supreme Court.

As Governor Gilligan further notes, Ohio's coal industry will be able to quickly respond to the provisions of H.R. 11500, as the requirements are similar to Ohio's law. The bill would, in fact, enhance Ohio's law as it provides several beneficial requirements that Ohio does not now have.

I am pleased that Governor Gilligan has endorsed the reclamation fee provision which I plan to introduce on the House floor. The fee would be used primarily to restore over 2.5 million acres of unreclaimed strip mined lands in our Nation and the effects of thousands of abandoned deep mines.

In Ohio it will cost almost $300 million to reclaim the 370,000 acres of land that have been devastated by strip mining. Added to that is the cost of cleaning up the pollution from abandoned deep mines—a total cost to Ohio of $750 million.

As Governor Gilligan points out, reclamation of these lands would provide a stimulus to Ohio's economy and would return to productivity vast areas that had been lost from the tax base.

Some people have worried that H.R. 11500 will put smaller operators out of business. As Governor Gilligan notes, there would probably be an increase in the overall cost of coal production in Ohio, but it does not follow that these added costs would force smaller operators out of business or reduce the rate of coal production. The costs would be computed as a part of the total cost of doing business.

H.R. 11500 would assure that the State laws are backed up by Federal enforcement if the States are unable to enforce their own laws. And, as Governor Gilligan points out, individual State programs would be less likely to undergo policy changes when administrations change.

A provision which I authored in the present bill would ban all new strip mining in our national forests. As Governor Gilligan states, the amount of strippable Ohio coal in Ohio's national forest is extremely small—only 157 million tons out of Ohio's coal reserves which exceed 1.3 billion tons.

H.R. 11500 is a vitally needed bill that will provide for an orderly expansion of our country's coal production. I urge all of the Members of the House to support it.

Following is the complete text of Governor Gilligan's letter:

STATE OF OHIO,
OFFICE OF THE GOVERNOR,
Columbus, Ohio, July 10, 1974.

Hon. JOHN F. SEIBERLING,
U.S. Representative,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: The U.S. House of Representatives early this month will be considering legislation which encourages state governments to better regulate the strip mining of coal. Existing reclamation requirements in Ohio, since the passage of the 1972 strip mine reclamation law, exceed those in most other states. Although the coal industry in Ohio should be, and is, required to adequately restore lands affected by coal removal, it should not be placed at a disadvantage when in competition with coal producers from states where this aspect of the environment has not been as high a priority.

After reviewing the various alternative legislative proposals now before the Congress, we feel the provisions embodied in H.R. 11500 would best insure adoption of proper reclamation practices in each state. A federal overview of state programs would insure that each would meet at least minimum standards and that individual state programs would be less likely to undergo policy changes when administrations change.

It is our belief that Ohio's coal industry will be able to quickly respond to the provisions of H.R. 11500, because the industry is already required to meet or exceed most of the performance standards of this bill. The first of two notable exceptions in which the Ohio law does not presently meet or exceed the performance standards of H.R. 11500 is that the federal bill would establish a longer period of time for which the operator is obligated to insure successful reclamation. This provision would further benefit the cause of stable reclamation in Ohio. The other notable exception is that coal processing sites, other ancillary coal operations and surface water disposal from underground mines would be regulated; these are presently not covered under the 1972 Ohio law.

Section 401 of the bill would provide matching funds to reclaim the estimated 350,000 acres of land in Ohio which, prior to the 1972 law, were not successfully reclaimed. The cost to satisfactorily restore this land has been estimated at close to $300 million. Reclamation of these lands would provide a stimulus to Ohio's economy by an influx of federal moneys and would also productively return vast areas to the tax base. In this regard, we further favor the adoption of Congressman Seiberling's amendment, which would establish a reclamation fee to provide additional funds to reclaim abandoned strip mine lands.

Although Ohio's coal strip mine industry has already assumed the costs for most of the provisions of H.R. 11500, the overall cost of coal production would probably increase with the passage of federal legislation. It does not follow, however, that these additional costs will force smaller operators out of business or reduce the rate of production of Ohio coal. These costs would be computed as a part of the total cost of doing business and passed along accordingly.

I would also emphasize that the amount of strippable Ohio coal no longer available for production through the provision in Section 209 (which prevents mining in national forests) is about 157 million tons; Ohio's coal reserves exceed 1.3 billion tons.

The 1972 Ohio reclamation law is proof that we need not choose between coal extraction and environmental quality. I urge your support for H.R. 11500 which, in my view, allows us to have both.

Sincerely,

JOHN J. GILLIGAN.

GOLDEN ANNIVERSARY OF BYZANTINE CHURCH

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. GAYDOS. Mr. Speaker, southwestern Pensylvania is the heart of the Byzantine Catholic Church in the United States. Tens of thousands of the faithful converged on Pittsburgh the weekend of June 22 to celebrate the golden anniversary of the establishment of their church in this country and to commemorate the assignment of their first bishop, the Most Reverend Basil Takach, now deceased.

The 2-day observance captured the attention of the Nation. Highlighting the 50th anniversary was a golden jubilee banquet at the William Penn Hotel, in which I was privileged to participate in the program, and a Concelebrated Pontifical Divine Liturgy of Thanksgiving at the Civic Arena in Pittsburgh.

Messages of congratulations and commendations to the Most Reverend

Stephen J. Kocisko, archbishop of the Metropolitan Diocese of Munhall, poured in from across the Nation. President Nixon applauded the church for its "tradition and strength of our country." The most Reverend Jean Jadot, apostolic delegate to the United States, reminded the faithful of those who came here from Eastern Europe, overcoming multiple odds and hardships to become "a community which is truly proud of its heritage."

Governors of three States sent letters of recognition for the occasion. Gov. Milton J. Shapp, of Pennsylvania, extolled the church and its leaders as "exemplifying the good which mankind is capable of doing to make this a better world in which to live." Similar accolades were received from Gov. Brendon Byrne, of New Jersey, and Gov. John J. Gilligan, of Ohio, where the Dioceses of Passaic and Parma are located.

Leonard C. Staisey, chairman of the Allegheny County Board of Commissioners, cited the growth of the church over 50 years and called it a tribute to the personal dedication to God and to those who truly recognize the urgent need of moral rearmament. Mayor William W. Knight, of Munhall, the center of the Byzantine Church in Pennsylvania, presented Archbishop Kocisko with a formal resolution adopted by his municipality commemorating the golden jubilee. Mayor Peter F. Flaherty, of Pittsburgh, acknowledging his city has been the recipient of many benefits emanating from the Byzantine Church, formally proclaimed Sunday, June 23, as Byzantine Catholic Rite Day.

As a member of the church, I was highly honored to share in the formal program of the golden jubilee along with such dignitaries as Archbishop Kocisko, the Most Reverend Michael J. Dudick, bishop of the Passaic Diocese; the Most Reverend Emil J. Mihalik, bishop of the Parama Diocese; the Most Reverend John J. Bilock, auxiliary bishop of the Munhall Diocese; the Reverend Andrew Chura, chairman of the banquet; the Reverend Monsignor Edward V. Rosack, chancellor of the Archdiocese of Munhall; Mr. George Batyko, president of the Greek Catholic Union of the United States of America, and Mr. George Pegula, vice president of the United Societies of the United States of America.

Mr. Speaker, I am deeply thankful to God and His servants in the church for the guidance given those who left their homes many years ago to come to a new and strange land. Not only did they preserve the rich heritage and traditions of their new home. As Bishop Kocisko said in his address at the dinner:

> Our people came to America from Austria-Hungary and there are few left who made the original journey. America is our home today and if we place ourselves in God's hands we can look to the future with faith, hope and confidence.

I deem it a great honor to extend to the Byzantine Ruthenian Province the official congratulations of the Congress of the United States and express to its Members our hopes that Almighty God will continue to shed His grace upon the church, its spiritual leaders, and its people.

THE NEW RIVER AN ANCIENT STREAM

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. MIZELL. Mr. Speaker, on October 25, 1973, I introduced H.R. 11120, to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System.

Since I introduced the legislation, the Subcommittee on National Parks and Recreation of the House Committee on Interior and Insular Affairs has completed its hearings and is scheduled to mark up the bill on July 16. I am hopeful that final action by the full committee will be forthcoming.

I have often commented both in committee and before the House on the importance of this river to my constituents. Recently the Roanoke Times of Roanoke, Va., carried an article which states well the case for the New River, and I wish to bring it to the attention of my colleagues:

[From the Roanoke Times, July 7, 1974]

THE NEW RIVER AN ANCIENT STREAM

(By Ben Beagle)

MOUTH OF WILSON.—New River in Virginia begins here in high, crisp country that is conservative, takes its banjo and fiddle music seriously, where girls with the no-bra, look flatfoot with some abandonment at the bluegrass festival at Independence.

The river is washed by the sun as it falls over Fields Dam near here. It continues, then, on the route it has taken for more than 100 million years.

Dr. Raymond E. Jannsen of Huntington, W.Va., a retired geology professor, has put that much age on the river as it flows through Virginia. Dr. Jannsen has written that the New River is a part of an ancient stream which fathered the Mississippi.

Much of the original river that rose in North Carolina and then flowed northwestward when the Appalachian mountains were a flat, enormous plan has gone underground in Ohio—worried, dammed and then put underground by the glaciers of a million years ago. But it still runs underground, still furnishing midwesterners water from wells.

But in its old days, when the seabed rose up and formed the Appalachian range, the great river—called the Teays by geologists—cut its way from North Carolina, to Fort Wayne, Ind., to Lincoln, Ill., where it was joined by the smaller Mississippi. It emptied into the Gulf of Mexico, then as far inland as St. Louis.

PREDATES MOUNTAINS

"The New River is really one of the oldest streams draining the Appalachians," Dr. Jannsen has written, "and the only one that flows across the whole range from east to west. As the headwaters of the Teays it had the advantage of being there before the mountains."

It has gotten out here in the mountains, and elsewhere, that the New is the second oldest river in the world—just a trifle younger than the Nile.

Some people have been saying Dr. Jannsen has concluded that, but the geologist said recently he can't say that at all. He can say, though, that the portion of New River in Virginia may be as old as the Nile.

"There would have been other rivers in the world that old," Dr. Jannsen said recently. But he said the headwaters of the old Teays, the New River as it rises near Boone, N.C., were really the father of the Mississippi.

He wrote in one of several articles on the Teays that it was this old river, flowing across the plain of the Appalachians when it was flat and then helping to cut the valleys themselves, that built most of the Mississippi Delta—"Only the later portions were added by the Mississippi."

The Teays took its name about three quarters of a century ago from a small town in Ohio located in the channel once used by the old river. William G. Light, a geologist, discovered in the Teays Valley that the Ohio River had once taken a different course.

Knowledge has been added to Light's discovery and Dr. Jannsen has written that it was the glaciers, grinding southward as far as Chillicothe, Ohio which sent the Teays underground.

When the glaciers came to Ohio, they dammed the old Teays with ice packs hundreds of feet high, Dr. Jannsen has concluded. The old Teays was buried and the Ohio cut a new course after the glaciers melted.

The old branch of Teays flows 150 miles through Virginia, on an odd north-westward course to reach the sea, using its old channel into West Virginia where it becomes the Kanawha River.

The antiquity of the New was already incredible when Indian warpaths ran along it and disgruntled colonials gathered near its bank at the lead mines in Wythe County and wrote the Fincastle Resolutions. These resolutions were the precedents of the Declaration of Independence; a fiery mountain declaration aimed at George III of England.

That was long before the Federal Power Commission; before the Congress of the United States got itself together. The river itself had been there in the time of dinosaurs.

ODD STRUGGLE

Now there is a Federal Power Commission and a Congress of the United States and in an odd display of government, the power commission has issued Appalachian Power Co. a permit to build two hydroelectric dams on the New River in Grayson County at the same time Congress is considering legislation which would forbid the dams, or delay them at least.

The Senate has passed legislation calling for a two-year study to see if 70 miles of the New qualify for inclusion in the National Wild and Scenic Rivers System; an inclusion that would block the dams forever.

The House of Representatives, with Western Virginia congressmen looking on somewhat nervously, has yet to act on the legislation. An answer is expected soon, though.

A legal determination of "wild" or "scenic" is not the easiest of things these days and even some of the opponents of the dam admit such a designation for the New may be a near thing.

It does bear the signs of civilization along much of its trip through Virginia and yet it keeps a scenic flavor to it for miles. A layman might say there is some wildness in it, too.

There is bottom land for miles along it and they say when you plant a kernel of corn it is advisable to jump back to avoid assault by the stalk coming immediately out of the ground.

They say there are yellow catfish that taste like chicken when fixed right and there are waterdogs that look like nothing of this world. They say some outlanders have been marked for life by hooking one of them—a sort of salamander but with the precise look of a spotted fish with legs.

There are pike and bass and undertows and, all along the river, there are remnants of ferries, used by men to get across what they once called the "western waters."

There is a chair ferry near Independ-

ence, apparently unused, its cage hanging idly above the water when it is green and normal; dipping into it when it is yellow and a little mean.

It is a river with a bad reputation for sinkholes and curious currents which swirl ominously. Boys along its length have been warned about the undertows.

They still warn about New River. Near the chair ferry there is a home-made sign on a tree. It says: "Danger! Deep Holes. Bad Undertow."

CAKE'S ALL DOUGH

When the river gets up 5 feet and laps the chair ferry, people who have floated New River look at the currents, familiar rocks now gone in yellow water and familiar islands half submerged. They will advise against canoeing or floating. They will say "The cake's all dough, boys."

Tipsy with flood or calm and green, the New River perversely leaves Virginia near Independence and wanders over into North Carolina mountain country before returning.

It is dammed at Fries by a generating dam for the Washington Mills plant and the dam, the water in flood pouring over it like a dappled sheet of glass, dominates the little company town, now neat and clipped in early summer.

The water is up, but two New River fisherman pole a "New River canoe" across the rapids below the dam, obviously not worrying about the cake being all dough. The boat is wooden, snouted at each end—the kind of craft for dropping and tending a trot line.

It is dammed at Byllesby in Wythe County, where a 1912 generating plant of Appalachian is still producing electricity. The dam is anchored in ancient rocks and when the New is flooding, they open a gate and part of the river comes out, shaking the catwalk on the dam.

There is a high water mark on the tall, brick building where the generators hum at Byllesby. It shows the water was almost over the top of the building when the New went into classic flood in 1940.

There is bottom land stretching for miles, alternating with work rock palisades, the rock now disappearing beneath new greenery. There is a cabbage field, neatly rowed, and men walking the rows explain they are not searching for bugs or blight but for Indian relics.

The New is modestly harnessed again at Buck Dam and it flows by Austinville in Wythe County by the lead mines, and the old shot tower at Jackson's Ferry recalls the Indian fighters who stood there at the lead mines on Jan. 20, 1775, and told King George their sentiments.

The shot tower is a state monument now, 250 feet tall; tall for allowing molten lead to cool and round itself into a shot before dropping into a cooling vat at the bottom.

There is a monument at Austinville where the old Indian fighters, who left quaint letters, met. The monument is suitably rugged and its plaque quotes the men who gathered there: "These are our real though unpolished sentiments of liberty and loyalty and in them we are resolved to live and die."

In Pulaski County, the river widens into Claytor Lake and then flows, wider, through bottom land in West Radford and this was the country where Dunkard's Bottom became an important settlement on "the western waters."

The Woods River Land Co. founded Dunkards Bottom in 1745 in the general area of Claytor Lake, the first settlement on "the western waters," a discovery that deluded some explorers into thinking they saw sails against the western sky.

They named it Woods River after an adventurer from Petersburg, Abraham Woods, who financed the expedition. How it gots its current name has puzzled historians but however it happened, Dr. Jannsen could not resist writing that "New" was an inappropriate name for the old, old river.

Cherokees and Shawnees raided and in 1762 William Ingles made his ferry in West Radford and it would be used by all the coonskin men and women going out the Wilderness Road to the dark and bloody ground. They would shoot the gaps at Big Moccasin and Cumberland and push the country westward in a direction that persisted until somebody finally saw the Pacific, the ultimate "western water."

Mary Draper Ingles would learn something of raiding Indians, being taken prisoner at Drapers Meadow near Blacksburg and escaping and finding her way home through 200 miles of wilderness. A visitor would later say that Mary Draper Ingles acted strangely after that.

PAGEANT ON THE BANKS

Again this summer, "The Long Way Home," Mary Draper Ingles' story, is being told in an outdoor pageant in West Radford on the banks of the old river.

William Ingles would be an Indian fighter and when he wrote about it, he was not short on description: "We had the satisfaction of carrying off all our wounded and kild with a very little lose of sculps."

Leaving Radford, the New starts its last stretch through Virginia, running to a huge gorge in Giles County. On its way, it puts itself into a huge horseshoe bend at the site of another place where men made ammunition and are still making it—the Radford Army Ammunition Plant.

By the time it gets to West Virginia, it has come a long way from Grayson County where Banker Jim Todd has business cards, the back of them inscribed: "Grayson County: The Home of Grayson Gravy, White-faced Cattle and Pretty Women."

There are people who have loved the river and one of them was the late Ben Dulaney of Roanoke and, expertise in "scenic" or "wild" designation aside, Dulaney caught some of the spirit of the river.

"It is a great river," Dulaney wrote. "In autumn the changing scene is an unbelievable picture postcard. Under gentle snow it is an etching. In fog it is the biggest river in the world."

AMENDMENTS TO H.R. 11500

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. DINGELL. Mr. Speaker, coal mining is not today carried out in areas of the National Park System, the National Wildlife Refuge System, or the National Wilderness Preservation System. Such mining is prohibited by statutes, for example, section 1 of the Mineral Leasing Act, 30 U.S.C. 181, various withdrawal orders, and other instruments. For example, at most Corps of Engineers reservoirs, the deeds by which the corps acquired the lands prohibit any mining in the lands submerged by the reservoir. The recent report by the House Committee on Government Operations of June 26, 1974—House Report 93–1156—discussed the deeds which prohibit strip mining at the Corps' Fishtrap flood control reservoir in Kentucky.

However, several provisions of H.R. 11500 leave the impression, at least, that coal mining would be permitted in these areas. The permit section of the bill, section 209, states that no permit shall be issued for mining in the national parks, wildlife refuges, or wilderness areas. But it is unlikely that the permit provisions of the bill will be, in fact, operative in any State for 2 to 3 years after enactment. In the meantime, the bill could be construed as authorizing such mining in these areas during this hiatus period, thus negating the committee's intention that the bill not change existing statutory, deed, or other prohibitions within Federal lands.

I, therefore, plan to offer the following amendment to section 201 of H.R. 11500, as reported:

On page 157, insert between lines 2 and 3 the following new subsection:

"(i) On and after the date of enactment of this Act, no person shall open, develop, or extend any new or previously mined or abandoned site for surface coal mining operations within any area of the National Park System, the National Wildlife Refuge System, or the National Wilderness Preservation System. Nothing in this Act shall be construed as authorizing surface coal mining operations within Federal lands where such mining is prohibited on the date of enactment of this Act, by law, regulation, order, deed, or other instrument."

Section 209(d)(9) of the bill is particularly confusing. On the one hand it prohibits the issuance of permit for mining operations within the National Park System, the national forest, but not other areas of the National Forest System, the National Wildlife Refuge System, the National Wilderness Preservation System, or the Wild and Scenic Rivers System. But it then contains the following proviso:

Provided, however, That this paragraph shall not prohibit surface mining operations in existence on the date of enactment of this Act, or those for which substantial legal and financial commitments were in existence prior to September 1, 1973; but, in no event shall such surface mining operations be exempt from the requirements of this Act;

This proviso would, in effect, permit surface mining within a national park if some sort of "substantial legal and financial commitments" existed before September 1, 1973 to provide for such mining. The bill does not define what type of legal and financial commitments would be encompassed by this vague language. It does not describe the nature of the so-called commitments. It does not require that the commitments be with the Govrnment. They need only be substantial—whatever that means. Thus, if two companies had entered into such commitments before September 1, 1973 this proviso appears to qualify them to obtain a permit to surface mine within those areas of the National Park or Wilderness System. Yet this proviso says nothing about the fact that mining is generally not permitted in such areas. The result is confusion, ambiguity, and possible likelihood of total minsinterpretation.

It is my understanding that the proviso is principally designed to permit the continuation of coal mining on lands within the exterior boundaries of the National Forest System and the Wild and Scenic Rivers System where the minerals have not been conveyed to the United States or where mining under Federal permit is underway on the date of enactment of this act. I would think that the committee does not want to authorize surface mining where the United States owns

both the coal and the surface within either of these two systems.

I therefore will offer the following amendment to section 209 of H.R. 11500; as reported:

2. On page 171, line 13, strike all through the semi-colon on line 23 and insert the following:

"(9) the mining operations are not located within any area of the National Park System, the National Forest System, the National Wildlife Refuge System, the National Wilderness Preservation System, or the Wild and Scenic Rivers System, including study rivers designated under section 5(a) of the Wild and Scenic Rivers Act: *Provided, however,* That this paragraph shall not prohibit surface mining operations in existence on the date of enactment of this Act within any area of the National Forest System or the Wild and Scenic Rivers System or on lands within either system where the deeds conveying the surface lands to the United States reserve the coal and provide for the mining thereof;".

AID IN SOUTH VIETNAM

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Ms. ABZUG. Mr. Speaker, I have spoken often in this Chamber and before committees of the misuse of American foreign aid, especially in Indochina where the bulk of our money goes.

Now the House Foreign Relations Committee has heard testimony from Edward Block, who served with AID in Vietnam for 20 months. He calls the program "a massive hoax" and documents the charge from his personal knowledge.

New York Post Columnist James A. Wechsler has condensed portions of Mr. Block's remarks in his column for Friday, July 12. I would like to insert that column into the RECORD:

THE MASSIVE HOAX

(By James A. Wechsler)

Vietnam is remote to most Americans now. Tortured battlefield memories may still haunt thousands of veterans; families still grieve for those who died there, and others dream of amnesty for draft-resisters in exile, prison or "underground" in their own country. But for millions who escaped involvement, Vietnam belongs to the past.

Thus the explosive recent testimony before the House Foreign Relations Committee of a man who had served the U.S. Agency for International Development (AID) in Vietnam for 20 months was generally unreported. The witness was Edward Block; he went before the committee to plead for a halt in the flow of American funds to "the massive hoax" of AID "humanitarian" programs.

"It is my judgment," he said, "that the AID-funded relief and rehabilitation program in South Vietnam is a disaster for the refugees involved, a financial bonanza for the officials of the Saigon government, and an insult to both the American people who are being deceived and to the many conscientious American field officers whose reports on these deceptions are routinely suppressed by their superiors and higher-level officials . . ."

Prior to his resignation from AID last December, Block had worked at various locales in the provinces, and his final assignment was in Saigon in the Office of Land Development and Hamlet Building.

On the basis of those experiences, he charged that the U.S. mission's "real objectives" in pressing for continued appropriations to the refugee program were being cynically camouflaged under humanitarian banners. In fact, he asserted, the design has four real goals:

To support and maintain the Thieu regime.

To subsidize Thieu's "unstable economy, noted for its chronic incapacity to internally generate resources for any sustained growth."

To encourage the South Vietnamese government "to hold hundreds of thousands, perhaps millions of refugees as dependents of the government rather than allowing them to return freely to their original villages, which may be in or nearby areas controlled by the Provisional Revolutionary Government (PRG)."

To help the Saigon government occupy additional territory "contested or claimed by the PRG."

Block offered a series of first-hand reports to document his indictment. Disputing AID figures on the extent of resettlement already achieved, he said:

"Most of the refugees reported by AID as having been 'resettled' were not at all resettled, but rather many have been paid specific amounts of money or given commodities to *assist* in resettlement. From visits I made to Quang Ngai province, for example, I found no indication that means for the establishment of self-reliant and viable communities were even being considered for refugee settlement sites."

One of the grimmest passages in his report concerns the fate of refugees who try to return to their original farms in PRG-ruled areas under the terms of the Paris agreement:

"I suggest this committee might want to investigate reports of refugees attempting to return by boat from Danang to Dong Ha, a PRG-controlled province. It is a poorly kept secret that no one has heard from these refugees since they were picked up last year by the GVN coastal patrol."

In his summation, Block contended that rebuilding of highways and bridges and construction of some schools and wells were largely unresponsive to the problem of the rural peasantry trapped in the conflict.

"These programs allow the Thieu regime to ignore the substantive political issues such as land tenure, reform of the military and administrative hierarchies," he said.

"It is apparent that as long as he believes he can rely on American foreign aid. President Thieu will continue to stall any accommodation with the PRG. And the failure to reach such an accommodation has resulted over the last 18 months in more refugees, more deaths, more suffering . . ."

Block's political appraisal of Thieu's stance has been expressed by others, but his report imparts an additional dimension to the debate. For what he was saying—with detailed substantiation far more comprehensive than this account can quote—is that U.S. funds are not only fortifying Thieu's intransigence but, in many instances, bringing hardship rather than help to the ostensible beneficiaries of our "humanitarian" outlays. Exploitation and inequity remain business as usual in Thieu's domain.

Meanwhile the U.S. ambassador to Saigon faithfully echoes Thieu's propaganda machine, the civil war drags on, and most Americans look the other way. The pretense that the Paris accords brought "peace with honor" is periodically recited by the President, as if fraud can be transformed into truth by repetition. In Washington and Moscow there is apparently joint agreement that the ceaseless ordeal of Vietnam is unworthy of serious notice. For the Vietnamese, "the generation of peace" is yet unborn.

CHILEAN DRUGS TO UNITED STATES PAID FOR ALLENDES' SOVIET WEAPONRY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ASHBROOK. Mr. Speaker, the House Internal Security Committee released its hearings this past week on the near takeover of the Republic of Chile by Salvador Allende's Marxist and Communist forces. The hearings detail the methods and means used by Allende's administration, which was aided by imported skilled revolutionaries, logistically supported by the major Communist powers of the world, to destroy the political, economic, and constitutional foundations of a freedom-loving nation respected and recognized for its long history of democratic traditions.

Allende's "private paramilitary forces" sometimes referred to as his "parallel army," which was well trained and well equipped both militarily and ideologically, was poised to strike against the proud and tough Chilean military regulars in late September of 1973. But the final phase of Allende's Marxist adventure-in-revolution never came to pass because Chile's alert armed forces, acting on sound intelligence, and supported overwhelmingly by Chileans of all ranks, delivered its counter-coup in mid-September thereby snatching Chile back from the ranks of the Communist camp to her natural home in the bosom of the free world community of nations.

The freedom forces of Chile, who, by stealing a march on Allende's Castro-guided guerrillas, thereby prevented the massive bloodletting which would have resulted from the anticipated civil war being engineered by Allende.

Mr. Raphael Otero, a witness at the committee's hearings, a former member of the Chamber of Deputies, and a journalist by profession, testified that the Chilean military forces were unassisted by outside supporters.

"It was purely an independent effort," he stated.

Mr. Speaker, the political and economic torment endured by Chile for 3 long years is slowly being made known to the American public. Hopefully, the committee's modest effort in this regard will fill in some of the gaps.

But to me as an American congressman and as the ranking minority member of the committee, the true tragedy involved is the overwhelming circumstantial evidence that American money was behind the purchase of vast stores of Soviet and Communist bloc weapons used by Allende's Marxist guerrillas against our friends in Chile and elsewhere in Latin America.

Not to disagree with Mr. Otero's contention that Chile's Armed Forces had received no outside aid, it would appear at least that some Americans, perhaps wittingly perhaps unwittingly had, by their sale and use of Chilean cocaine assisted Chile—but on the wrong side. Sad and shocking is the thought that while

the full authority of the Communist international combine was developing Allende's military muscle, American funds were fattening his financial fortunes and those of the Marxist/Communist movement.

According to an additional statement submitted to the committee in May 1974—hearings, appendix C—by Mr. Otero concerning the Chilean-United States drug situation, there had been some Chilean drug running conducted by criminal elements prior to Allende's regime but it was not until his presidency that the drug trade to North America rose to large scale proportions as it came under the control of Marxist officials in the Chilean Government.

But Allende, himself a drug user, showed an interest in this area even as a senator. Oscar Squella-Avendavo, a high-ranking member of Allende's coalition to elect the senator as president, and a major narcotic figure, who had worked directly with Allende during the latter's previous presidential campaigns of 1958, 1964, and 1970, was arrested with other Chileans in Miami in July 1970 and charged with the introduction here of 202 pounds of pure cocaine valued at about $2 million—the largest cocaine shipment ever seized. During Squella's trial, President Allende whom the defense attorney had characterized as a "close personal friend of the defendant," made representations on behalf of the drug smuggler in order that he might serve in Allende's coalition government. Moreover, Squella was slated to be Chile's Minister of Transportation.

Otero, who was a journalist during the time that the senator was running for office stated that the democratic media had denounced the shipments of cocaine abroad, the profits from which were used to finance the senator's campaign.

After Allende became president the annual production of cocaine rose to almost 2 tons—all under the umbrella of the official protection provided by the highest authorities within the Chilean Government. One of Allende's first measures as president in promoting and maximizing Marxist drug traffic was to suspend Chile's reportage requirement with Interpol, the recognized international police clearinghouse. Foreign countries, including the United States, concerned about the growth of imported Chilean drugs could not therefore obtain any information on Chilean cocaine pushers or Chileans who exchanged cocaine for heroin which was then being shipped to North America. Numerous requests made by the U.S. police and the Bureau of Narcotics went unheeded.

Following Squella's arrest, major Chilean drug distributors began to route their shipments through Mexico. Women were used extensively for the transportation of these drugs. Some wore bags of cocaine concealed under their garments while others employed double-bottomed suitcases. One woman was apprehended when it was discovered that her apparent pregnancy was a carefully arranged bag of drugs. Drugs were also sent in artistic copper products "specifically crafted to accommodate cocaine or marihuana between their walls."

That a major drug promotion program would soon be a fiscal cornerstone of Allende's government was suspected early in his administration when it was observed that drug peddlers who had been arrested by the police were released before they were even brought to trial. More significant was the release, prior to trial, of owners of cocaine laboratories in the cities of San Jose de Maipo, Algarrobo, and Limache where large amounts of their drug production had been seized by the police.

During Allende's 2d and 3d year in office there was a considerable increase in the production and shipment of Chilean cocaine to the United States. Also a new route was opened to Cuba. Governmental agencies, such as the Central Bank, began to send cocaine in official containers to that Communist outpost in the Caribbean in exchange for weapons earmarked for terrorist and Marxist guerrilla groups both in Chile and in other Latin American countries.

Allende's coalition party, the Unidad Popular, had been exporting its budding experiment-in-revolution to these same nations not only by means of its drug-purchased arms but also by sending out its own activists and extremists.

Communist Party members in Chile were personally engaged in the lucrative drug trade. Less than 200 kilometers from Santiago, Chile's capital city, they ran a laboratory which produced 100 kilograms of cocaine monthly and which was slated for U.S. consumption.

Mr. Speaker, it was not until Allende's demise that the pieces of this sordid story began to fall into place. The 15,000 foreign revolutionaries who were trained by European and Vietnamese Communist instructors were armed with Soviet and Czech weapons obtained through Cuba. The arms were shipped in the Cuban aircraft of the "Compania Cubana de Aviacion" or were secretly unloaded in Chilean ports together with sugar products.

Those arms, stated Mr. Otero, made available to guerrillas all over Latin America by Allende's Chile "were paid for with the dollars obtained in the cocaine and heroin drug trade with the United States." Moreover, according to Senator Sergio O. Jarpa, president of Chile's National Party, which received 34.9 percent of the popular vote in the 1970 presidential elections compared to Allende's 36.2 percent—a margain of only 1.3 percent—those arms were shipped from the Soviet Union and Czechoslovakia "at the request of the Communist Party" of Chile.

The Kremlin, which preaches incessantly that Communists do not export revolution—which of course it has been doing blatantly ever since early 1918 when funds, which were very scarce at the time, were exported by Lenin's second-in-command Leon Trotsky to create precisely such Communist revolutions—was merely doing in Chile only what comes naturally to it and to the nature of Marxism-Leninism, the so-called phasing out of the cold war notwithstanding.

The present military government of Chile has revealed that the two top directors of the national civil police authorities, Marxist Eduardo "Coca" Paredes, and Alfredo Joignant, both of whom were close, trusted friends of President Allende, had been receiving $30,000 monthly from the Mafia for the purchase of arms, for activities of members of Allende's so-called political party, and for certain national leaders.

The Marxist leadership in Allende's government carefully hand-picked those individuals who were to be involved in Chilean to United States drug traffic based upon their trustworthiness and their "political reliability". These persons were then placed in key posts in the Chilean Government including Customs, Internal Revenue, and Investigations.

In summary, the multiple purpose of the Chilean drug trade under Allende, according to the committee's witness was:

First, to corrupt the middle-class society by subjecting its youth—including those in the Armed Forces—and the intellectual elite to the vice of drugs;

Second, to obtain funds required to finance its activities, as noted in this report; and

Third, to utilize the drugs as a device to dope up extremist groups who would be carrying out terroristic or criminal activities.

As a postscript to Allende's 3-year fiasco, Mr. Otero observed that:

> Thanks to the evidence gathered by the police after the defeat of Marxism it has been possible to destroy the wide net of producers and drug peddlers who operated in Chile under the protection of the Marxist government, and whose criminal actions were directed toward the United States and other countries on the continent.
>
> After the change of government the new political authorities started in Chile a large-scale program for the purpose of putting an end to drug protection and drug trade.
>
> More than thirty persons were arrested and handed over to the courts of other countries—especially those of the United States—which during the time of the Salvador Allende Government had asked in vain for their extradition.

Mr. Otero noted, however, that although many of the clandestine cocaine laboratories had now been destroyed, Chile-United States drug traffic had not been completely dried up because Chile's scarce resources were earmarked for the rebuilding of the internal economy laid waste by the 3-year Marxist rule.

Mr. Speaker, I was most gratified, therefore, when on July 6 and 7, 1974, I read the press accounts of the arrest here and in Chile of 22 persons who made up a Chilean-United States cocaine ring, as coannounced by the Chilean Ambassador to Washington, Mr. Walter Heitman, and the administrator of U.S. drug enforcement, Mr. John Bartels. This particular ring is being charged with a score of criminal acts dating back to 6 months before Allende's ouster. Reportedly, U.S. investigators appear to believe that the drug smugglers have been operating since 1970, which interestingly, is the year of Allende's advent.

This new development in the crackdown on cocaine traffic indicates to me that a new era of United States-Chilean cooperation has begun and that the two governments intend to vigorously pursue a no-nonsense approach to the problem.

CHIPPING AWAY SEXIST CREDIT MYTHS

HON. JONATHAN B. BINGHAM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. BINGHAM. Mr. Speaker, the old myth that women are financially irresponsible is being shattered daily and it has become obvious that the refusal to extend credit on the basis of sex is nothing more than arbitrary discrimination. In May of this year, I introduced legislation, (H.R. 14660) to prohibit discrimination in credit transactions for personal or business purposes. This bill would make it unlawful for any credit institution to discriminate against any individual on account of sex or against any business enterprise on account of the sex of an individual or group of individuals controlling the enterprise. I believe these measures would go far in correcting this invidious form of discrimination.

The House Banking and Currency Committee is currently considering such bills and I hope prompt action will be taken so that this important legislation can be remembered as an accomplishment of the 93d Congress.

I include herewith an article appearing in the most recent issue of Credit Union magazine, entitled "Women Are Chipping Away the Myths," and commend its message to my colleagues:

[From Credit Union Magazine, July 1974]

WOMEN ARE CHIPPING AWAY THE MYTHS

Women are irrational. That's all there is to that. Their heads are full of cotton, hay and rags." So says Professor Henry Higgins after he asks George Bernard Shaw's proverbial question: "Why can't a women be more like a man?"

Not surprisingly, women have been asking basically the same question: "Why can't women be treated more like men?" Notions like those of Higgins are still prevalent in many sectors of society even today. Women encounter them when they apply for a job and, even though several states now prohibit discrimination because of sex or marital status, those attitudes are still found on credit applications and in loan interviews.

What are they? Well, it's "common knowledge" that single women are poor credit risks because they're soon to be wed and will quit working. Or that married women will get pregnant. That divorcees are neurotic. That women are ignorant of financial matters. And they all miss work at least once a month.

But those long-held "truths" are slowly being chipped away by women's rights activists, who are being heard in state and national legislatures. And financial institutions are beginning to realize that it is the "right and profitable thing to do," especially since women now make up almost 45 per cent of the national work force.

One of these women chipping away at what she calls "myths" instead of "truths" is Esther K. Shapiro, consumer consultant for the Michigan Credit Union League and president of the Consumer Federation of America. Her theory is simple: Credit is based on the ability to repay, and the women have proven they are able to and do repay. Her theory is often challenged.

One credit union manager confronted her with the problem of single women and the prewedding debt. The legal term is coverture, which reaches back to that period in time when women had no legal status. It holds that the husband is not responsible for debts incurred by his wife before marriage, and in some cases, debts she may incur on her own after marriage.

The manager complained that some young women borrow to buy furniture, then quit work after the wedding and stop making payment. How could he collect? Shapiro admitted that the loosely defined, little understood term coverture is a problem for lenders and women. However when she asked the manager how many such losses his credit union suffered in the past five years, he said, "At least three or four."

"That kind of delinquency in a membership of several hundred women is downright enviable, and no excuse for cutting loans to all single women," Shapiro said.

It's worse for the divorcee. She is not only single. She is considered unstable, and a good part, if not all, of her income is dependent on child support or alimony payments from perhaps a reluctant former husband. Even divorcees with good incomes often can not get credit.

Shapiro told of one professional woman who earned more than $25,000 a year and received ample child support payments from her ex-husband. The woman bought a Thunderbird. The auto was stolen soon after and never recovered. The insurance company settled, leaving her with enough to repay the auto loan and make a down payment on a new Thunderbird. But the same loan agency refused her credit application because she was divorced. She explained that she was divorced when she made the first loan. Their answer: "We weren't aware of your marital status at that time."

Contrary to the picture painted of the neurotic divorcee, Shapiro said "Marriage counselors tell me that the husbands' poor money management is a frequent cause of divorce, and often the divorce is the most calming influence the ex-wife can receive." In fact a credit union manager told Shapiro he isn't afraid to grant credit to divorcees or widows, saying "Credit is all they've got; they take care of it."

To the argument that married women unexpectedly get pregnant and quit work, Shapiro admits that even with improved methods of family planning, it can and does happen. But, she retorts, it doesn't mean that the mother will quit work, and an unexpected baby isn't an automatic cause for financial disaster. "When a couple gets into financial trouble there is never just one reason. The factors are numerous and complex."

WHO'S THE GREATER RISK

Statistics on working women support Shapiro's statements. According to census and Labor Department statistics reported in the April, 1972, Monthly Labor Review, six million women now head their families, and 54 per cent of them work. Some 70 per cent are divorced women and 50 per cent of separated women work, and divorced women working at age 35 can expect to work for the next 27 years.

And it is not just divorced women. Nearly 50 per cent of married woman with school-age children work, and the percentage of working mothers with preschool children jumped from 23 to 33 per cent in the last 10 years.

As to the myth that women are unstable in employment because of menstrual or menopausal problems, Shapiro refers to an office study performed by a former colleague who found women were absent less than men. In this particular survey, it was argued that because two men in the office were hospitalized after bad auto crashes, it warped the statistics.

"But that's the point," Shapiro said. The survey showed that men are involved in more serious auto accidents. And they are more prone to absenteeism due to alcohol, high blood pressure, ulcers, coronary problems, than their female counterparts.

After deflating the myths one by one, Shapiro returns to her theory that loans should be granted on the basis of need and the ability to repay. She argues that there is no basis to relegate women to a second class standard in credit or employment. "I have not been able to find a single credit institution or reporting source that can produce statistics indicating that women as a class are a poor risk," she says, and therefore advocates equal rights for women in credit.

"I think when an individual goes in for credit, that person should be looked upon as an individual and not as part of a group," she said. "Our experience has been that a male going in for a loan has not been subject to the same scrutiny. It's as simple as that."

She's not against probing, personal questions, if they are asked equally of men and women. "A woman required to bring a statement on her child-bearing potential should also produce a doctor's report on her husband's and/or male associate's sperm count," Shapiro suggested. "The higher the count, the lower the credit rating. Low sperm count, high credit. It's only fair."

Actually the practice of asking a woman to furnish a doctor's statement on her inability to bear children or one on what type of birth control method she uses has been dropped by the mortgage lenders who used them most. Last year the Federal Home Loan Bank Board, which regulates savings and loan associations, issued a policy statement that discrimination on the basis of sex or marital status is not specifically prohibited by the Civil Rights Act, but it may violate the equal protection guarantee of the Constitution.

Similarly NCUA Administrator Herman Nickerson Jr. urged all federal credit unions "to be scrupulously fair in their loan policies," when he announced the granting of a charter to Feminist Federal Credit Union of Detroit last August.

Just one year before, Rep. Patsy Mink (D-Hi.) had charged federal credit unions with discriminating against women because they required husbands to co-sign all loans taken out by wives. She asked NCUA for a survey to determine the extent of the practice, and Nickerson said last August that a survey of some 4,200 federal credit unions found only 1 per cent guilty of some form of discriminatory practice.

RIGHTS ACCORDING TO LAW

Things are happening in the Congress. It was probably the December, 1972 report of The National Commission on Consumer Finance that projected the perils of women and credit more than anything else. The 294-page report found that this pattern of discrimination existed:

1. Single women have more trouble obtaining credit, especially mortgage credit, than single men.

2. Creditors generally require a woman who has credit to reapply for credit when she marries, usually in her husband's name. Similar reapplication is not asked of men when they marry.

3. Creditors are often unwilling to extend credit to a married woman in her own name.

4. Women who are divorced or widowed have trouble reestablishing credit. Women who are separated have a particularly difficult time since their accounts may still be in the husband's name.

5. Creditors are often unwilling to count the wife's income when a married couple applies for credit.

Startling disclosures in that report stirred the U.S. Senate to add a provision outlawing discrimination on the basis of sex or marital status to its Fair Credit Billing Act. The bill introduced by Senator William Proxmire (D-Wis.), passed in the senate on July 28, 1973 by a vote of 90 to 0, but it was tabled the following November by Proxmire's consumer subcommittee. After hearings by that subcommittee, however, Proxmire predicted in February, 1974, there is a 50-50 chance the legislation will pass this year.

And those chances are said to have im-

proved with the introduction of a compromise bill by the House consumer subcommittee, chaired by Rep. Leonor K. Sullivan (D-Mo.). The Equal Credit Opportunity Act was introduced on May 23, 1974, and while the senate bill bans credit discrimination based on sex or marital status, the House bill broadens the coverage to include sex, race, religion, national origin, age or marital status.

Several states have already passed their own forms of legislation banning credit discrimination, including Colorado, Connecticut, Florida, Indiana, Massachusetts, Maine, New York, Washington, and Wisconsin. And California passed a law that permits women to continue using their maiden names for credit and legal purposes.

There are still road-blocks to chip away. Many of the examples Esther Shapiro offers were given in testimony last year before the Michigan Consumers Council in support of legislation providing penalties for credit discrimination. "The sad thing is that nothing has changed since I gave that testimony a year ago," Shapiro said, referring to the bill that was recently blocked again by the state bankers association.

The bankers deny they discriminate, but they don't want to have to pay penalties in case they do," she said, "which makes you feel there is something wrong."

Shapiro feels that custom has changed more than the laws have. "Just as organizations bend over backward to prove that they are not discriminating against blacks, there is now fear of being accused of discrimination against women," she said. "This is a nation based on fear. That's our most effective weapon. A sense of guilt is a great thing. So whenever a woman feels that she is discriminated against, I find that her most potent weapon is to raise a stink and be as unfemine and unelegant as she can."

Consider the young woman who angrily refused when asked for a cosigner while attempting to charge the purchase of a television set. Ten minutes later she was contacted and told that the request was a mistake. "Obviously the reversal was due to her firm stand and not to an error in policy," Shapiro said.

Or when the little old lady was advised to keep her department store charge card in her dead husband's name because a dead mate is a better credit risk than a live widow. She literally charged her way across the store, went back upstairs and said, "Okay now collect from him." She got the name changed on her card.

But less and less is heard of these occurrences because financial institutions realize women have become a potent economic force with which to reckon, and one that will not tolerate a double standard in credit granting.

American society has seen an increased prominence of working couples. Young wives have greater influence over births. Increased numbers are college educated, and there is a demand for them as white-collar workers. Inflationary trends and rising prices require these women work out of economic necessity. The growing divorce and separation rate increases the number of women as family heads, who need sustainable incomes.

The next question may well be "Why can't a man be more like a women?"

LETTER PERTAINING TO OIL DEPLETION ALLOWANCE

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. DRINAN. Mr. Speaker, I reproduce herewith a letter sent by Mr. B. R. Dorsey, chairman of the board of Gulf Oil Corp., to the shareholders of that corporation.

In this letter the spokesman for the oil company in question uses very substantial corporate assets to seek to influence legislation now pending in the Congress. The letter sent to hundreds of thousands of shareholders of the Gulf Corp. takes the position that any decrease in the depletion allowance will result in reduced exploration activities on the part of oil companies.

This form letter sent out as a business expense by the company in question also states that the elimination of the tax credit for the oil companies is "totally wrong."

The letter reproduced herewith is the source of a mounting number of constituent letters, asked for by the Gulf Corp., to me and to other Members of the Congress urging precisely what the letter to the shareholders has recommended.

In my judgment the use of corporate funds by this company for the expressed and admitted purpose of seeking to influence Federal legislation is, to say the least, dubiously legal and open to the most serious questions.

The letter follows:

GULF OIL CORP.,
Pittsburgh, Pa., July 2, 1974.

DEAR SHAREHOLDER: There is something I must discuss with you because I believe it is in your best interests as a shareholder and a consumer.

The ability of the oil and gas industry to generate capital and provide the nation with urgently needed energy supplies may soon be drastically impaired. The industry is, in fact, faced with the serious threat of restrictive tax legislation. Congress is now considering tax legislation which, if enacted, would severely impair the industry's ability to develop energy resources and provide adequate supplies of fuel. Further, this legislation would increase industry taxes by an amount well in excess of $13 billion over the next six years, reducing funds for energy development and forcing prices even higher.

In part, under the proposed legislation this would happen:

A new excise tax would be levied on domestic crude oil.

The percentage depletion allowance on oil and gas would be progressively phased out by 1977, or even eliminated retroactively.

Restrictions would be imposed on foreign tax credits, which are not a tax loophole but a means for *all* American companies, not just oil companies, to do business abroad without incurring double taxation. Foreign tax credits are based on a principle of international taxation utilized by nations throughout the world. Without the foreign tax credit, U. S. industries would be unable to compete internationally.

As a Gulf shareholder and consumer, you should be aware that the net effect of the proposed increased taxes would be:

A reduction in the supply of energy because income for reinvestment would be reduced.

Higher prices to consumers as the industry attempts to recover the lost income.

A reduced return on investment that would severely hamper the industry's ability to attract the unprecedented amounts of investment capital that will be needed to bring our nation closer to energy self-sufficiency; that is, to help lessen our nation's dependence on foreign oil.

I believe Congress has a compelling responsibility to provide constructive legislation and programs to enable industry to develop, on an environmentally acceptable basis, energy resources and to provide fuel supplies adequate for the nation's needs. This will require an unprecedented effort by industry for years to come. Yet, during the past two years, of the 1,700 energy bills introduced in Congress only a single bill has been passed that will help supply more energy—the Alaskan pipeline bill.

I also believe that we have an obligation to speak out on this issue. If you agree with these views, the time has come to let your Senators and Representatives in the House know how you feel.

Your letter or wire to them can help.

Let them know that you are aware that increased taxes on the oil and gas industry mean less energy provided at higher prices.

Let them know that any decrease in the depletion allowance means reduced exploration activities in the United States and higher oil and gas prices for the consumer.

Let them know that any proposal to eliminate the foreign tax credit is totally wrong because it would result in a tax rate discriminating against U.S. companies, making them far less able to compete for the foreign oil our nation needs for the foreseeable future. Once this ability to participate in the supply of foreign oil is lost, it cannot be regained through legislation. The result would be higher prices for foreign oil and less security of supply.

Let them know that the U.S. needs legislation that encourages and stimulates investment in energy resource development, not legislation that curtails it at a higher cost to everyone.

Sincerely,

B. R. DORSEY.

MARY McLEOD BETHUNE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. RANGEL. Mr. Speaker, the past week has been devoted to a number of different tributes to the courage, vision, and strength of a remarkable black woman. Mary McLeod Bethune, 1875–1955, the 15th child of former slaves, and adviser to four U.S. presidents, will lend her dynamic presence to Lincoln Park in the form of a statue commemorating her achievements in the field of human rights.

As the founder of the National Council of Negro Women, Mrs. Bethune helped to instill in many blacks a sense of pride and self-awareness. And she devoted much of her life to aiding black youths, encouraging them to go to school, and often providing them with the funds to do so. This great woman's impact on America has been subtle but tremendous. Her influence still lives in the hearts and minds of those who responded to her call for justice, equality, and dignity.

I urge my colleagues to read the following article from this spring's Freedomways magazine, which describes Mrs. Bethune and her activities and indicates the extent to which she affected this society:

ON MARY MCLEOD BETHUNE AND THE NATIONAL COUNCIL OF NEGRO WOMEN

(By Clara Bodian Masso)

On July 10, 1974, a historic event will take place in our national capital in Lincoln Park.

Lincoln Park, the site designated for the Bethune Memorial, bridges southeast and southwest Washington—black and white Washington. It was a neighborhood filled with alienation, decay and growing despair. The Emancipation Group, a monument made

possible a century ago by the pennies of freed slaves, which depicts Abraham Lincoln severing the shackles of slavery, served only to alienate those who noticed it at all. It looked out upon the decay in which they lived and seemed to contradict reality.

When the plan to erect the memorial to Mary McLeod Bethune was conceived, it included refurbishing the Park and turning it into an oasis for low-income families and a gathering place to accommodate outdoor cultural activities. It would include a statue depicting Mrs. Bethune passing her legacy on to children of today and tomorrow, symbolizing the black heritage and the contributions of black people to the nation's greatness. It would be the first tribute to a Black person—or a woman—on public land in the nation's capital, erected without cost to the federal government.

The National Park Service has redesigned the park and repositioned the Emancipation Group to face the memorial to Mrs. Bethune, thereby conveying the message that the children of slaves have progressed from servitude. The surrounding area has already begun to reflect the pride that beauty seems to generate—the beauty that belongs to the people and changes the face of their community.

The National Council of Negro Women has worked very diligently to realize this dedication to their founder. It meant a tremendous effort of every member throughout the nation to devise ways and means in raising the funds to pay for this monument.

At the 36th Annual Convention of the National Council of Negro Women, held in Washington, D.C., December 3–9, 1973, Dr. Dorothy Height, the national president of N.C.N.W., was in a position to announce the long awaited news of the date that the monument will be erected in Lincoln Park—July 10. She stated that the celebration will go on for three days with the presence of many thousands of women, men and children from all walks of life.

The National Council of Negro Women is a coordinating body, including 25 national affiliates and many individual members. It was founded in 1935, in recognition of the need for women to unite to deal with problems confronting the Black community. It is a coalition of national organizations and concerned individuals of many different backgrounds. Today it links national groups and individuals with an outreach of approximately 4,000,000 women and girls. Local sections are organized in 40 states across the country and in the District of Columbia.

Its current national program's thrusts are directed toward alleviating chronic deprivation such as: racism, drug addiction, poverty in a land of plenty, inadequate housing, hunger; child-care, inferior education; equal opportunities for women; consumer rights and protection; upgrading household workers; black women in higher education—action guidelines; energy crisis—its effect, its implications for Black citizens, preventing the cutback of services to the poor; comprehensive day care for black child development; abuses of sterilization; the Black aging—nutrition and health, housing, a federal housing program.

Two days of the convention were devoted to leadership training—how to be more effective in communities. The theme of the convention was Unity and Self Reliance. The spirit and heritage left behind by Mary McLeod Bethune were constantly present in the deliberations, in workshops and in the convention as a whole. The convention concluded on a high note, resolving to go forward into communities with confidence in implementing the program adopted, to strengthen the organization and aim for one million more members by the next convention.

And now, who was Mary McLeod Bethune? She was an outstanding woman, a legend in her own time. She was a unique human being with deep concern for her people and a fighter for justice, dignity and equality.

Mary McLeod Bethune was born July 10, 1875, in South Carolina, the fifteenth of 17 children, the daughter of former slaves. Mary was born free and was the only member of the family to attend school. In the evenings, she taught her sisters and brothers and neighbors to read.

She attended a mission and bible institute; she hoped to become a missionary in Africa. To her great disappointment, she was told that there were no openings for Black missionaries in Africa. Instead, she turned to the South to teach, where in 1897 she married and had one son, Albert McLeod Bethune. She founded Bethune-Cookman College in Daytona Beach, Florida, in 1923.

She served as an advisor on the affairs of her people to four of the nation's presidents. She was the director of the Division of Negro Affairs of the National Youth Administration from 1936 to 1944, and she founded the National Council of Negro Women in 1935. She was the only woman in President Roosevelt's unofficial black cabinet during the 1930's. She received numerous degrees and awards.

In her last will and testament she wrote in part:

I leave you love. I leave you hope. I leave you the challenge of developing confidence in one another. I leave you a thirst for education. I leave you a respect for the use of power. I leave you faith. I leave you racial dignity. I leave you a desire to live harmoniously with your fellow man. I leave you, finally, a responsibility to our young people.

While participating in a convention, I had the honor of meeting Mary McLeod Bethune. As we were concluding a session and filing out of the Labor Department auditorium, she stood in front of the hall, sizing up the delegation. She was to lead us to the White House to be received by Mrs. Truman. When I came along, she gripped my arm and asked, "What is your name, and where are you from?" I informed her that I represented the Congress of American Women. I never forgot her dynamic presence.

THE CASE FOR H.R. 14392—PART I

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ANDREWS of North Carolina. Mr. Speaker, I would like to share with my esteemed colleagues a recent letter which exemplifies citizen response to H.R. 14392, a bill through which I am seeking to right what I feel to be an unjustified wrong.

The bill has drawn the support of 123 cosponsors and 14 national organizations to date.

I plan to reintroduce H.R. 14392 in the near future and would welcome additional sponsors.

The letter reads as follows:

CHAPEL HILL, N.C.
June 30, 1974.

Representative IKE ANDREWS,
U.S. House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE ANDREWS: I am writing to give you my support for the bill that you have introduced that would amend section 117 of the Internal Revenue Code of 1954 (relating to scholarship and fellowship grants). I was raised in Harnett County on a farm in a very poor family. I had to borrow and work my way through Campbell College where I graduated with a B.S. in Chemistry in 1968. I had always wanted to be a doctor, but assumed that it was impossible due to my lack of financial help at home. When I heard about the Medical Care Loan, I decided that perhaps this was the answer and to make things brief—gave up my studies as a graduate student along with the teaching job that allowed me to be self sufficient in order to go to medical school. I only did this for I understood the conditions to be such that the loan from the Medical Care Commission would be forgiven if I fulfilled certain obligations—the one that interested me being the forgiveness of the loan if I served a residency in psychiatry in the state.

The history of the IRS ruling is certainly very clear to you and I would merely add that it really hurts me. I presently owe about $25,000 in loans that I have incurred in the last 10 years of school—I have a mother in her late sixties who depends on me to care for her as her needs grow more and more (her only income is from rental of about an acre of tobacco and social security—my only sibling is in no financial condition to help her)—all of this on top of the pressures of my entering a new field of work as a psychiatry residency at N.C. Memorial Hospital here at Chapel Hill (I graduated from the UNC Medical School on May 12 of this year).

My situation is such that if I choose to let the loan be forgiven I will be taxed now when I am making very little money and some of the private loans are coming due—or I can refuse to let the loan be forgiven and repay the loan plus interest. I chose the position here at Memorial (at about ½ what I could have received elsewhere) before I was aware of the ruling)—I had figured my budget closely and now I am amazed and discouraged. Those of us who have tried to work ourselves up the ladder—the poor whites, blacks and other minorities—are the ones who rely on loans like this. My classmates who never lay awake at night worrying about financial help—who always had sufficient aid from home are untouched. While our highest elected officials in the land find ways to avoid taxes—we are hit with new rulings that are retroactive and, I think, unfair.

I want you to know that I certainly appreciate your efforts and pray for your success.

Sincerely yours,

TOM WILSON, M.D.

REGULATION, MONOPOLY, AND COMPETITION IN THE COMMUNICATIONS INDUSTRY

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. CHARLES WILSON of Texas. Mr. Speaker, monopoly has long been considered an impediment to the free and healthy growth of the free enterprise system, except in certain special cases where it was judged that formation of a monopoly was necessary to prevent chaos in an industry.

Until recently, one of the most obvious and powerful exceptions to that rule was in the communications industry, where the Bell Telephone system ruled unchallenged. But serious questions have been asked in regard to the "natural monopoly," particularly by customers looking for specialized services. The computer industry is a case in point. Even in its infancy, it found that facilities for transmitting voice communications were not

wholly adequate for the transmission of data.

The complex steps leading to a communications system adequate to those needs were detailed in a recent speech by Glenn E. Penisten, president of DATRAN which offers a sophisticated data communications system. I offer it here to my colleagues as a perceptive overview of the communications industry as it now exists:

DATRAN, REGULATION, AND THE SPECIALIZED COMMUNICATIONS USER: ADDRESS BEFORE THE THIRTEENTH ANNUAL IOWA STATE UNIVERSITY REGULATORY CONFERENCE, MAY 21, 1974

During the past several years, we have all witnessed a continuous and intensifying public concern regarding the role of regulation, monopoly, and competition in the communications structure of the United States. Today's program is one expression of that concern. Therefore, DATRAN, which is well on its way to becoming a significant contributor to this nation's communications resource, welcomes this opportunity to present its views and perspectives on this important matter.

Strangely enough, there has been a distinct tendency by some to place competition and free enterprise on the defensive, if not in the role of the villain in this ongoing controversy. It seems to be the assumption by these that competition, or free enterprise, is necessarily antithetical to the public interest in the availability of an adequate, efficent, and economic supply of communications services. The corollary of that assumption seems to be that, regardless of the nature of the vital public requirements to be met or the technological tools available, we must rely on the established monopolies to do the job.

I say this a strange phenomenon and that reliance on monopoly rather than competition as the one and only solution to our nation's communications requirements may, indeed, be a misplaced reliance. After all, this nation's greatness has been built on tradition of free enterprise and not upon a system of regulated or unregulated monopoly. It is that system of free enterprise which has encouraged innovation and progress and the most effective use and allocation of our economic resources. It is that system, and not a system of regulated monopoly, that has accounted for the wealth and resourcefulness of our nation and its world leadership in commercial, technological, and social achievement.

There is, of course, no dispute that public regulation of economic activity has its place in our society. But it is important to keep in mind that this is the exception rather than the rule by which our economic affairs are conducted. Only where free markets and free enterprise will defeat rather than promote national public goals and interests have we been compelled to resort to regulation or restricted market entry as an instrument of national policy. And even in these circumstances, public regulation is supposedly employed only to the extent required to deal with those shortcomings of the marketplace which must be rectified.

Telephone service is no doubt a relevant example of a vital public interest that perhaps could not best be satisfied efficiently by the operation of conventional market forces. At an early date in the history of telephone technology, experience suggested that competition in the supply of local and intercity exchange services could be wasteful and thus detrimental to the public interest. Hence, government policy opted for the solution of the monopoly supplier subject to regulation.

Clearly, this solution produced substantial and enduring public benefits. It gave us a highly dependable and efficient network of voice or analog facilities by which communications services were economically and universally available, both domestically and internationally. And the regulator generally did his job of protecting the public against the potential excess of the monopoly supplier.

Throughout this period, it was the Bell system that dominated the communications scene and dictated the structure of the communications market. There was an absence of new entries because of the lack of an opportunity for new entries. There was an absence of any significant intermodal rivalry. The available technology was predominantly voice oriented and all communications services were keyed to that technology because all facilities were.

It was taken for granted that the task of planning for and supplying the nation's communications needs could be safely entrusted to the Bell system. In this environment, the regulator was understandably preoccupied with postmortem rate of return analysis and its impact on the financial well-being of the Bell system. He had little, if any, concern for such matters as market demands or pricing structures or the rate of technological innovation and change. It was in this environmental context that the "natural monopoly" concept emerged. More currently, it has been described as the common carrier principle.

I am not here challenging the validity of this principle as it has been, or is being, applied to meeting the nation's requirements for an efficient and economic voice communications network of exchange and intercity facilities and services. But I do challenge the efforts that are being made now in many quarters—by both regulators and nonregulators—to arbitrarily convert the principle of the natural monopoly concept to a philosophy that the public interest, in any and all matters of communications service, is equated to the perpetuation of the Bell system as the sole supplier of all services, under all conditions—for all times.

I submit that any such philosophy is totally unacceptable as a national policy and, further, that it is destructive to the very goals and purposes of public regulation.

The task of regulation is clearly not the perpetuation or protection of inherited institutional forms and entities at the expense of economic growth and technological change, just because they were once right and proper in one set of circumstances. On the contrary, regulation must be alert to the pace and nature of technological and cultural change. It has an affirmative obligation to be responsive to new communications requirements created by such change. And, most important, it must be perceptive of any extant rigidities or constraints within the structure of industry or regulation that operate to obstruct innovation or to limit the consumer's choices and options.

Certainly, there is nothing to the contrary in the Federal Communications Act, nor in any state regulatory statute. In fact, the Communications Act, as an example, imposes an affirmative obligation and responsibility upon the regulators administering it "to make available to all the people of the United States a rapid, efficient, nationwide, and worldwide wire and radio communications service with adequate facilities at reasonable charges."

This statement of purpose in the Communications Act is, I am sure, consistent with the expressed purposes of most, if not all, the state regulatory statutes. And nowhere in the Communications Act do we find any suggestion of a policy that frowns on entry by a new carrier or restricts proper communication capabilities only to the voice user. So long as the Commission makes the statutory finding that an applicant for an operating certificate or authorization will serve the public interest, convenience, and necessity—voice and non-voice—then such entry is not to be denied.

Also, it is significant that in furtherance of the expressed statutory purpose, the FCC is mandated by Congress to encourage the most effective use of radio in the public interest, and to make certain that the benefits of new inventions and developments are made available to the people of the United States.

That statement of necessity must, of course, transcend voice technology and the pure telephone user. And every regulator knows that the antitrust laws of this nation have applicability to regulated enterprises. In brief, it would appear that the social and economic objectives of public regulation would be met by new entry or competition. Competition as a device for innovation, for the development of new services, and the exploration and application of new technology to existing market needs cannot be overlooked simply because a monopoly has been a part of the history.

It was in keeping with this perspective of the regulatory mission that the FCC initiated its Computer Inquiry in 1966. A specific purpose of that inquiry, you may recall, was to determine, among other matters, whether the facilities, operations, and services of the existing voice network were compatible with the present and foreseeable data transmission requirements being spawned by computer technology.

The advent of computer technology in the late '50's and early '60's had brought forth a variety of new requirements for the transmission of data. It also brought forth a growing concern that the networks, designed so well for voice communications, were less than satisfactory for data communications.

Data transmission represented a new development when compared to voice transmission, and because of the lack of other transmission alternatives, the approach had been to adapt data communications and data communications equipment to the characteristics and constraints of the existing voice network.

Although Bell took steps to provide improvements in its plant and operations to accommodate data transmission requirements, there remained a number of basic differences between the optimum requirements for data communications and those for voice communications.

At the same time, there were many indications that the demand for data communications in the information-oriented society would continue to grow at an accelerated pace and that, in the not too distant future, it might equal, if not exceed, the demand for voice communications in terms of channel occupancy.

The responses to the FCC's Computer Inquiry pointed up, most forcefully, the scope and extent of emerging requirements and the specific shortcomings inherent in the established network to satisfy those requirements in an adequate fashion.

It became clear that the communications requirements of computers were largely unanticipated only five years earlier. Computers located in industrial and business centers required the ability to have on-line interconnection with each other as well as with terminals located in remote areas.

Computers were unable to perform up to their full capabilities because communications channels at the required speeds and low error rates were not available; and those available, albeit at unsatisfactory performance levels, were available only on a full-time leased basis. By leasing lines to get the job done, the user would be paying more for communications service than the job warranted in most instances.

Thus, because of the cost and technical limitations of the voice-oriented telephone network, there was justifiable concern that the full potential of the computer for commercial, scientific, social, governmental, and other applications would go largely unful-

filled—to say nothing of the restrictions being placed on digital facsimile and electronic mail.

Another troublesome feature was that the computer user also required a modem from the telephone company when interfacing his computer or terminal with the switched telephone network. The telephone companies offered a variety of modems to adapt specific computers and terminals to the restricting characteristics of the telephone channel.

Apart from the added cost that the modem requirement imposed upon the user, it also represented an additional maintenance and design problem and contributed to the generations of errors that preclude efficient operation of a computer network.

A third shortcoming of the voice network for data transmission was the error rate to which much transmission was exposed by the analog network. Analog technology precludes the application of hitless switching between redundant paths and the regeneration of signals at each repeater to minimize signal degradation with distance. Error rates, of course, are higher when voice network switching is involved, thus, practically eliminating occasional-use switching. A higher, but barely acceptable performance, could be obtained from carefully selected and conditioned leased lines to be used for data transmission. But as I have already noted, in many cases, customer usage patterns cannot justify the cost of leased lines.

A fourth significant shortcoming of the switched telephone network for data transmission was the applicable rate structure. Three minute initial periods and one minute increments may be entirely suitable for the pricing of message toll telephone service based upon the characteristic holding times for voice communications. In data transmission, however, required holding times are as low as seconds when related to inquiry and response transmission of large batches of data.

And, finally, connect times of the national switched network are frequently too long for data processing application when response to a remote inquiry must be rapid. The connect time required by such applications is less than one second, compared to the fifteen to twenty second average connect times potentially available with existing electronic switches. Here again, if the user's requirement did not justify the cost of a leased line to provide him with the necessary rapid connect times, no alternative was available to him.

In short, the limitation inherent in the existing analog voice-oriented network in responding to the data transmission requirements of the nation was placed in perspective in the Computer Inquiry as the user clearly identified the problem confronting both industry and regulation. The need for an all digital, switched, low error rate communications system exclusively tuned, both technically and operationally, to meeting requirements of the machine processing world was already confirmed.

In summary, public regulation, taking account of the facts of technological life and having looked beyond the voice user, recognized that there is a compelling need and place for specialization. It has responded with the appropriate policies. In doing so, it has placed substance above form and the public interest above any private or vested interest. This is in the highest tradition of public regulation.

I am convinced that there exists a proper role and place for regulation—for monopoly services—and for competitive services to carry out these policies. But I am even more convinced that only positive contributions, rather than negative or destructive, by all three of these sectors will be required for any lasting user benefits.

HON. LAWRENCE J. HOGAN LISTS CONTRIBUTORS TO FUND

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. HOGAN. Mr. Speaker, last Friday's—July 12—edition of the Baltimore Sun carried a story by Thomas B. Edsall, alleging that I am "maintaining a secret fund to which private contributions are made without being reported to Federal or State election officials."

This is a charge familiar to many of us in this body who, because we are not possessed of great personal wealth, must solicit financial support to carry on programs of public information designed to keep our constituents fully informed of our stewardship here in the House of Representatives.

Often, the charge is made as a result of honest misunderstanding, but in many cases, unfortunately, it is made with a clear intent to distort the facts and scandalize a completely legitimate activity.

I regret to say that it appears the Sun's story was born of the second motive, and as such really does not merit being dignified by a response.

Mr. Speaker, I am sure our colleagues have become accustomed to the irresponsibility and "yellow journalism" of some representatives of the press. This story was sent by wire all over the country, doing serious damage to my reputation. One radio station as far away as Los Angeles called for a comment about my "secret slush fund."

In order to allay any public concern about the propriety of my actions, and to correct any misconceptions to which this article may have given rise, I am today inserting in the RECORD the full story of this "secret" fund.

First of all, there is not—nor has there ever been—anything "secret" about this fund. The money was raised primarily by letters which specifically noted that the money would be used for disseminating legislative information—congressional newsletters, reprints from the CONGRESSIONAL RECORD, and similar material.

The letter notes:

No money is allocated to Congressmen to finance the printing of newsletters, Congressional Record speeches, etc.—

And adds:

If you would like to help defray some of the costs of these services, you may make a contribution to the Congressman Larry Hogan Communications Service . . .

The stationary also carries the printed footnote:

This letter does not solicit a political contribution, but seeks funds to cover costs of providing legislative information services, printings, mailings, etc.

My newsletters, furthermore, carry the legend:

Not printed at government expense, but paid for with the help of interested citizens.

None of this money has ever been used for political purposes, and at no time have I ever denied the existence of the fund. This is a direct contradiction of an assertion made by Mr. Edsall, but I stand by my statement.

Second, this fund was established in an effort to avoid any appearance or suggestion of impropriety. At the time it was established, in December of 1973, there was some question as to whether political contributions could be used to finance the legislative information program I have described.

In fact, a staff member of the House Ethics Committee informed my administrative assistant that political funds could not be converted for newsletter use.

Accordingly, I directed that a separate fund be established, completely and purposedly independent of any political contribution fund. This action was taken in an effort to insure that both the letter and the spirit of the law were honored. We followed the recommendations of the Ethics Committee in setting up this fund.

The question of legality has since been resolved in favor of using political contributions for such services, but my intent was, and is, to abide by the highest standards of legal and ethical behavior in this regard.

The total amount of money raised for the "Larry Hogan Communications Service" was $4,352. The balance in the account is currently $12.32.

A total of 317 persons contributed to this fund, and of that total, 212 individuals contributed $5 or less. Eighty-six persons contributed between $5 and $25; 12 contributed between $25 and $100; and only seven individuals contributed $100 or more.

If these were political contributions—which they are not—only 10 of them would have to be reported, since Maryland State law does not require that persons contributing less than $50 be identified.

Mr. Edsall, the Sun reporter, asked to see a list of these 317 contributors a week ago, and I acceded to his request. I informed him that I would ask my secretary to type a list of all contributors for his inspection—a time-consuming chore being done between other tasks in a busy office.

Mr. Edsall's impatience at not receiving the lists immediately upon his demand apparently prompted his charge that this communications fund was "secret." Nothing could be further from the truth.

While there is, of course, no legal requirement that this fund be disclosed or in any way reported, I am inserting in the RECORD today a list of the contributors to this fund and an accounting of expenditures from it. I am also inserting, as a classic example of irresponsible journalism, the text of the Sun's story.

I trust this explanation will lay to rest any suspicion that there was anything untoward about the "Larry Hogan Communications Service" fund. I wish the readership of the Baltimore Sun and other media which carried this story could have the benefit of seeing this explanation, just as they saw the irresponsible charge that prompted it.

The material follows:

Contributors to the Larry Hogan communications service

The Sun (for article)	$40
Lillian Denell	25
Evalyn Wolfhope	5
G. R. Carson	50
Fred A. Greene	50
Edward W. Nylen	100
John J. Wilson	100
Clyde E. Grimm	100
George McDaniel	500
Mary Patrice	25
Russell Maske	100
Clara V. Lee	5
Rascal Buck (illegible)	1
B. Parker	1
Mary Daniello	2
Mary C. Lawler	1
Marilyn Whelan	1
Ruth & Norman Moore	5
Flintor Rockford	1
James Ferruzza	1
Eva Fleming	1
G. P. McAtee	1
Mrs. Wm. P. Groetsch	1
John Van Dreumel	1
Robt. Roth	2
Clement Sigmund	5
Bob Burns	2
M/M Wilbur Lewis	2
Mrs. Bernard Hunhoff	3
M. Felicia	1
Mary Chrysostrom	5
Frank Benjamin	5
(illegible) Therry	2
Misc. (no name/no address)	2
Dorothy Aubinoe	1,000
Lawrence Geppert	1
John C. Wassermann	5
Margaret Tamele	3
Rosemary Dunn	2
Caroline Lawlor	5
Albert McCullough	20
Philip J. Killian	5
Rosemary Wildeman	2
Katharine N. Sands	5
Kathleen McSweeney	15
Cecelia Adelhardt	2
E. H. Alvey	5
Ricardo J. Negron	5
Ellen M. Kleinstuber	10
Agnes Bowen	3
Margaret M. Fallon	10
Mary Jean Alig	25
Elaine MacLachlan	2
Mildred E. Danforth	10
Regina Faber	5
Teresa Dillon	5
Martha M. Mastic	5
Agnes M. Trepanier	2
Veronica Johnson	2
Elizabeth M. Krener	1
Mary A. Somerville for Mrs. M. McNamara	2
Josephine R. Geraci	5
Carol A. Roy	1
Gladys Germer	5
Mary F. Carney	2
R. L. Henmisch	10
Mrs. M. L. Meyer	5
Florence Conway	25
Oliva K. Madden	10
Noah Smernoff	25
Mary Celine	10
Mrs. Judith Tourigny	10
J. Hentschel	5
F. W. Browning	100
John R. Dorner	2
Mayrose Stavish	5
Raymond Somerville	5
Cyril Zwilling	50
Hazel C. Collins	1
Ida Mustachio	2
Mrs. Frank Knoedel	2
Florean Ruhman	15
George C. Adjan	5
Marilyn R. Donato	2
Thos. F. P. Sullivan	5
M. Devota	2
Joan P. Parsons	2
Ruth E. Lieb	$5
James W. Berry	2
Eleanor Waters	2
Sylvia E. Krebel	1
Carol Hornyak	3
Elizabeth M. Gross	5
Catherine E. Miller	5
Alice McAvoy	5
James E. O'Brien	5
Frank J. Frost	5
Elizabeth Lenehan	10
Marsha Ann Foss	5
Betty Ellen Cummings	10
Mary A. Kopf	5
Anna Baudison	5
Thos. J. Walls	1
Enid M. Upson	2
Sadie Favreau	3
Walter Biggins	5
Eva M. Altmeier	3
Eliz. F. Altmeier	3
Gregory J. Kadlec	5
George F. Cardy	3
James E. Frazer	5
James J. Reymann	30
Mrs. G. E. Coffman	5
Anne M. Rand	5
William B. Watson	5
Anna M. Collins	2
Eleanor L. Parker	1
Lillian D. McCracken	5
John Daly	10
Jack J. Corcoran	5
Mildred L. DeVisscher	3
V. Mulera	2
Mrs. Louis Cvetic	3
Elizabeth Farley	1
Miss Molly Donovan	10
Mrs. Lester Gregson	2
Ora Clayton	5
Loretta Knowles	1
Marie Celine	5
Augustine Perilli	1
Mrs. John Weaver	1
Anna S. Krei'er	5
Margaret Schumacher	1
Misc. (no name/no address)	5
Helene McElroy	5
Gerald A. Shipper	10
William Guiler	5
A. J. Spear	5
Mrs. Edwin E. Evans	10
Mrs. Paul E. Tonies*	5
Marguerite G. O'Donnell	2
Diana Hammond	5
Mrs. J. Rodney Ryan, Sr	10
Eugene J. Carney	50
Patricia Kittredge	5
Nora Duigan	10
Mrs. Raymond F. Waters	5
Mary Therese Juelg	10
Aileen O'Grady Wallace	2
Mary Veronica	25
Mary K. Hattrup	3
Christine Stewart Tonkinson	10
John R. Linton	10
Miss M. G. Crippes	10
Patricia Savy	10
Ted A. Bussen	20
Mariana S. Rudolph	5
Miss Carol Nistler	5
Katherine G. Dunn	3
John H. Thar	2
Arthur E. Hackett	3
Ann M. Courtney	5
Thos. C. Fink	5
Pauline Lannon	2
Sue Mohnssen	25
Mrs. B. Panicho	2
Isabel W. Fox	10
Mary Frances Wichman	20
Mrs. Gene Smith	2
Ann M. Fitzgerald	2
J. Leo Sheran	5
Phyllis Kaelin	5
Dorothy Cormier	5
Joan S. Frohbieter	10
Elizabeth Ann Dateno	20
Mary J. Hahn	25
Katheryn E. Farris	5
John L. Weibel	10
John & Carolyn Gafner	$2
Robt. L. Reinhold	5
Mrs. Kathleen Brooks	25
James W. Whelan	5
Mrs. R. Twigg	2
Martha Nolte	1
Frank A. McCabe	10
Walter R. Coupe	2
Barbara A. Kidd	1
Angela Mudd	10
Mary S. Parsons	2
Edward Hartfield	5
K. Irene Linehan	2
J. Martin Cecil	15
Elizabeth C. Spano	10
Florence W. Prendergast	5
Josephine M. Bousquin	5
N. J. Satin, Jr	2
Dorothy A. Hallein	10
George H. Finn	10
M. Michael Darwin	5
Bonita Wirth	2
Gertrude E. Hoye	5
James E. Hite	2
Joseph H. Rychlik	20
Marie C. Crittenden	5
Mrs. Raymond J. Hoenig	10
Evelyn M. Lobuts	25
Frances L. Saunders	25
Mariellen Lalor	2
Mrs. Frances N. Burnham	5
Mrs. F. Lewenczuk	5
Dolores Cipriani	5
Wm. Pitt Shearman	10
Florence M. Flynn	10
Margaret Mangione	3
Margaret E. Kelley	2
T. J. Murphy	10
John A. Kelly	10
James J. Shea	2.50
Genevieve Dolan	3
Mrs. J. A. Melly	5
Grace M. Harbison	10
Mrs. Catherine M. Kelly	5
S. Gabriel	25
Elizabeth K. Haas	5
Albert K. Seaton	5
Mrs. James H. Oliver	5
Mrs. Lyndon Rohrbaugh	2
M/M Paul Tobin	2
Misc. (could not read name and no address	10
Miscellaneous (no name/no address)	1
M/M Timothy W. Wolf	5
C. Dale Slagle	5
Mrs. Anne M. Armstrong	5
Mrs. Mimi Jean	3
Mary Carol Powers	10
Mrs. Ida Masotti	10
Mrs. Teresa Murnane	10
Mrs. A. Machotka	3
Mrs. Tom Konsler	5
Alfred B. Riley	5
Mrs. Lucille Klebe	5
Robert Wigginton	5
Eliz. H. Ruppert	10
Mrs. Judy Widmer	2
Mary L. MacChambers	2
Jennett M. Foley	5
M/M David McCarron	15
Arthur Holz	10
Garland Hesson	10
Robert W. Lee	50
Rita S. Dean	25
Antonio Spitzley	1
Mrs. Ann Rutkoske	1
Wm. S. Waluk	1
Miscellaneous (no name/no address)	5
Williard E. Paulsen	3
Richard V. Lewis	5
Elsie M. Woytowich	20
T. W. Christiansen	50
Sharon Yvonne Thomas	10
Richard A. Schaefer	5
Andrew R. Wilhelm	3
Eliz. A. Toole	5
Mrs. Corriene H. Thompson	5
Mrs. S. T. Hahn	5
Norbert Abrahams	2
Elizabeth Whilson	10
Marie A. Knowles	10

Contributions to the Larry Hogan communications service—Continued

Richard Goldkamp	$5
Florence G. Campbell	5
John Gilchrist	5
Thaddeus W. Olsztyn	5
Teresa J. Andros	3
Sherry L. Thompson	5
Mrs. George Geis	5
Genevieve M. Jones	5
Steven F. Weynand	10
M. Eileen	2
Donna J. Deehring	4
Herman J. Brinkmann	25
C. Moron	5
Barbara A. Betts	5
Stephen Ford	22
H. J. Schmitz	10
Egon J. Schwartz	5
Janice Ann McCollum	5
Esther M. Kubler	5
Philip J. Bailey	5
Jerry L. Ennis	10
Wm. Borani	7
James B. Barnes	10
John Patrick Stanton	5
William Sheldon	10
Ann J. Pullis	3
Gary Timmons	5
Anthony C. Stein, Jr.	21
Irene M. Hisler	1
Patricia Kinnerk	10
Robert C. Kelley	15
Rosemary Gigliotti	10
D. Cecelia E. Clermont	50
May Roswell	10
Rita S. Dean	25
Mrs. Sabina Schreiber	10
Misc. (no name/no address)	6
Ann C. Kane	5
W. E. Newgent	1
R. L. Buckelew	10
Alma Marie	15
John M. McFadden	15
Mary D. Quinn	10
James J. Murt, Jr.	5
Mrs. Susan A. Collicelli	2
Total income	4,352

Expenditures

Thomas J. Lankford	$3,385.00
Rankin Print Shop	331.76
House Recording Studio	396.00
Stamps (postage)	220.00
Cost of printing checks	6.92
Total expenses	4,339.68
Account balance	12.32
Amount received	$4,352.00
Expenditures	4,339.68
Balance	12.32

SECRET FUND TIED TO HOGAN; NO REPORTS FILED

(By Thomas B. Edsall)

WASHINGTON.—Representative Lawrence J. Hogan (R., 5th), the leading GOP candidate for governor, is maintaining a secret fund to which private contributions are made without being reported to federal or state election officials.

Mr. Hogan, who initially denied the existence of the fund, has not permitted an examination of the contribution and expenditure list, despite repeated requests over the past two weeks.

In contrast, the one other member of the Maryland congressional delegation who admits to maintaining a similar fund, Representative Robert E. Bauman (R., 1st), immediately released a full accounting upon request.

Mr. Hogan indicated that the money is used, at least in part, to pay for his newsletter, which is considered a "nonpolitical" expenditure. Use of the money for political purposes without reporting it would be a violation of the law.

INADVERTENT REFERENCE

The existence of the Hogan fund became known only through an inadvertent reference to it made by his campaign treasurer, George G. H. McDaniel, during an interview on campaign contributions.

Mr. McDaniel acknowledged that he had raised $1,200 for the secret fund, which is not handled by the campaign staff but, instead, by Rosita Fernandez, Mr. Hogan's personal secretary.

When first asked whether he receives any private contributions other than those going to the campaign, Mr. Hogan claimed in a brief interview last week that he does not.

After it was pointed out that Mr. McDaniel, his treasurer, had acknowledged assisting in the raising of money for the noncampaign fund, Mr. Hogan then said, "Oh, that's the Communications Fund."

At that time, Mr. Hogan said he would permit an examination of the list of contributors to the "Communications Fund," but since then he has apparently backed off from his willingness to open it to the public.

Three days ago Mrs. Fernandez, his secretary, said Mr. Hogan wanted to go over the list himself before releasing it. Later that day, Mr. Hogan's press secretary said Mr. Hogan wanted to question other members of the Maryland delegation about their finances before releasing it.

Interviewed yesterday, Mr. Hogan repeated his intention of querying other members of the delegation, although there was no indication that he had begun such a survey. Informed that only one other member of the delegation acknowledged maintaining a similar fund in a survey by *The Sun*, he disputed the results.

The use of secret funds has a quasi-legal status and apparently does not violate the law unless the money is used for political purposes, in which case it must be reported to federal and state officials.

Perhaps the most celebrated secret congressional fund was maintained in early 1950's by Richard M. Nixon, then a senator. During the 1952 presidential campaign, Mr. Nixon, the GOP vice-presidential nominee, defended the $18,235 contributed by supporters in his famous "Checkers speech." The money was used to finance political activities.

If used for office expenses, the money must be reported by the congressman as personal income, although no taxes would be paid on it because the expenses would be deducted from taxable income.

Because there is no reporting requirement on private contributions to office accounts, it is impossible to determine the extent of the practice among members of Congress.

In addition to office space in Washington, staff salaries and the franking privilege, members of the House receive an annual government allowance of $1,800 for telephone calls outside Washington and $1,200 for office rentals in their local districts.

In 1973, Mr. Hogan also received $1,125 from the government for his travel expenses.

BAUMAN GOT $2,000

Mr. Bauman calls his fund, which he began May 6, 1974, the "Bauman Special Congressional Committee Account." A total of $2,000 from two persons has been raised to date.

Of the money in the Bauman account, $1,500 was contributed by Richard A. Viguerie who runs a Falls Church (Va.) political consulting firm active in promoting conservative causes and campaigns.

The remaining $500 was contributed by John A. Shaw, of St. Michaels, Md., who is Mr. Bauman's campaign, finance chairman. Mr. Bauman said he does not know what Mr. Shaw's financial interests are, although he has "some business interests abroad."

Mr. Shaw was not at home yesterday and is not expected to return until Sunday.

An accounting of the fund as of June 18 showed $500 was spent on stationery; $202.82 was used to pay telephone bills, and $100 went to the Republican Steering Committee to help finance research on issues before Congress.

THE DOLLAR AND GOLD

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. CRANE. Mr. Speaker, a great deal of economic misinformation is circulated for political reasons and the sooner we understand the real causes of our economic difficulties, the sooner we can turn our attention to the real solutions to such problems. Inflation cannot be dismissed by telling the American people that, somehow, it is their fault. Government has created the inflationary spiral through which we are now moving, and Government must take responsibility for it. Unless this is done, we will continue our economic decline.

Congress, for example, continues to speak of lowering taxes and increasing expenditures. In November 1971 many seem to forget Congress, at the request of the administration, enacted a tax program which reduced taxes by approximately $15 billion per year. This was done at a time when the Federal funds deficit was running at $30 billion. The Senate vote in that instance was 64 to 30 in favor.

I am, of course, pleased that after many years American citizens are once again receiving the right to own gold. I regret that the American dollar is not any longer convertible to gold. The complexities of our current problems, however, require much more than simply the right to own gold, much more than even a balanced budget, which too few seriously believe to be possible.

Some of what is required was discussed by Everett B. Harris, president of the Chicago Mercantile Exchange and International Money Market, in the May 1974 issue of Commerce magazine.

Mr. Harris declares that an essential element of any real answer to today's economic malaise is an increase in productivity. He notes that—

To increase productivity, we not only need improved technology, we need work. Will Rogers had a solution to the German submarine problem during World War I. He simply sugegsted draining the Atlantic Ocean. When asked how, he replied: "That is a detail. I am a generalist." I'll leave the troublesome details to U.S. Steel and the Steel Workers' Union. . . . Often I'm asked, "What can the individual businessman do to help slow inflation?" I have the answers—productivity, productivity, and more productivity.

As more and more Americans find themselves upon either State, local, or Federal payrolls, engaged in essentially nonproductive work, we find that a smaller and smaller percentage of Americans are actively engaged in the productive work of the Nation. Deficit spending is engaged to support that ever-increasing nonproductive group. This is certainly one underlying and continuing cause of inflation.

I wish to share with my colleagues the thoughtful article. "The Dollar and

Gold," by Everette B. Morris, as it appeared in the May 1974 issue of Commerce, and insert it into the RECORD at this time:

[From Commerce magazine, May 1974]

THE DOLLAR AND GOLD

(By Everett B. Harris)

Most discussions would be more rational if all participants could agree on the subject or at least have the same understanding of the matter being argued. To most people, however, money remains a mystery, especially the relationships of various national currencies to each other and individually and collectively to gold.

The value of the American dollar vis-à-vis the pound, yen, Deutschemark and, for that matter, gold, is determined today by market forces similar to the way a farmer's wheat harvest or a livestock producer's beef is priced in our wholesale markets and futures markets on our organized exchanges.

Basically, price or value is determined by the inexorable forces of supply and demand. Free markets do not cause fluctuations in prices or values; they record them. Fluctuations allow the market to ration the goods equitably, cause consumers to use less in time of shortage and more in time of surplus, and provide a balance which, in the ideal, would be perfect.

When currencies including our dollar are allowed to float as they are now, they equate realistically and avoid distortions that can inhibit trade, cause great human hardship and, in the view of some, cause wars. Fixed rates, like frozen prices, cause distortions and prevent differences in productivity in various countries from making proper economic adjustment, thwart the benefits of specialization where each economic segment in the world does what it is best equipped to do in terms of resources, skills, organization, motivation, etc. Thus, with fixed rates you find Americans driving automobiles made in Germany, which should be manufactured more logically in Detroit with wasteful transportation costs avoided. Similarly, you find radios, TVs and other electronics being shipped from Japan to Chicago. Talk about coals to Newcastle!

The above review of Economics 101, if oversimplified, at least has brevity to recommend it.

In China, they say the twig bends with the wind, and bridges over large expanses in our own country either bend or break. And so it was with Bretton Woods.

END OF CONVERTIBILITY

When Mr. Nixon made a momentous decision and announced it on a Sunday night in August 1971, he possibly affected the daily lives of most Americans more than by any other action. What decision? To close the gold window—to say the dollar was no longer convertible (to gold).

Nearly three years, what is the outlook for your dollars?

Here is what I see faintly through the haze at this time. *Scenario 1* (the bad news). Continued unrestrained inflation leading into a South American-type situation. Possible panic. Reissuance of money with strongly enforced controls, rationing, disruption and the other things that accompany this kind of tragedy.

Scenario 2 (the good news, hopefully). The successor to Paul A. Volcker as Under Secretary of the Treasury for monetary affairs will finally reach the proper threshold of pain and let gold float (convertible at a free-market price—$150 to $250 or whatever the market determines). Only then can we have both flexibility and a semblance of stability in currency prices, food prices and reasonably unrestrained world trade with the unprecedented prosperity that could easily go with it.

Scenario 3 (more realistic—and somewhere between the bad news and good news). The dollar will continue strong (gaining perhaps 5% on average in the year or so ahead) with our "paper" as good as or better than their "paper" (foreign currencies). One can readily envision an interim period when gold will seemingly detach itself from the monetary system and as Milton Friedman suggests receive lip service only. During this period, gold would continue to be a highly speculative commodity and Americans could own and trade it as freely as any other commodity with no extreme effect on the value of the dollar—that is, the value of the dollar in relation to other commodities and foreign currencies. The dollar is still good property for those who have it to invest at 10% and more. But this interest rate is less enticing when we realize a substantial portion of this high interest rate is built-in inflation. However, present extreme rates tend to draw dollars back to our country and strengthen them in relation to currencies of other countries.

If I expect you to take my predictions seriously and constructively, perhaps we should check my own track record briefly. Talks I made during the 1950s and 1960s were often entitled, "Gold is the Ruler of the World," "Gold and Other Commodities" and "Grain is as Good as Gold." I will subject you to just one, reported in the Chicago Tribune of February 16, 1968.

"Harris Calls Devaluation Inevitable.—Everette B. Harris, president of the Chicago Mercantile Exchange, said yesterday devaluation of the dollar is inevitable and could be deferred only by the most drastic of economic controls. He addressed a meeting of the Kiwanis Club of Chicago in the Sherman House. The balance of payments is one of the greatest problems facing President Johnson, Harris asserted, adding that this country is now in a 'paper money' situation where international financiers no longer have faith in the dollar. Harris suggested a revaluation of gold at $70 an ounce or some other reasonable free-market price. Gold is now pegged at $35 an ounce."

BACK TO CONVERTIBILITY

But for the long run, only a return to convertibility as suggested in Scenario 2 will prevent collapse of the present monetary arrangement at some point in time. Presently, it is not legal for private parties to reacquire payment in gold because of a 5–4 Supreme Court decision in 1935. However, we are already seeing many sales made to be priced at time of delivery, barter arrangements of various kinds, escalator clauses in labor agreements and many other arrangements indicating lack of faith in the stability of our currency. Only the use of gold will easily solve such problems. Of course, Americans are innovative and perhaps some miraculous alternative will be worked out in the context of hypothetical Scenario 2.

What are the arguments against allowing Americans to own and trade gold? You must know that your Congress, under the urging of your own Congressman Phil Crane and other enlightened servants of the people, passed legislation in the last session saying you can own gold the same as other citizens of the world. The President signed the bill, making it law, in September 1973. But in the fine print it says you really can't—at least not yet. Why? Because in the conference between the House and the Senate to reconcile the differences between the two bills, they specified that it can't become operative until the President decides that private ownership of gold bullion "will not adversely affect the United States' international monetary position." The President's pleasure so far, on the advice of Paul A. Volcker, has been that the bill is inoperative. But the President, on April 8, accepted Volcker's resignation. He will stay on until the June 12–13 meeting in Washington of the International Committee of 20. It is hoped that Volcker's successor will be of different persuasion and will properly convince the President that the time is now. Because it is. As nations ponder monetary reform and gold, they must realize that you can't have one without the other!

PRODUCTIVITY ESSENTIAL

Obviously, no amount of monetary reform, change or even the return to gold will solve American dollar problems if we don't go to work.

In a speech in April 1966, I stated in part: "Loss of gold and silver, the balance of payments problems, the attitude and actions of DeGaule, the high cost of war and poverty programs, skilled labor shortages, spiraling labor costs, the widespread fear of inflation at home and abroad, and the too little and too late approach of the administration in increasing interest rates and taxes makes short-run inflation inevitable."

I expressed hope that my current predictions would be proved wrong and said that a flood of increased production through American ingenuity, harder work by all Americans at home, and the miracle of automation in factories and on farms could result in enough products to offset monetary inflation and maintain a semblance of stable prices.

Productivity was the answer then; it is the answer now.

But to increase productivity we not only need improved technology, we need work. Will Rogers had a solution to the German submarine problem during World War I. He simply suggested draining the Atlantic Ocean. When asked how, he replied: "That is a detail. I am a generalist." I'll leave the troublesome details to U.S. Steel and the Steel Workers' Union. As you know from the ads, they are working actively and effectively on such a program with encouraging results. Why not try it in your firm?

Often I'm asked, "What can the individual businessman do to help slow inflation?" I have three answers: productivity, productivity and more productivity!

EDITORIAL SUPPORT FOR HOSMER SURFACE COAL MINING BILL

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. HOSMER. Mr. Speaker, I am pleased to have reproduced below the July 12 editorial aired throughout southern California by KNBC–TV. It indicates why so many California Congressmen will be voting soon to substitute H.R. 12898 for the unworkable H.R. 11500:

STRIP MINING FOR COAL

After 100 or so years of looking the other way, the federal government has discovered there's a need to write some rules for strip miners to follow.

Strip mining has always been a pair of dirty words. Miner operators stripped off the soil, ripped out the coal and ran. They took their profit and left eroded hills and poisoned streams.

So we're glad now to see some attention—finally—to a clear need for workable rules governing strip mining activities.

As usual, there are two totally different kinds of laws now being considered in Congress. One kind has strong backing from environmental interests. Unfortunately, it puts Washington squarely in the business of running every coal mine in the country. It *might* shut down half the country's coal mines. And it'll *certainly* cut coal production by some 20 to 30 per cent. Meanwhile, the country needs every bit of energy it can dig up. Half of all the coal in the country comes from strip mines, including mines in Arizona which produce some electric power for Southern California.

The other law approach looks to us to be

far more rational, and won't destroy strip mining under the guise of saving it.

The sponsor of that bill, Rep. Craig Hosmer of Long Beach, says coal production will have to triple by 1985 or the nation will face brownouts and blackouts. That size increase can come only from strip-mining. Hosmer's proposal will permit that much coal to be mined while requiring every legitimate kind of environmental safeguard.

There's no doubt at all that coal can be strip-mined and the land restored to a condition even better than original. The key point is economics, and today the price of fuel makes complete restoration easily affordable.

We support the Hosmer strip-mining bill. It appears to be the best balance between the need for energy and the demands of the environment.

GREENWOOD LAKE AND GREENWOOD LAKE VOLUNTEER FIRE DEPARTMENT CELEBRATE 50TH ANNIVERSARIES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. GILMAN. Mr. Speaker, the heritage of our great Nation depends upon the many small, active communities throughout our country whose citizens share the dedication and principles of their forefathers, the molders of our great Nation. One such community in my congressional district in the State of New York is the village of Greenwood Lake, which is jointly celebrating its 50th anniversary with the Greenwood Lake Fire Department.

Approximately 2 square miles in size, the village of Greenwood Lake is situated in the picturesque foothills of the Bearfort and Bellvale mountains. Its lovely rural setting provides a year-round home for 3,000 New Yorkers and summer residences for over 7,000 villagers.

Greenwood Lake, after which the village is named, comprises a 9-mile long, 1-mile wide body of water, stretching into the State of New Jersey. In addition to its esthetic beauty and recreational facilities, the lake is a water-supply source for thousands of New Jersey residents.

The Village of Greenwood Lake is history rich, originally inhabited by the Lenni-Lenape Indians, a branch of the Algonquin Tribe and later settled by Dutch and English immigrants in 1609. During the Revolutionary War, the residents of the Greenwood Lake area were responsible for making a 500-yard iron chain which spanned the Hudson River from West Point to Constitution Island, preventing the British from sailing up the Hudson.

In more recent years, the natural beauty of the Village of Greenwood Lake has attracted many famous artists, writers, vaudevillians and sportsmen, many of whom remained and settled in the area, including: authors Joseph George Heitrec and Alexander King; artist Jasper Francis Cropey; entertainers Joe Jackson and Bob Karna as well as many of the world's boxing champions—Joe Louis, Rocky Marciano, and Floyd Patterson.

Interwoven with the history of the Village of Greenwood Lake is the growth of the Greenwood Lake Volunteer Fire Co. The fire company's original fire chief, Jacob Deer, set a precedent of outstanding service to the community which has remained a tradition through the years. The village is duly proud of its fine volunteer corps.

Accordingly, on the occasion of the joint 50th anniversary of the Village of Greenwood Lake and the Greenwood Lake Volunteer Fire Department, I invite my colleagues to join in honoring and celebrating the commemoration of the anniversary of a village whose spirit is reflective of the true spirit of America.

CONTINUING TYRANNY IN CHILE

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Ms. ABZUG. Mr. Speaker, I am concerned about the continuing tyranny in Chile as a result of the overthrow of the democratically elected government by a military junta on September 11, 1973.

I am especially horrified by reports of imprisonment, torture, and killings. In the face of these reports, our Government actually escalates its aid to a junta which perpetrates the oppression of its people.

I support the efforts of concerned individuals and groups against this violation of human rights. Today, I met with members of the Women's International League for Peace and Freedom and with members of the press regarding the present situation.

I would like to call to the attention of my colleagues a "Petition for Chileans Imprisoned by the Junta," which was presented to me and signed by several thousand persons, including:

LIST OF SIGNATORIES

J. Kenneth Galbraith, Harvard University.
Walter Heller, President, American Economics Association.
Ashley Montague.
Harold Davis.
Georgia Harkness, Professor Emerita, Pacific School of Religion.
Kenneth Boulding, past-president, American Economics Association.
Dorothy Day, Catholic Worker.
John Barth, Pulitzer Prize Winner.
Robert Aaron Gordon, President-Elect, American Economics Association.
James Tobin, Economist, Yale University.
Kenneth J. Arrow, Harvard University, Nobel Laureate.
Wassily Leontief, Harvard University, Nobel Laureate.
Ossie Davis.
John C. Bennett.
Salvador Luria, Nobel Laureate.
Michael Kammen, Pulitzer Prize Winner.
Derk Bodde, University of Pennsylvania.
Julian Bond.
Cesar Chavez.
Clairie C. Harvey, President, Churchwomen United.
Max Delbrick, Nobel Laureate.
Marshall Nirenberg, Nobel Laureate.
Albert Szent-Gyorgyi, Nobel Laureate.
David Harris, The Council on Social Ministries.
Simon Kuznets, Harvard University, Nobel Laureate.
Richard Echaus, Massachusetts Institute of Technology.
Carlos Diaz-Alejandro, Yale University.

I would also like to insert in the RECORD at this point the full petition as well as a statement I made at the press conference:

A PETITION FOR CHILEANS IMPRISONED BY THE JUNTA

Members of Congress: We call to the attention of the members of Congress of the United States the continued denial of basic human rights in Chile.

We protest the detention of many thousands of Chileans since the military coup on September 11, 1973. We object to the Junta's use of trial by closed, summary, military tribunals, in the hope that Chileans and foreigners will not be tried in this manner. We protest the continued denial of legal rights of prisoners, particularly the frequent practice of permitting only 24 hours' notice of charges for which prisoners are being held, thus denying adequate legal defense. We also protest the use of detention centers which endanger the health of prisoners, such as Dawson Island within the Antarctic Circle.

Therefore, we urgently request that members of the Congress:

1. Write letters to the State Department protesting the denial of human rights in Chile.

2. Call for passage of the Kennedy Amendment in the House (already passed by the Senate) which would withdraw all United States public, economic and military assistance to the governing Junta until the President of the United States deems that human rights have been once again restored in Chile.

3. Support specific measures to restore human rights of thousands of people in Chile, specifically to:

Allow international inspection of all detention centers in Chile, together with the right to carry out future inspections at any time;

Observe the traditional right of international medical examination of prisoners; and

Observe the traditional right of representation of international legal observers at *all* trials.

4. Implement the parole visa to facilitate emergency asylum in the United States for Chileans and foreigners fleeing Chile, as almost all major Western European countries and Canada have done.

STATEMENT ON CHILE, JULY 15, 1974

The Chilean military junta which overthrew the democratically elected government of Allende continues to be supported by our government using our tax dollars. This continues in spite of growing reports of thousands of people—many of whom are women—who are arrested, tortured and killed, not for any crime, but for their purported opposition to the present government. This is not simply a question of political oppression. This is a question of basic human rights—and the right to life itself.

The Swedish Ambasador to Chile estimated that since the 1973 overthrow, some 10,000 to 15,000 people have been killed, including many women. Two excellent groups, the Women's International League for Peace and Freedom and the Chicago Commission of Inquiry into Human Rights in Chile, last February sent task forces to Chile to investigate these claims. They found that many women were shot without crime or trial; they were arrested and tortured for information and then, too deformed to be released, were killed; they were beaten and raped to extract information from their husbands; they were held, without legal counsel, in overcrowded jails without adequate food or sanitation. And our government, despite urgings from the Congress, continues its financial aid to the military junta.

These inhumane conditions and flagrant violations of human rights have been authenticated by eyewitness reports. Anthony Lewis in the *New York Times*, May 30, 1974 gave the example of one woman who was stripped twice and abused, searched by sol-

diers "for dynamite in her vagina" while she heard her husband being tortured nearby.

Within the estimated 30 jails and concentration camps across the country exists a special facility which imprisons and tortures solely women. Torture methods in Buen Pastor, according to WILPF findings, include beatings, electrical shock, and cigarette burns on the body. Rose Styron in the *New York Review of Books*, May 30, also cites the use of electricity applied to gums producing hysteria and applied to the uteri of pregnant women to produce brain lesions and abortions. Other young girls, raped in torture camps, enter with hair pulled out and their nipples and genitals badly burned. It is horrendous that the United States has nothing to say about this barbarity.

These prisoners are not the only women affected by the junta. From information collected by the Chicago Commission, we know that all women have been affected by the spiraling rate of inflation since the takeover, 1000%, which makes even simple commodities beyond reach. All women have been affected by the estimated 20 per cent rate of unemployment and the below-subsistence compensation. All women are affected by the suspension of 107 national unions and the increase to a 48 to 52 hour workweek. All women are affected by the threat of expulsion from their jobs if suspected of sympathizing with the Allende government. All of these measures effectively create the climate of fear I denounced to my fellow Members of Congress in May of this year.

Besides these economic pressures, the junta has also succeeded in overturning the democratic services which made the Chilean woman so independent. Now day care centers are frequently closed and medicine is no longer socialized; education has been made more difficult to obtain, especially in the militarily controlled universities; the press is severely censored and books are banned; and a right I feel basic to every woman, the right to an abortion if she so chooses, has once again been made illegal.

What can we do to stop these violations of human rights? Anthony Lewis remarked, "Words would matter in this instance. If the United States spoke out against the torture, if our Embassy in Santiago was active in watching the trials and other visible manifestations of oppression, if more American lawyers joined international legal groups in protesting the junta's lawlessnesses, if Congress moved to attach conditions to aid, those who rule Chile would almost certainly listen."

Since the coup, I have supported legislation to cut off all military aid and credit sales to Chile. This is what the Congress can and must do to stop repression. We must also equalize opportunities for immigrants from Latin America and allow them to apply for visa extensions here.

I urge all of you to write to your Representatives and Senators to support these measures.

I also encourage you to request the Inter-American Commission on Human Rights to include a female doctor on the GAS Commission to Chile. Many fine informative Commissions, including the WILPF and the Chicago Commission, have returned with information which would be difficult to obtain without women observers. Without a female doctor on the GAS Commission, an investigating team composed only of men would be denied access to the women's sections of facilities and could not confirm conditions there.

With legislation and the valuable efforts of concerned groups, we can change these horrifying conditions. We can use economic sanctions in the cause of human rights; we can encourage our government to denounce the tyranny of the Chilean junta; we can ask our representatives to support all measures which would pressure the junta to restore legitimate democratic institutions to Chile and those measures which would allow our country to deal more humanely with the refugees.

Through your efforts and ours, we will make our voices heard. We will restore dignity and freedom in the face of oppression.

WHO SHOULD JUDGE THE PRESS?

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. HANRAHAN. Mr. Speaker, citizens have always been extreme critics of the press. Oftimes the criticisms is justified, but in many instances it is not. The following article by Clarence Petersen of the Chicago Tribune, should be of interest to my colleagues:

WHO SHOULD JUDGE THE PRESS?

(By Clarence Petersen)

Time magazine this week devotes eight full pages to a "self-analysis" of the American press, and although I admire the attempt and even the result, I almost wish they hadn't bothered.

In answer to the cover question, "The Press: Fair or Foul," what do you imagine Time's answer to be?

You guessed it.

The magazine acknowledges a good number of mistakes the press has made, but does little or nothing to explain them. There is nothing, of course, so disarming as to admit a mistake. After you've said, "You're right—I was wrong," what more can your adversary say?

As a result, Time's self-analysis turns out to be a skillful defense, particularly of the performance of the press on the Watergate scandal. In comparison to the White House, where officials including the President have been caught in one lie after another, the press looks very good indeed. But then, who doesn't.

Critics of the press—especially those who insist that the President can do no wrong—are not likely to be persuaded by this article or by any other.

They are likely to ask themselves, If a magazine will lie every week about such a small thing as its own publication date, can it be trusted to tell the truth about something important?

The current issue, which came out Monday, July 1, is dated July 8. That's so people who get the issue later in the week will not think they're getting an "old" newsmagazine.

How silly to bring that up. But small as it is, the principle is that the end justifies the means, and that's what the CREEPS who perpetrated Watergate told themselves.

Far more serious, however, is the very notion that the press is capable of fair and impartial self-analysis. What is news and what isn't; what is important and what isn't—questions like those are hotly debated by newsmen, and there are no easy answers.

The news of the day is simply what the editor in charge that day decides it is, not infrequently over some objections from his staff. When the opposition paper comes out, the editor sometimes changes his mind, thinking that perhaps the competition was right. The competition editor, meanwhile, changes his mind too. And the TV newsmen try to follow both. There is lots of follow-the-leader in the news business—as in any business or profession.

One can applaud the attempt at self-analysis, and the polls we publish show that newsmen are not doing a bang up job of winning the public trust. But articles like Time's—even good ones—are in the same bag with Richard Nixon's idea that he can fairly determine when the House Judiciary Committee has the evidence it needs to decide his case.

There is no way for the press to be judged and remain free except in the court of public opinion, but self-serving articles in the press about the press are not the best way to win approval.

Laurence I. Barrett, who wrote the Time story, said the job posed "certain conceptual difficulties. You almost have to step outside yourself." He was quoted in "A Letter to the Publisher," in which Time each week pats itself on the back. Barrett did not say how—or even if—he managed to do it.

No doubt he tried—and I, personally, found his article sensible and sound. But in the final analysis, the only way for the press to improve its credibility is to be more credible. The rest is pretense.

And in a way, we journalists are like cops, who don't get judged by the big cases they crack but by the manner in which they hand out traffic tickets.

I don't have to step outside myself to recall the time my own family was involved in an auto accident and the details were reported in two Chicago newspapers. There were 18 factual errors in one story and 14 in the other, which was a shorter story. In both, it averaged out at about two errors per column inch.

That was not a big story and it neither got nor deserved the careful handling that sensitive, nation-shaking stories like Watergate usually get, but that kind of thing happens often, and readers wonder about it.

I know they wonder because they are always asking reporters, "What *really* happened?" And too often, reporters have lots more to tell them than they wrote—or were permitted to write—not always for the best reasons.

Fewer errors on the small stories and greater willingness to concede mistakes, to admit that journalists are human and fallible like everyone else, would do more to improve our image than any 10 stories like Time's—or, for that matter, columns like this one.

To put it another way, wrapping ourselves in the First Amendment and striking heroic professional poses bears an unhappy resemblance to the politician who wraps himself in the flag and lectures the country on national security.

LAWRENCE R. SCHNEIDER, CHIEF COUNSEL, NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. MOSS. Mr. Speaker, the Congress and the Nation lost a valuable public servant with the death of Lawrence R. Schneider, chief counsel of the National Highway Traffic Safety Administration, on Friday, July 12, 1974.

Mr. Schneider's outstanding advice and assistance to the Congress covered all aspects of the area of motor vehicle safety. Through his efforts and those of other dedicated public servants to the Department of Transportation, thousands of lives have been saved from unnecessary death and injury in motor vehicle accidents.

In particular, Mr. Schneider was of inestimable value in the development of pending legislation to amend and improve the National Traffic and Motor Vehicle Safety Act of 1966. H.R. 5529,

which has been reported by the House Interstate and Foreign Commerce Committee, in part, embodies his ideas for improving motor vehicle safety and saving Americans from death, injury, and economic loss.

There is not much one can say to the family of a man like Larry Schneider in this time of their great loss. One thing his family should know that we in the Congress can tell them is that he accomplished more in a few years than most men do in a lifetime.

STOP TURKISH POPPY GROWING

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. WOLFF. Mr. Speaker, as my colleagues are well aware, the Turkish Government has decided to resume the production of the opium poppy. This decision will result in a vast increase in the amount of heroin available in the United States. This, in turn, will bring about greater heroin addiction and the resultant crime.

There is growing public support for legislation providing for a cutoff of U.S. aid to Turkey. More and more groups and individuals have come to the realization that the Turkish decision is a direct threat against our Nation. The Daily Journal of Elizabeth, N.J., has added its voice to the call for a cessation of aid. I commend this paper's editorial to my colleagues. The editorial follows:

STOP TURKISH POPPY GROWING: IT'S UP TO THE AMERICAN PEOPLE AND THEIR CONGRESS TO TAKE ACTION

One week ago today the government of Turkey lifted its ban on opium poppy production.

Until Turkey outlawed poppy growing in 1971, the country was the source of about 80 per cent of the illegal heroin ravaging America's cities. Then, because of U.S. government pressure, Turkey prohibited opium growing. In exchange, the U.S. agreed to pay some $36 million to compensate an estimated 100,000 poppy farmers while they prepared their acreage for a less lethal crop.

But apparently some Turkish public officials pocketed the U.S. dollars intended for the farmers. Then many of the same politicians successfully campaigned for reelection by attacking "insufficient" U.S. compensation and pledged to resume poppy cultivation.

The Turkish government now contends that "Turkey's opium poppy production will feed the international pharmaceutical industry," and promises that "the Government will take stringent measures to prevent illegal poppy growing and drug trafficking."

However, the only stringent measures to prevent illegal drug trafficking that the Turkish government has ever taken have been those that prohibited their own people from being victimized by narcotics dealers. Drug peddling in Turkey commonly draws the death penalty or life imprisonment.

For some idea of the toll of drug related crime in America, consider the spot check taken by the Wayne County (Detroit), Michigan Medical Examiner's office during a 77 day period in 1973: It revealed that approximately 45 per cent of the homicide victims under the age of 35 either had drugs in their systems, needle marks in their arms, or both.

The degree to which drugs are a major cause of crime in America is not generally recognized, the Wayne County Medical Examiner, Werner Spitz, said, pointing out examples where homicides are classified as resulting from a domestic argument even though there may be drug paraphernalia lying out in sight.

Moreover, Spitz points out, it is often easier to identify addicted homicide victims than unapprehended addicts who commit violent crimes on innocent people.

The problem exists on the same dimension in New Jersey, where state officials estimate that up to 80 per cent of the inmates in state maximum security prisons are there because of drug-related crimes.

The Turkish government now plans to distribute germinating poppy seeds to farmers in six Anatolian provinces from now until October, when the planting season begins.

Given the Turkish record, it is impossible to believe that the new licensing of opium production will not be abused. The profits derived from diverting opium from legal pharmaceutical manufacturing to illegal heroin production are just too great, and past Turkish security measures to prevent illegal diversion have been too faulty.

Rep. Peter Rodino, New Jersey Democrat, has introduced a resolution calling on President Nixon to suspend U.S. aid to Turkey. Rodino's measure, coming one day after the Turks lifted the poppy ban, is an important step because it indicates that a powerful House committee chairman—Rodino heads the House Judiciary Committee—is taking up an issue first sounded by two New York Democratic representatives with less senior positions.

Nevertheless, the fact is that introducing a House resolution is only a first step. Even if successful, it is only a means of exerting political pressure on the President to take action, it has no force of law.

Public outcry on Turkish opium growing, accompanied by tougher legislation, might persuade the government in Ankara to reverse its decision. Because Rodino's committee is occupied with impeachment hearings, New Jerseyans concerned about this issue should consider writing to Sen. Clifford Case, and ask him, as a senior Republican member of the Senate Foreign Relations Committee, to move without delay for committee hearings on poppy cultivation in Turkey.

Readers might consider demanding not a resolution, but a law, that requires a complete cut off of all aid to Turkey if the poppy seed distribution continues.

MISS EBBA JANSON—DISTINGUISHED NEWSPAPERWOMAN

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. WYMAN. Mr. Speaker, Miss Ebba M. Janson, of Laconia, N.H., was, I believe, the first woman city editor of a daily newspaper in New England—the Laconia Citizen. In that capacity, Miss Janson met the great, the near great, and the notorious for more than 40 years.

In addition, she covered the biennial sessions of the New Hampshire State Legislature, often arriving at work in Concord at 5 a.m. in the morning and remaining on the job until late in the day when she would return to Laconia and spend long hours writing her report for the next day's publication.

Recently Miss Janson was honored in her retirement on the occasion of her 80th birthday at a surprise party given by friends at her home at 8 Pitman Court in Laconia. The affair was arranged by Mrs. June Lavallee, Mrs. Dorothy Clow and Mrs. Louise Hounsell. Preceding the social, Miss Janson was a dinner guest at Hart's Restaurant, Meredith. Her hostesses were her niece, Miss Barbara Janson, and her sister-in-law, Mrs. John Hanlon, both of Lawrence, Mass., Mrs. Jean Clow of Meredith and Mrs. Hounsell.

A graduate of Mt. Holyoke College, Miss Janson remains active in civic affairs and the Unitarian Church in Laconia. She still drives her automobile, still writes for the Evening Citizen, and is in charge of the public relations division of the Lakes Region Chapter of SCORE—Service Corps of Retired Executives.

At the present time, she is currently visiting her native Sweden which, in her 80th year, is indicative of her propensity for continued activity.

Would that her successors, whether near or far, might emulate the distinguished record of this outstanding New Hampshire newspaperwoman.

NUCLEAR SAFEGUARDS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ASPIN. Mr. Speaker, at a time of increasing concern about the dangers of a nuclear proliferation, it is disturbing to note that the United States is actually cutting funds for the development of international nuclear safeguards. International safeguards—inspection and detection procedures designed to prevent countries with nuclear reactors from diverting plutonium to weapons production—have received considerable attention lately as a result of the administration's promises of nuclear aid to Egypt and Israel. Unfortunately, the talk has not been converted to meaningful action.

The Arms Control and Disarmament Agency—ACDA—which is responsible for such research, will receive only $150,000 for safeguard research this fiscal year. Both this year's amount and the total for fiscal year 1974 of $94,000 are drastic reductions from an average of more than $600,000 for previous years.

At a time when we are selling more and more nuclear reactors all over the world, it just does not make sense to be spending less and less on safeguards; $150,000 is just not adequate. It is especially ridiculous when you compare it to the Pentagon's budget.

ACDA should have at least $1 million each year for research and development on international safeguards for nuclear reactors. Some of the money could be used for developing long-range programs for dealing with inspection problems over the next decade, when, according to experts, the use of nuclear power will more than triple.

Other projects that need more money include the development of surveillance and inspection devices for inspectors of nuclear plants. ACDA could also supply more technical assistance to the International Atomic Energy Agency—IAEA.

Under the Non-Proliferation Treaty—NPT, the IAEA is responsible for inspecting nuclear powerplants that are operated by member nations or that were purchased from nations that have signed the NPT. Since the United States pays one-third of IAEA's anual budget, and since IAEA is spending $200,000 on research this year, the U.S. contribution to safeguard research through this organization is approximately $67,000.

The only other instance of U.S. spending on the devleopment of international safeguards is a $50,000 Atomic Energy Commission contract for technical assistance to the IAEA.

The AEC's research and development budget of approximately $5 million for safeguards is devoted almost exclsively to domestic problems. Although there is some carryover to international problems, AEC safeguard research is directed primarily at developing better accounting methods for the operators of nuclear reactors. This is a purely domestic concern. IAEA inspectors, whose job is to detect cheating by reactor operators, need equipment and techniques to be able to make independent measurements of reactor operations.

Budgets for safeguard research by ACDA show a marked drop in recent years, coincident with the Nixon administration's cuts in the ACDA budget as a whole. The budget for safeguard research in fiscal year 1968–69 was $785,000, $525,000 in fiscal year 1970, $596,000 in 1971, $608,000 in 1972, $736,000 in 1973, $94,000 in 1974, and $150,000 in 1975.

FLORIDA OCEAN SCIENCES INSTITUTE

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ROGERS. Mr. Speaker, the Congress and the State legislatures have enacted scores of programs designed to combat the more virulent social problems facing the Nation, among them crime and poverty. I believe that we have come to expect that the goals of many of these programs are not being met, and that the funds, from whatever source, have not been cost effective. And so, when an all-too-rare successful effort does come to light, it is well to call attention to it, both for the comfort it brings in the knowledge that not all these efforts are not in vain, and so that others with an interest in the problem may begin such efforts in their own area.

For these reasons, I would call the attention of the House to the Florida Ocean Sciences Institute in Deerfield Beach, Fla., which has recently been awarded the Bill Butler Memorial Award for excellence in the correctional field by the U.S. Jaycees.

The institute conducts a unique program of rehabilitation for young persons from 14 to 18 years of age who have been found delinquent by the courts of Broward and Palm Beach Counties. That the program has successfully attacked the root causes of juvenile crime is amply demonstrated by the enthusiasm of the participants in its program, which is built around a core of marine sciences activities.

The goal of the program is the development of good work habits, basic work, and educational skills, including high school graduation if desired, and self-esteem and enthusiasm which have resulted in a recidivism rate of 13 percent—far below that of other programs, especially incarceration. The prevention figure is even lower—only 3 percent of the "predelinquent" status offenders enrolled in program become delinquent. These figures are accurate, due to one of the unique features of the program—its followup program, through which the institute has kept track of all but 17 of 500 participants.

The State of Florida have, therefore, recognized the institute as a viable alternative to incarceration, and plans are underway to open other projects, and to move incarcerated delinquents from training schools into the programs.

In short, this project seems almost too good to be true. It works. It is costeffective. I urge each Member of the House to bring the institute's work to the attention of correctional officers in his or her district. I include in the RECORD the Jaycees announcement of the award and the accompanying description of the program. I would further urge all who are interested in learning more about the methods and experience of the institute to contact Mr. Robert Rosoff personally, at the address indicated in the article.

My congratulations to Mr. Rosoff and the institute staff for this recognition of their fine efforts, and to the Jaycees for their continuing efforts in the cause of effective administration of criminal justice and correction.

The material follows:

BILL BUTLER MEMORIAL AWARD

During a time when most organizations and individuals equate prison reform with criticism of existing, we think it's refreshing and effective when groups recognize what's right and publicize it so it may be replicated. The United States Jaycees annually recognize outstanding individuals and organizations who are working within the correctional field and who especially utilize a large number of existing community resources—a true recognition of community corrections. In publicizing the report on the following pages of this year's winners, we, like the United States Jaycees, are not trying to say they are the best in the world or the best examples to be found but are merely samples of the best. We congratulate the winners and the United States Jaycees for this recognition and hope others will follow suit in identifying and exposing what's "right" and, even more important, encouraging similar action in their own communities.

FLORIDA OCEAN SCIENCES INSTITUTE, INC.

In September of 1969 a unique correctional program was begun at Florida Ocean Sciences Institute (FOSI) in Deerfield Beach, Florida. The Institute, which had previously been engaged in pollution and beach erosion research, had launched itself into the field of youth development. Youngsters between the ages of 14 and 18, who had been adjudicated delinquent by the courts of Broward and Palm Beach Counties, were referred to FOSI as an alternative to incarceration at State Training Schools. Since that time, FOSI has expanded its concept to three other Florida cities under contract with the State Division of Youth Services. Five additional programs are planned for this fiscal year, including one in Wilmington, North Carolina.

The Marine environment offers much in terms of motivation to such youngsters who have experienced such failure in all phases of life—at home, at school, and in the community itself. The Marine Institute concept allows a youngster to remain in his community and to contribute to it by his participation in environmental projects. The Institutes have developed an attractively mixed curriculum of marine-related, activity oriented subjects including seamanship, diving, and ocean sciences, and the basic educational necessities of reading, writing, and math. High school credits are earned through the adult education programs of the respective counties and opportunities are readily available for many of the young people to complete high school while enrolled at the Institutes.

The students also develop useful vocational skills and necessary work habits which apply to both land and marine-based jobs.

By using the environment, a well-structured reward system, "Reality Therapy" counselling and involvement techniques, and individualized "success" criteria based on "goal attainment scaling", the Institutes attempt to meet the following general objectives:

(a) to change the behavior patterns of the young people in such a positive way as to drastically reduce or eliminate recidivism among the program participants;

(b) to help the youngsters develop employability skills and work habits which will assure them success in employment;

(c) to teach the youngsters useful skills which have broad application in land as well as marine-based jobs;

(d) to provide educational opportunities in basic academic subjects and to motivate capable youngsters to continue their formal education;

(e) to use the resources of the Institutes to participate in research and development projects of social and environmental value.

Associated Marine Institute, Inc. applies sound, professional management by objectives techniques throughout all programmatic and administrative aspects of all Institutes.

Three major aspects of the criminal justice system are addressed by the Marine Institute Programs. They are prevention, diversion, and recidivism.

Over 98% of the over 700 youngsters involved in the Marine Institute programs have had prior legal involvements. These involvements have ranged from such status offenses as runaway and truancy. A typical breakdown of prior offenses for an arbitrary group of 21 youngsters from the Tampa Marine Institute program (TMI) reflects 233 offenses and represents an average of 8.32 offenses per child. At present, the recidivism rate for these youngsters since leaving TMI is approximately 134.

The 13% recidivism figure also applies to the overall rate for AMI over the past four and one half years. This represents a substantial reduction in recidivism rate over other programs dealing with this type of child. It demonstrates that a comprehensive program can be much more effective in "rehabilitating" youngsters than the traditional training school approach.

The State of Florida believes strongly in diverting youngsters from training schools into community based programs. To his end, a number of programs such as half-way centers have been set up by the State in houses, group homes, start centers and try local communities. The Division of Youth Services considers the AMI programs one such alternative.

From its inception, the Marine Institute program has been considered by the courts as an effective alternative to incarceration. Because of the existence of these programs in

Florida many youngsters have been diverted from the other alternative.

Beginning in February of 1974, the Division will begin diverting additional youngsters from training schools into the Marine Institutes. This will be accomplished by screening "committed" youngsters for the program and requesting judges to suspend commitments for placement in the Institutes. The Division goal is to divert approximately 25% of all commitments into the Marine Institute programs over the next two years. Approximately 50% of the funding slots in the programs will be allocated to "committed" youngsters under suspended commitment.

The third area of successful goal achievement within AMI has been in the area of prevention. Approximately 25% of the participants have been "pre-delinquent". Less than 3% of these status offenders and consent probation cases have become delinquent.

Finally, the AMI programs have done more than merely modify behaviors. They have prepared the youngsters to immediately become productive citizens. The national recidivism rate has been stated as high as 75%. Almost 80% of the AMI's participants are presently employed and paying taxes, or back in full-time school and are contributing in a substantial way to their community.

Over the past four and one half years AMI has been notably more successful than other programs working with this type of youngster. The State Division of Youth Services in its monograph on AMI concludes, "It is fairly inexpensive in monetary terms and its extremely low recidivism rate (13%) is unequaled by almost any other program".

The Comprehensive Youth Development Program operated by the Marine Institutes have a number of outstanding features which contribute to their success.

First is the comprehensive nature of the program itself. Its various components, counselling (including parent groups), job development, vocational training, and academic education, provide ways of meeting many different needs of different youngsters. The curriculum is flexible and diverse and graduation requirements are individualized for each youngster. Measurable behavior changes are a part of these requirements.

A second outstanding feature is the way AMI programs have tapped the resources of other community programs. The education components work directly through the local school system and teachers are furnished and paid for by the school systems. Medical and diagnostic services are provided many AMI youngsters by the Division of Vocational Rehabilitation. AMI programs are licensed by the State as nonresidential drug problems and close cooperation exists with other drug programs. Finally, private sectors of the community provide many jobs and on-the-job training opportunities for trainees in the program as well as graduates.

Another outstanding feature is the comprehensive follow-up program. Through an elaborate follow-up system graduates and non-graduates are closely followed by AMI staff specialists who keep track of their status and progress for a minimum of five years. Of 500 youngsters who have left the programs, AMI has lost track of only 17. Quarterly reports are issued providing statistical information on all former trainees.

Still another outstanding feature of AMI is the make-up of the non-paid Board of Trustees. Each Board is composed of many of the most influential members of the community from many diverse occupations. The Boards are active in the administration of the Institutes.

Finally, the feature which has put all of this together is the strong, highly talented management organization. AMI, Inc. has on its Board representatives from the Boards of all of the Institutes, so that all Institutes share a voice in the overall management, and an experienced staff to carry out the decisions of the Board. The central management concept offers many advantages to participant Institutes, not the least of which is a strong voice for funding acquisition. Many overhead expenses can be substantially reduced within each Institute as they are distributed across several programs. Finally, AMI has recently been nominated and recommended to the National Institute of Law Enforcement and Criminal Justice of the U.S. Department of Justice as an "Exemplary Project".

(For further information, write Robert Rosof, President, Florida Ocean Sciences Institute, Inc., 1605 S.E. Third Court, Deerfield Beach, Florida 33441.)

MORE PUBLIC INFORMATION ON DICKEY-LINCOLN

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. DRINAN. Mr. Speaker, as I have stated previously on the floor of the House, a great deal of misinformation concerning the proposed Dickey-Lincoln hydroelectric power project preceded the House vote of June 6 appropriating $800,000 for preconstruction planning of this project. I was gratified to learn that WCVB-TV in Boston was planning a series of editorials to help inform the people of New England about the actual costs and benefits of this project. Their excellent series has added to the growing volume of hard evidence that the excessive economic and environmental costs of Dickey-Lincoln far outweigh the small amount of energy which the project could generate.

I commend WCVB-TV's five-part series on Dickey-Lincoln to all of my colleagues. I am also inserting a reply to WCVB's position presented by my distinguished colleague from Rhode Island (Mr. ST GERMAIN). The material follows:

THE DICKEY-LINCOLN HYDROELECTRIC PROJECTS: SHOULD WE BUILD IT?—PART 1

The wild beauty of this river is deceptive, for it is near this spot—in far northern Maine—a place never seen by the vast majority of New Englanders—that some people wish to build the region's first hydroelectric power project.

Its name is Dickey-Lincoln, and it's been embroiled in controversy since Congress first approved the project in 1965. But money to build Dickey-Lincoln was *not* approved. And the issue has boiled up in Washington again this spring.

Thanks to the energy crisis and the high cost of oil, Dickey-Lincoln has a new lease on life. Its supporters argue that the power in this magnificent, free-flowing river, the Saint John, is desperately necessary to New England.

We do not agree. If you'll excuse the pun, Dickey-Lincoln can't "hold water" on economic or environmental grounds. And we hope to prove that to you in our editorials this week.

When completed, Dickey-Lincoln would have cost at least $800 million but will supply only 1 percent or less of New England's electricity—electricity, moreover, that will be sold only to the 8 percent of consumers served by publicly owned electric systems. Ninety-two percent of New Englanders would get nothing out of the Dickey-Lincoln.

Further, this project will destroy a superb and irreplaceable wilderness area whose recreational and scenic value far exceeds its worth as an energy source.

Dickey-Lincoln, if built, would be a tragic mistake and one more example of this nation's bungled energy policies. Congress should reject Dickey-Lincoln this year and forever.

We'll be back with more on the economic aspects of this project.

THE DICKEY-LINCOLN HYDROELECTRIC PROJECT: SHOULD WE BUILD IT?—PART 2

We're back today near the site in far northern Maine of the proposed Dickey-Lincoln hydroelectric power project. In yesterday's editorial, we said construction of Dickey-Lincoln would be a tragic economic and environmental mistake.

Let's look at the economics of this project, which the Army Corps of Engineers now says will cost close to $800 million, or possibly more.

If Dickey-Lincoln is completed by 1980 it'll produce 1.2 billion kilowatts of electricity per year, an amount equal to only 1 percent of New England's total supply. By 1990, Dickey-Lincoln power will be only ½ percent of total supply.

According to the original Army Corps of Engineers' report, Dickey-Lincoln would produce annual power benefits equal to $44 million. Yet, many of this project's key supporters don't realize that this is not a true figure. New information released by the Corps shows that power benefits will actually be only $4½ million, or only about two-tenths of 1 percent of New England's total electricity bill.

These facts explode the principal argument of Dickey-Lincoln supporters, which is that the project will serve as a yardstick for the cost of electricity in New England and force private utilities to lower their rates. Nonsense. Dickey-Lincoln is too small to be a yardstick for anything.

Moreover, and here's another misunderstood aspect, Dickey's power will be sold by the government only to publicly owned electric systems. Since private utilities serve 92 percent of New England's electricity consumers, we'd be spending nearly one billion dollars to provide minimal benefits to a fraction of New England residents.

We'll have more to say about the environmental effects of Dickey-Lincoln.

The DICKEY-LINCOLN HYDROELECTRIC PROJECT: SHOULD WE BUILD IT?—PART 3

Most of those who support the Dickey-Lincoln hydroelectric power project have never seen the beauty its construction would forever eliminate. We came to the Saint John River in far northern Maine, so that we could better understand what this controversy is all about.

Dickey-Lincoln's six dams and two reservoirs would eliminate 75 miles of this pure and free-flowing river and flood 150 square miles of Maine's deepest woods. The project would also submerge part of the spectacular Allagash River and obliterate 90 miles of the Big Black and Little Black Rivers, as well as 80 miles of other rivers and streams.

Dickey-Lincoln would ruin some of the best hunting, canoeing, camping and trout fishing in the Eastern United States. The acreage needed for the reservoir at Dickey Hamlet alone exceeds the total land required for all new power plants and high-voltage lines in New England between now and 1990.

Nine new nuclear power plants will be completed in New England by the early 1980s, with 14 times as much total power as Dickey-Lincoln can produce. Solar power is also rapidly developing. And the ethic of conservation, if pursued, will completely eliminate any marginal need New England may have for Dickey-Lincoln power.

We don't need this billion dollar white elephant. It would be nothing short of insanity to destroy this priceless natural resource for such a minuscule energy gain.

We say no to Dickey-Lincoln. Please join us in getting that message where it counts—to your Congressman in Washington. And please, do it today.

THE DICKEY-LINCOLN HYDROELECTRIC PROJECT: SHOULD WE BUILD IT?—PART 4

During the past three days we've outlined our opposition to the proposed Dickey-Lincoln hydroelectric power project. We argued that Dickey-Lincoln would be an economic and environmental disaster, not just for that part of far northern Maine where it would be built, but also a disaster for all of New England.

Many Dickey-Lincoln supporters are now trying to justify this $800 million power project on the grounds that it would also prevent flooding along the Saint John River—flooding such as that which recently caused an estimated $3 million damage to Fort Kent, Maine. We were there during those floods. We saw the damage. We recognize the need for flood control.

But Dickey-Lincoln isn't needed to provide it. We've learned from the Army Corps of Engineers that it now plans to build a flood control dike along the Saint John near Fort Kent. The dike will cost slightly more than $1 million; and when completed in three years will protect fully against future flooding. In fact, this dike has been discussed for years and would have been built by now had it not been for wrangling over Dickey-Lincoln.

So don't be fooled by Dickey-Lincoln supporters who masquerade as saviours holding back the raging Saint John. They cannot hide their $800 million project behind a $1 million dike.

The people of northern Maine are going to be protected from future floods without Dickey-Lincoln. So please join our fight against this misguided project by writing today to your congressman in Washington.

THE DICKEY-LINCOLN HYDROELECTRIC PROJECT: SHOULD WE BUILD IT?—PART 5

Supporters of the Dickey-Lincoln hydroelectric project in northern Maine won a small victory recently when the U.S. House of Representatives approved an additional $800,000 for preconstruction planning.

But those of us who oppose this tragically ill-advised Federal power project are not discouraged. The vote in the House was very close. And we take heart from the lonely but courageous opposition of Massachusetts Congressmen Silvio Conte and Robert Drinan. We urge you to write Mr. Conte and Mr. Drinan and encourage them to continue the fight against Dickey-Lincoln.

Within the next few weeks, the Senate will be voting on Dickey-Lincoln. Massachusetts Senator Edward Brooke has expressed doubts about the project. We applaud his wisdom—and again we urge you to write Senator Brooke and encourage his opposition.

Dickey-Lincoln will destroy a priceless river and wilderness area for marginal benefit in electricity produced. Its supporters have knowingly and irresponsibly underestimated the cost of this power project, which will probably exceed $800 million—1000 times what the Congress is being asked to approve this year.

Dickey-Lincoln cannot stand up to close scrutiny on economic or environmental grounds. And when it comes time for Congress to vote on the full cost of construction, we're confident that reason and common sense will prevail. Dickey-Lincoln must be defeated. We promise to continue the fight against it with all of the strength at our disposal. But those courageous members of Congress who have stood with us need your support. Please let them know that New Englanders do not need and do not want Dickey-Lincoln.

THE DICKEY-LINCOLN HYDROELECTRIC PROJECT: SHOULD WE BUILD IT?

(By FERNAND J. ST GERMAIN)

I am pleased that on June 6, the House of Representatives approved the Public Works and Atomic Energy Commission appropriations for 1975. I am especially grateful that $800,000 was included to resume preconstruction planning for the Dickey-Lincoln School Hydroelectric Project.

New England is in a strangle-hold of skyrocketing electric rates. Consumer's electric bills have increased enormously in the past six months. For the elderly, the poor, the infirm, the pensioner, and others on fixed income, this is an impossible situation.

It is imperative that we develop alternate sources of power. Dickey-Lincoln will accommodate long-range power plans by providing peak period electricity that is inexpensive, non-polluting and reliable. It could be turned on instantly to prevent a reoccurrence of the memorable November, 1969 East Coast Blackout.

I have consistently supported measures to protect and rejuvenate our environment. If I thought Dickey-Lincoln would have a long-range detrimental impact on the environment, I would not support it.

But, I believe Dickey-Lincoln can have a beneficial effect on the area. Proper planning and coordination with the Allagash Wild River area will provide a balance in the types of recreational opportunities while preserving the wilderness character of the region.

The inexpensive, non-polluting power that is desperately needed by New England will be provided by swift completion of the Dickey-Lincoln Project, and I believe that the environmental impact can, and will, be minimized by expert planning and management.

PATRIOTISM AND IMPEACHMENT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. MOAKLEY. Mr. Speaker, I wish to insert into the RECORD today a letter from Mr. Kevin J. McColgan, a constituent of mine from West Roxbury, Mass. Mr. McColgan makes an eloquent statement on the meaning of patriotism in this country today and the need for a vote of impeachment.

The letter follows:

Today is the 198th anniversary of American Independence. All across our state and the nation, our people will be celebrating with the traditional festivities, fireworks, speeches, and flag-waving, showing proudly their "patriotism." Certainly, this is all quite appropriate.

It is, of course, only symbolic of a certain kind of love and loyalty. Unfortunately, the more I sit back and think, the more I become convinced that the American people have lost the real meaning of "patriotism" and "loyalty." We are a people who tend to forget that the symbols themselves are not the object of our "patriotism." The words themselves lose their original meaning, taking a back seat to the symbols. In a much shorter time than it took Christmas to lose for most its original meaning, July 4 has become misunderstood. I feel the danger now more than ever in this, the decade of the Watergate, when a John Ehrlichman or Charles Colson distorts in the most obscene sense the significance of "loyalty."

Despite this fear, I have great hope. For, as David Crosby sings, "The darkest hour is always just before the dawn." In fact, I have even a great envy—for the Congressmen of the United States. For in a short time, you will have perhaps the greatest test in the last hundred years of true patriotism. More important than the flag-waving of WW I and WW II, more important than one's service in those wars or even "dying for one's country," or than the anti-Vietnam War rallies, more important than the George M. Cohan songs, or the "America, Love It or Leave It" bumper stickers, more vital to real patriotism is the test you Congressmen will soon face. I voted for you in 1972 and intend to again in 1974, because I believe you to be a patriot; please do not let me down. Vote for the impeachment of Richard M. Nixon.

More than any government since ancient Athens, the government of the U.S. is a government founded on the highest of principles. Our forefathers were not concerned with a country of power and prestige, a country which would soon lead the world in countless areas of trade and production. They were a people concerned with moral principle and the highest ethical standards and actions. My generation searches for the true America; I think that the answer lies in the very roots of our country: the lofty principles that were written into the Constitution.

There are few today who consider our President the embodiment of our forefathers' ideas. To most, he has become the symbol of the antithesis of these that its leader represent the opposite ideals on which that government was founded. If this is true, then America is now facing its greatest tragedy. It is for you to turn it into one of our greatest victories.

When Richard Nixon ran for President in 1968, and ran for re-election in 1972, he did so with the traditional promise of all politicians: that he would serve his country to the best of his ability. He would not let the American people down: we would look up to him and admire him even as he admired himself. We could expect only the best from RMN.

Yet, one year later we found him telling us something different. Faced with questions about his possible impeachment, he replied by telling us that he could not be removed from office without evidence of "high crimes and other misdemeanors", going on to imply that this meant he could not be convicted except for crimes which the ordinary citizen could commit.

Even though I believe this interpretation a narrowing of the meaning that the signers of the Constitution intended for this important phrase, this is not the real point here. What is to be noted is that we are no longer to think of Richard Nixon as someone we should look up to: he should be thought of as the ordinary citizen, John Q. Public. Did this mean that we should think of him as being no more responsible or ethical than "the ordinary citizen"?

In 1974, while we try to think over this question, we found that the question itself soon became irrelevant. We wonder why, if Richard Nixon is just the ordinary citizen, he should not be expected to act legally like the ordinary citizen. Cannot a citizen be jailed for ignoring a court subpoena? How can the President justify himself now? The Answer was what most of us McGovern supporters expected. Because Richard Nixon is only the ordinary citizen when it is his advantage to be. He is now the President again, thus having the right to ignore the court subpoenas so that he can protect the Presidency.

We have now come to the third image of Richard Nixon: he is not someone to look up to, nor is he any more just one of us; he is someone of whom we can expect less from, legally, than the average citizen. How can he blame those of us now who look down to him?

Watergate is certainly depressing. But it is equally depressing to me today to think that there are so many Americans who still miss the significance of all of this. Richard Nixon is out to save his own Presidency. Richard Nixon says he is out to save *the* Presidency. There are still many who applaud his efforts.

They miss the whole concept of patriotism. Yet there are others who think of the shambles our country is in, how we are losing

power and prestige in the world, how this Administration is becoming powerless to act. These people want Richard Nixon removed from office too; yet, like the Nixon "loyalists", these people miss the important point. The United States, America, our country, our government—all of these were never conceived to be the greatest power on earth. When Mr. Nixon's hero, President Lincoln, spoke of "this government . . . (which) shall not perish from this earth" he was speaking not of a world power, but of a true representative government, a government of laws which were and are meant to be honored by *all* it's citizens. If President Sadat and Mr. Brezhnev and Mrs. Meir and the rest fail to comprehend this point, that is unfortunate. But if the American people fail to comprehend it, then it becomes tragic. More important than "loyalty" to the U.S. as world power, to the U.S. presidency, or to Richard Nixon, is the loyalty to principles contained in the Constitution. This is what patriotism should mean to all of us.

And this is why Richard Nixon should be impeached.

HIGH COST OF OSHA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ASHBROOK. Mr. Speaker, in April of 1971, the Occupational Safety and Health Act, commonly known as OSHA, went into effect. The result has been a disaster for the businessman, the employee, and the consumer.

The supposed justification for this act is to create a safer working environment for employees. This is certainly a worthy goal. Work-related injuries should be reduced and health hazards eliminated whenever possible.

Federal regulation through OSHA, however, is undoubtedly one of the worst ways of achieving that result. As many businessmen will attest, the act has meant unnecessary harassment of employers and substantial increases in the cost of doing business. A survey released by McGraw-Hill publications estimates that OSHA cost business $2.5 billion in 1972 and $3.1 billion in 1973.

The small businessman and the consumer are the ones who usually suffer most from these increased costs. The employee, however, can also be an unwilling victim of OSHA. If a business closes because it is unable to meet higher costs resulting from OSHA regulations, it is the employee who suffers.

The specter of business closure is more than a hypothetical possibility. Hundreds of small businesses have already been forced out of business by heavy fines and impossible demands.

Ironically, many of the demands made by OSHA officials hardly seem necessary. As one employee stated after losing his job when the company was unable to afford changes ordered under the act:

After all, is it better to have a job where there are some minor risks of injury—or no job at all? Even though my employer would have been required to make substantial modifications in our facilities to meet the standards, we never had an on-the-job injury in all the time I worked there.

Farmers also are being subjected to more and more OSHA regulations. Regulations are being promulgated which will affect a small family farm as well as the larger ones. Tractors and most other types of farm machinery are covered by new standards which many farmers believe will be difficult and costly to meet.

Even comprehending what is expected under the act is a difficult task. Farmers and businessmen are presented with a bewildering array of detailed regulations. Understandably they are at a loss to know which ones apply to them. Their first realization of a violation may well be when a Federal inspector fines them for noncompliance.

In 1970 when OSHA was reported from the House Committee on Education and Labor of which I am a member, I and a few of my colleagues raised serious questions as to the effects of OSHA. At that time we stated,

Poor safety laws can and have done more harm than good. Mistakes we make now will have a serious impact on workers and on the state of our economy. We must also recognize that this legislation will affect nearly every aspect of the employment relationship.

This warning has proven all to accurate. As I have previously stated, the Occupational Safety and Health Administration is promulgating standards that cover the small businessman the same as the large corporation. Small businessmen are being required to spend much time filling out forms to meet standards which are vague at best. Furthermore, farmers are also covered by OSHA regulation—be they running small family farms or large corporate enterprises. The regulations make no distinctions. Previously I have asked the Secretary of Labor.

Is the Occupational Safety and Health Administration going to be sending snoopers to every farm in the country to check on tractors, mowing machines and other farm equipment?

Unfortunately, that possibility exists.

OSHA has had some successes. It has created more work for Government officials and more redtape for small businessmen and farmers. Quoting again minority views on the original OSHA legislation,

But to those who cherish constitutional due process—to those who know from long experience that job-safety and health programs developed in an uncoerced, cooperative context hold the best hope for continued progress—and to those who believe that American working men and women deserve more than an unworkable legislative deception—the Committee's action in approving H.R. 16785 is a tragedy . . .

I had serious doubts about the OSHA bill and voted against its adoption when it came up for final passage in the House. Events since that time have confirmed my doubts. Passage of OSHA was a mistake—a mistake that Congress should move to correct.

DANGEROUS TIDE OF FOREIGN INVESTMENTS IN THIS COUNTRY

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. DENT. Mr. Speaker, on July 2, 1974, I included in the Extensions of Remarks a warning to my colleagues on the dangerous tide of foreign investments in this country. A part of this warning included an itemization of several takeovers, which is a normal bimonthly feature of a newsletter called Foreign Investment—Inside U.S.A. Report edited and published by Frank Hawkinson.

The latest edition of Foreign Investment—Inside U.S.A. Report contains some further evidence concerning this matter. Get your conditioner out, because it is hair curling time again:

DANGEROUS TIDE OF FOREIGN INVESTMENTS IN THIS COUNTRY

SUBSIDIZING THE QUEEN

"England's Queen Elizabeth II received $128,000 from Uncle Sam for not planting cotton on her Mississippi plantation in 1974." This item, part of a larger report is disclosed publicly in a survey of wasteful Federal spending compiled by Rep. John B. Conlan (R-Ariz). A check with Conlan's office by INSIDE USA REPORT reveals these details: the plantation in question is Delta & Pine Land Co., Scott, Miss. unit of Courtaulds North America Inc., NY and Mobile, Ala.-based conglomerate, which is a subsidiary of the UK's Courtaulds Ltd. of London. The British Royal Family is a major shareholder. Delta & Pine is a diversified agribusiness eligible for crop subsidies from the US Agriculture Dept. Blimey, but it seems a bit much, that!

UNION 2—MITSUBISHI 0

Mitsubishi, Japan's top trading company with 1973 sales of $24.7 billion, is judged guilty of a second violation of US labor law by the National Labor Relations Board for illegal practices at its San Angelo, Tex. aircraft assembly plant. The Intl. Assn. of Machinists & Aerospace Workers is organizing a plant union and the Japanese management has resisted illegally. The Union's leaders are particularly irate because Mitsubishi receives financing aid for overseas sales of its aircraft from the Export-Import Bank, an agency of the Federal Government.

MORE ABOUT ARAB INVESTING

Isolated reports of longer-term Arab investments continue to stress that Mid-East funds are going into various forms of US real estate, rather than stocks or company takeovers.

An undisclosed Franco-Arab banking source reports a US property company receives a 12-year loan of about $10 million at a nominal rate of 9½%; this is said to be part of a wider Arab investment in that concern's operations.

A headline brawl erupts between the press and SC Gov. John West over his alleged role in the Kuwait Investment Co.'s February purchase of most of Kiawah Island near Charleston. Evidently, Gov. West and five state officials have co-owned an adjacent small vacation property on Kiawah since 1959. The press hints the officials' parcel was improperly enhanced by their luring the $17.4 million Kuwaiti purchase, which will ultimately see $100 million invested in the island as a residential resort. Gov. West insists they had nothing to do with the sale, didn't even know about it until after the fact. Teapot tempest?

In an unrelated development, Gov. West meets with Kuwaiti representatives about locating an oil refinery on South Carolina's coast. Ecologists, already restive regarding the Kiawah resort plan, are sure to organize opposition if the Kuwaitis proceed with a refinery project.

HEADLINER UPDATES

Results of the proxy battle for control of Ronson Corp. of Woodbridge, N.J. by Liquifin AG, Liechtenstein unit of Italy's Liquigas SpA, were originally to be disclosed at a reconvened annual meeting June 27. Now the outcome is postponed until July 9 when a

Federal judge will announce the proxy count.

A New Corporate initiative is also announced by Liquigas SpA, the Milan-based industrial conglomerate involved in the Ronson takeover attempt. The Italian firm forms a new U.S. corporation, Liquichimica of America Inc., negotiates to take in other foreign investor groups as partners in the venture, and plans to build an 'advanced chemicals' plant in Taft, La.

B.P., the U.S. subsidiary of UK's global oil giant, the British Petroleum Co., which acquired 25% of Standard Oil Co.-Ohio (Sohio) in 1969, is ordered to speed its divestiture of Sohio gas stations selling 400 million gal/yr within 18 months. The court order is the result of a Federal consent decree that originally authorized the merger. In four years Sohio has only sold outlets accounting for 150 million gal/yr. The decree requires Sohio to cut its 25% share of Ohio retail gasoline market to 20%.

Takeovers

Siemens Corp., Iselin, N.J., U.S. subsidiary of the W. German giant multinational electronics firm, buys Applied Radiation Corp., Walnut Greek, Calif. for an undisclosed sum. Applied Radiation, with 1973 sales of $3 million and 100 employees, makes radiation therapy equipment for cancer treatment.

Nachman Corp., Chicago bedding part manufacturer, which is a unit of Stabetag, a Swiss firm owned by Willy Korf, German multimillionaire industrialist, buys National Springs Corp. of High Point, N.C., maker of furniture springs, for an undisclosed price.

Vorwerk, a diversified textile trimmings and industrial fabric producer of Wuppertal, W. Germany, buys Braidmakers Inc., of NYC, a maker of apparel trimmings for the home sewing field, for an undisclosed sum.

Akzo Chemie By, specialty chemical unit of the Dutch AKZO NV, large Netherlands chemicals-fibers multinational, buys the New Brunswick, N.J. Advance Div., a plastics additives subsidiary of Cincinnati Milacron, 380th U.S. industrial, for an undisclosed sum.

Organon Inc., W. Orange, N.J. drug firm, a subsidiary of the Dutch AKZO NV group mentioned above, buys Aerojet Medical & Biological Systems, a chemical and instrument maker of El Monte, Calif. for an undisclosed price. AM&BS was a division of Aerojet-General Corp., a unit of Akron, Ohio's General Tire & Rubber Co.

Shell Oil Co., Houston-based subsidiary of the Dutch-UK-owned Royal Dutch Shell Group, the largest company outside of the U.S., buys National Oil Co. of Los Angeles, independent producer operating in Kern County, Calif., for an exchange of stock.

Raem United States, a unit of LaBelgigue Industrielle of Liege, Belgium, an industrial conglomerate, agrees to buy up to 75% control of Mediquip Inc. a Maryland health care equipment manufacturer, in a complicated deal involving cash, notes and securities.

An international sporting goods and leisure market conglomerate, owned jointly by the Italian Franchi Corp. and NU.A., a European investment company, buys Stoeger Industries of S. Hackensack, N.J., a sporting arms manufacturer, for an undisclosed sum.

Real Estate

Tokyu Land Development Co., US unit of Tokyo's *Tokyu Fudosan KK*, owner-operator of an Asian hotel chain, buys a $3.3 million 5-acre parcel on Los Angeles' Wilshire Blvd. planning a 500-room hotel there.

American Towa Corp., Hawaiian unit of Tokyo's *Towa Real Estate Development Co.*, opens a 124-lot luxury housing subdivision called Lanikowa on the island of Oahu.

Mitsui & Co., Japan's second largest trading company with 1973 sales of $15 billion, pays $2.5 million for a 340-acre undeveloped parcel bordering Orlando, Florida's Disneyworld, despite the local zoning board's refusal to re-zone the site for commercial use.

Olympic Tower, the 52-story skyscraper rising on NYC's Fifth Ave., jointly owned by Greek tycoon *Aristotle Onassis* and the US's *Arlen Realty*, for unexplained reason sees only foreign corporations buying up the sky-high-cost apts. ($175,000–$800,000). The Tower is the first condominium in NYC to combine office, retail and residential uses in a single building.

ETA & Co. KG, a Cologne, W. German publicly-held realty investment firm, builds a 30-story apt. building on NYC's 48th St. near the United Nations Center and will give renting preference to UN personnel when completed in 1976.

Two unidentified W. German realty investment groups buy property on NY's Long Island. One concern, reportedly among that country's largest commercial property investors, buys *Nassau Mall*, a shopping center on the North Shore for $14 million. The other undisclosed group buys an office building in Centereach LI. The deals were handled by *Sutton & Towne Land Corp.* of Great Neck, NY.

Karl H. Mueller Industrial Development Corps., Dusseldorf, W. Germany, buys a 14-acre industrial zoned tract near Miami, Fla. for $280,000.

Rumors Department

Toyota, Japan's third largest manufacturer and No. 2 automaker, scouts the East Coast for a plant site to build truck beds. The company also makes a long-range survey of various locations across the US that would be suitable for a car assembly factory.

The Pahlavi Foundation, the Shah of Iran's personal investment vehicle which is building a 34-story office tower of NYC's Fifth Ave., considers other US investments. Among takeovers mulled: a US electronic systems engineering company; and an automotive component maker as a supplier for Iran's emergent auto industry.

Britain's Bass Charrington Ltd., the UK's biggest brewer and owner of the French wine exporter firm, Alexis Lichine, plans to increase US wine market penetration by buying a California vineyard.

Tokyo Steel Mfg. Co. negotiates with an un-named American electric furnace firm to set up steel billet production somewhere in the US. If the deal is finalized, it will be the fourth Japanese mill within the US. Other facilities involving the Japanese are being built in Portland, Oreg.; Etiwanda, Calif.; and Auburn, N.Y.

OREGON GOVERNOR McCALL IS OPTIMISTIC ABOUT THE FUTURE OF HUMANKIND

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. BROWN of California. Mr. Speaker, I recently read the text of an address by Oregon Gov. Tom McCall on the future prospects of humankind. In it Governor McCall declares himself an optimist, and after considering his views I believe that label is appropriate. I believe his remarks are relevant to the deliberations of this Congress and highly recommend them to my colleagues.

The address, the text of which I will insert in the RECORD in a few moments, was delivered before a summer lecture series at the University of California at Los Angeles on June 26, 1974. The lecture series is called "Earth 2020: Visions for Our Children's Children" and is free to the public.

The text of Governor McCall's address follows:

EARTH 2020: VISIONS FOR OUR CHILDREN'S CHILDREN—ONE MORE STEP TO THE STYX

(By Gov. Tom McCall)

The title of my address—"One More Step to the Styx"—seems to come from the gloom-and-doom school. It seems to imply that unless we change our ways we'll soon be through the gates of perdition, stumbling through the fire, tripping over the brimstone.

In a less literal sense, that's the thought I intend to convey. I'm not insisting that we're one step away from the end of the world ... that man's survival is truly in imminent jeopardy. Man is too innovative and creative to preside over his own funeral. We'll find a way to survive as a species, but I'm concerned about the quality of life that will be attached to survival.

Toynbee and Heilbroner suggest that life's quality will be adversely affected by shortages of raw materials—materials accessible but withheld or overpriced, and materials that will be so scarce they might as well be nonexistent. They contend that those shortages will cause the industrial nations to accept authoritarian government as being the most capable of dealing immediately with crisis in whatever way it sees fit.

West German Chancellor Helmut Schmidt theorizes that industrialized nations, confronted with intolerable adaptation and reorganization problems when their economies are threatened, will strongly contemplate the use of force to overcome or prevent serious economic disruption.

Ben Bagdikian has said: "When people despair and become frightened, they do not have to be shackled. They willingly relinquish their freedom for a promise of security, not in one great surrender of hope and liberty, but little by little each day, as they become more helpless, more powerless, and more fearful."

In the chase for unreasonable profit, sound land use theories are trampled, making some of us wonder if we might someday awaken to find we don't want to live here anymore.

We see so many things manufactured for one-time use that we might eventually find ourselves competing with rats at the landfills for materials basic to economic survival.

We waste natural gas, not knowing that a shortage of a principal product—nitrogen fertilizer—has increased the possibility of a worldwide food shortage.

We're told that to satisfy just 17 percent of the United States' demand for electricity, we'll have to construct more than 100 additional nuclear plants by 1980 and 30 in each year thereafter—and yet we haven't devised totally safe storage for harmful wastes.

To my knowledge, no nation has an energy policy based on anything other than the acquisition of more energy to create growth rates that are not sustainable in the long haul. It's my belief that most present-day governments have an almost unlimited unwillingness to begin to address tomorrow's grave problems in other than the most unrealistic ways.

Confronted by government malfeasance, and nagged by predictions of war, totalitarianism and starvation, it's perhaps only natural that I might cast myself among the doomsayers.

But that's not where I belong, or where

I reside. I belong with the cheery optimists who believe that man, noted for hitting what he aims at, can be persuaded to elevate his sights. Echoing Toynbee's chilling thought—that the price of unlimited growth may be the loss of liberty—is part of the persuasion. Whether we agree with Toynbee's assessment is immaterial . . . but we do need to recognize it as a possibility. We need to talk about the unthinkable—that we just might create decades of disorder by putting too great a strain on the natural world.

We have thousands of experts with suggestions on how to create a manageable system, but the multitudes have not been shaken enough to accept the idea that there have to be some changes around here.

I had hoped that the shock of the energy crisis would implant forever in our minds the truth that humanity has begun to exceed the earth's ability to provide. But once the gasoline supply situation eased many Americans resumed their habits of flying down the freeways—wasting oil by wasting gasoline.

Part of our persuasion of Americans to restrain themselves is to say that oil is a finite resource, and someday there won't be any more. But that's hardly sufficient. We have oil now, don't we? And by the time it's gone, we'll have figured something to take its place. We always have, haven't we?

Our persuasion must be more definitive. Last year when I ordered the termination of display lighting in Oregon because of a future potential for blackouts, we told the big story by telling small ones.

We pointed to one outdoor sign that used as much electricity in a year as did 3,000 homes. We figured out that the juice going into outdoor advertising was sufficient to support 10,000 jobs—and that fact brought some union men to make some rather broad hints to businesses not complying with the order.

Predictions of what might happen if we don't change our ways are running out our ears. But there also are plenty of facts to go around, and the arguments that seems to have the most widespread impact are those that relate why there are gaping holes in our bank accounts.

In my state, a private power company has had to build two oil-fired generating plants to help to meet the public's peak demands for electricity. The price of oil bought to run the plants is staggering. The price of each kilowatt hour of electricity generated from those plants will be at least eight times the price of a hydroelectric kilowatt hour.

Unless we retrain our demand, rate increase will be piled upon rate increase. People already resent paying more in order to live no better than before. And they came to government with their resentment, and we have an alternatve to offer: Reduce your use of electricity.

The rates in my state are relatively modest though, even now. In New York, homeowners are confronted with electricity bills of $200 and $300 a month—and even then, Consolidated Edison has had to forego a stockholder dividend and has had to obtain financial relief from the state.

Anguish is expressed in all the states. Some people suggest nationalizing the utilities, re-examining the rate structures, cutting down on the salaries paid to utility executives. These are worthy of discussion, but they don't come close to the roots of the problems.

The oil companies, the Federal government, and the American Electric Power System aren't adding much to public understanding.

The oil companies advertise on television that it sure costs a lot to get oil these days, but they say they are getting it for us—which is a public relations way of saying that the price will be high, but we'll still have all the oil and gas we want. And, of course, that's the principal reason that the price is so high.

The Federal government has no national energy policy, and just last November the President was telling the Seafarers' Union that America's use of 30 percent of the world's energy "isn't bad." He said, "that is good. That means we are the richest, strongest people in the world."

Meanwhile, farmers in India waited five days to fill 5-gallon gasoline cans to fuel their water pumps.

The president of the Mobil Oil Company said in April: ". . . the average consumer in this growing economy will continue to need more energy tomorrow that he does today."

The statement is untrue. The average consumer doesn't need more, and he needs to use less. The average consumer may *want* more, but he shouldn't expect to have it in this generation and probably not in the next.

The American Electric Power System—trying to drum up support for digging more coal—advertised in March that generating less energy will "generate galloping unemployment." Federal Energy Administrator John Sawhill promptly rebuked the president of the Power System for inferring that slowing the growth of energy demand will harm economic vitality.

Sawhill wrote: "Evidence abounds that economic energy conservation measures can enable the U.S. to dramatically lower its energy demand growth with minor changes in lifestyle—some positive and some negative. It is also clear that such measures will spur a very important amount of domestic economic activity," including, he said, the tens of billions of dollars that should be spent refitting buildings to improve thermal insulation.

Sawhill continued: "I don't believe it's necessary or proper to mislead Americans in order to have their support for the needed expansion of coal production and use."

The need for reality education is, as you can see, abundant in high as well as in low places. The gods of growth continue to feed on the sacrificial lamb. They continue to spout their homily that "In every crisis there is opportunity to make a fast buck."

We used to believe that we could catch up with inflation by increasing productivity. It is no longer a universal truth. The energy required has become so costly that increasing production served to *fuel* the inflation spiral.

In some energy-getting projects we are nearing the point where we will expend more resources to acquire energy than the new source will repay.

Coal gasification and extraction of oil from shale ought to be viewed as total systems requiring complex technologies, transcontinental delivery systems, massive water supply, significant expansion of communities and more social services. When viewed in the context of the energy required to get the new energy, we may well find we will suffer a net loss.

We don't know for sure. Perhaps no one knows as a certainty whether digging deeper, or hunting farther, or extracting gas from coal and oil from shale and electricity from uranium requires more energy than will be produced. But we have the mental capacity to find out, and we should—and with absolute certainty.

Everything which uses energy will cost more and more as net energy declines. This is the principal force driving world inflation.

The more successful the United States is in maintaining or increasing its total energy consumption, under conditions of declining net energy, the more rapidly inflation, unemployment and general economic instability will increase. The disruptive effects are seen finally in their true lights: The energy crisis has become an economic crisis, an environmental crisis, a political crisis, and a social crisis.

Attaching the noun "crisis" to those various adjectives is a bit of doom-saying because we really are at least one step from the Styx.

Amory Lovins told the Stockholm environmental conference: "How many people can continue to live on the earth for how long and with what wealth depends on the ingenuity and wisdom with which man uses energy. Yet on a planet that is round and therefore finite, energy conversion must eventually encounter some geophysical outer limit; and even sooner," he said, "it may be constrained by lack of resources, by biological side-effects, by technical problems, or by social, political, and economic pressures."

Let's find examples of the constraints mentioned by Lovins:

1. Lack of resources: When we can't find any more oil, or can't buy it at any price, what then?

2. Biological side-effects: A thousand species of plant and animal life—existing now because they have an important place in the ecological chain—are in danger of slipping from sight, forever, because of man's depredations, including the production of energy.

3. Technical problems: Nuclear fusion continues to elude us, and we're not even sure it will be a net producer of energy.

4. Social pressures: Who wants a coal mine for a neighbor?

5. Political pressures: If the price of oil is the destruction of Israel, will we pay it?

6. Economic pressures: The oil companies say they need to make a capital investment of one trillion, three hundred billion dollars by 1985 to fuel the needs of Western industrial nations. Are we really going to saddle the Joe Consumer of the future with that debt when many of our reasons for doing it are wrong?

I have dwelt on this matter because how we acquire, use, and re-use or dissipate energy is the foundation of all styles of life. The United States created money by swift development of resources through industrialization and mechanization made possible by the consumption of great amounts of energy. Our standard of living—as defined by us—became the highest in the world.

But in our rush to riches we should take a gander at the precipice ahead. Using up the finite resources of this country and others only to make money for now is to shoplift from the future.

One economist has mathematically determined that the energy consumed by tractors operated on United States farms is about equal to the energy value of the food crops we consume. We need to ask ourselves whether it might not be sound to consider substituting human labor for some of the work done by the tractors.

We also should consider whether using manure to enrich the land is economically and environmentally more suitable than using natural gas to manufacture nitrogen.

It is possible that using human labor to spread manure is a better course than using tractors to spread a manufactured fertilizer? It breaks with tradition to think so. But it has been said—and I borrow this from one who can't remember where he first heard it—the most progressive step sometimes is the one that is taken backward.

We are more likely to increase our standard of living in the future by using less energy, not more. We will have to use less energy and make better use of raw materials, in fact, simply to maintain our present standard of living.

We have always thought that we could get the raw materials we need. Because we are rich, it has seemed possible to send dollars into the international competition for whatever it was that we needed.

But there is cause for considerable concern, because other nations are placing ever-higher values on their resources. By 1985 we probably will be dependent upon imports for more than half of our supplies of nine of 13 basic industrial raw materials, including iron ore, bauxite and tin. And just recently the price of bauxite was elevated something like 400 percent.

It would be self-serving to complain about the effort of a nation to protect its future by protecting its resources from willy-nilly exploitation. And let's not assume that this is a concept dreamed up by other governments to sandbag the United States.

A few months ago the Western Governors' Conference agreed upon a regional energy policy. Included in it was the idea that states with exportable, non-renewable energy resources ought to be granted special compensation to help them maintain economic health once their resources are depleted.

Montana lives on copper and coal and other resources taken from there and used in great measure to create wealth elsewhere. Consequently, Governor Thomas Judge recommended and the Legislature created a Resource Indemnity Fund, a tax on all nonrenewable resources extracted from Montana's good earth—coal, oil, metals and gas. This money will be invested and the interest income will be available to help the state resolve immediate problems of many kinds.

The principal will be set aside to be utilized when the taxed resources are ultimately depleted. Then the fund will be applied to correct environmental damage, provide recreational areas, and establish new opportunities for people to continue to live and work in Montana.

This kind of action needs wider application. If every state and nation were doing it, we might find that it leads to more efficient use of materials. It might create the needed incentive for replacing our open-ended organic and inorganic material flow with recycling processes, reducing the increasingly large amounts of energy needed to locate, concentrate, and process raw materials.

We also must slow the depletion of exhaustible energy reserves to give ourselves the time we need to develop inexhaustible sources of energy. Our present course must be reversed, for it must lead eventually to worldwide bankruptcy.

There are countless ways to get off the consumption trip, and many of them will be related by the distinguished lecturers following in this series. We could, for instance, double the durability of goods. We could replace a great deal of transportation with improved communications networks. We could voluntarily conserve. We could mandate greater efficiency by laws such as Oregon's bottle bill, which saves energy by requiring re-use and recycling of products.

The Oak Ridge National Laboratory recently developed a scenario that reduces transportation energy by 50 percent with no reduction in total travel.

Effecting the changes required to prevent a breakdown of our governmental, environmental, economic and social systems may not be popular, especially since many people don't even agree that fundamental change is needed. But I think that if we can create the processes through which change can be made, they will be willing and able to persuade themselves.

Land use planning is one such process. Land use and energy policies are inseparable. Through land use planning we can make rational decisions, for example, about whether we want to use land and water for energy development or for human recreation, wilderness preserves, or for competing industrial, agricultural and residential siting.

The people themselves, not just planners and governments, must confront the question of whether they want to trade a playground for more energy, or a factory. They can decide whether to hold the rush to suburbia in an effort to restore the inner city, conserve land, and reduce energy consumption.

But they cannot be expected to make wise decisions if government does not create the processes through which people can determine what's best for their communities. And we need government machinery for implementing those decisions.

The state government's are coming along, but the Federal government doesn't seem to act until its house is burning down. Many of us have asked again and again for a national energy policy. Energy production, environmental protection, transportation, economic growth, recreation, agriculture and all the other things that are part of our lives are inseparable. A decision affecting one affects all.

We need a national land use policy. And yet after 1,300 days of hearings and study and arguments in both chambers of Congress, the House refused a few weeks ago to even debate the issue.

That's not the kind of government that can make reality of the vision we have of our children's future. We must not balk at the change to find ways of living within nature's limits. This is the time for the government to bring the public along, and for the public to bring government around.

Oregon's new statewide land use planning law grew out of the idea that government had to offer a mechanism through which people could make decisions and see them acted upon. We have not taken over the field—90 percent of the planning decisions will remain at the local level.

We recognize that no one set of standards will do for all. Aspirations vary. Different kinds of natural constraints exist. People will choose diverging paths to reach their goals. But we do have to have a process through which we can discover whether our decisions are truly wise.

Building a new highway means taking up land that might better have been used for other purposes, if we had just stopped to think about it. Yielding more land to strip mines might not be necessary if we weren't so profligate in our use of energy.

A Bureau of Reclamation official in Colorado recently predicted that it someday will be economically feasible to transfer water from the mouth of the Columbia River to the Southwest. I think it would be an outrageous waste of money and land to build that aqueduct simply because people won't accept the idea that there are limits to growth.

In designing their future, people must take care not to adopt a system that creates unmanageable problems. Attracting more people to an already impacted area is foolishness. Low levels of livability slide inevitably lower.

It is possible to design a system of life that eventually will blow up on you. The prevailing theory of ecologists is that desert formations accelerated by Sumerians, Greeks, Romans and other ancient civilizations contributed to their decline as they became vulnerable to disease, famine, drought and invading armies when the land could no longer support them.

Our present system of environmental mismanagement is taking the same course—we are using up finite reserves in such a way that we are burdening the ecological system, heightening political anxieties, and eroding social and economic systems of life.

We need new and better designs that have sufficient flexibility to allow us to alter the trajectory of development when undersirable conditions arise. We need designs that will help us identify and avoid future alternatives that are economically, ecologically, technically or socially irreversible.

Most of us have made the assumption that there always has been rapid growth and we have to have more of the same. It isn't necessarily true.

We do have to have growth to keep pace with a still-expanding population. And we need to use more of our land and resources—with wisdom—to help the needy rise out of poverty.

But it is neither an increasing population nor the poor that is responsible for bringing us closer to environmental poverty. It is our appetite for a second home and a second Cadillac. It is our no-deposit, no-return ways of waste.

There has been a real burst of growth only in the last two centuries, and it was made possible only by the use of special energy supplies accumulated over long periods of geologic time. Without an abundance of energy, an abundance of economic growth is not possible.

Abundance may be just around the corner, some authorities tell us. The administrator of the Bonneville Power Administration said in April:

"Beyond the year 2000, as (nuclear) fusion plants displace coal-fired power plants, conventional nuclear power plants and breeder reactors, the by-product production of carbon dioxide and particulates, and of weapons-grade nuclear materials and radioactive wastes, will be phased out. The 21st Century should see the ushering in of an era in which the energy crisis will cease to be a crisis—forever." And if the energy doesn't come from fusion we might get it from the sun.

But even if we could, there are *still* constraints on a system of economic growth that is so dependent upon the consumption of nonrenewable resources, including a finite supply of land.

So it is logical to think again about what John Stuart Mill termed "the steady state." Something of this order is suggested in the previously quoted remark of Amory Lovins: "How many people can continue to live on the earth for how long and with what wealth depends on the ingenuity and wisdom with which man uses energy."

Herman Daly of Louisiana State University defines the steady state as an economy in which the total population and the total stock of physical wealth are maintained constant at some desired levels by a minimal rate of maintenance—by birth and death rates that are equal at the lowest feasible level. You would put nonrenewable resources into the economy only as fast as they are required to replace what a stable population consumes or loses.

Daly doesn't suggest what the levels of population and physical wealth should be. Each generation or each two generations or whatever number could make that determination based on what a quality life is perceived to be. And the people could change the levels downward, or authorize growth so as to climb to another steady state.

Howard Odum of the University of Florida offers this rationale for trying to achieve the steady state:

"In growth, emphasis is on competition, and large differences in economic and energetic welfare develop: competitive exclusion, instability, poverty, and unequal wealth are characteristic. During steady state, competition is controlled and eliminated, being replaced with regulatory systems, high division and diversity of labor, uniform energy distributions, little change, and growth only for replacement purposes.

"Love of stable system quality replaces love of net gain." We are not going to leap right into a steady state. It is anathema to a nation whose textbooks make heroes of the empire builders. Perhaps it is not the answer: probably if we slow down enough now, future generations will find a better one.

The people of America aren't irrational. They can understand and act on the concept

that the earth is their spaceship. They can recognize that as the only organism on earth capable of thinking, they have a responsibility to all the other people and parts of our world.

Perhaps our leaders have aimed too low, and at the wrong goals. Perhaps there hasn't been enough integrity, vision and truth-saying to convince us of the folly of eating up tomorrow.

We have treated our world with cavalier abandon. But it has always been Tom's First Rule of Thumb that we have a greater capacity to love than to destroy. And because we are in love with the world, we will not be able to resist the temptation to try to make it better.

THE PAPERWORK JUNGLE: BUREAUCRACY HARASSES SMALL BUSINESSMAN

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. ASHBROOK. Mr. Speaker, one of the greatest problems of the businessman, often misunderstood, is the incessant barrage of conflicting and sometimes impossible regulations emanating from Federal bureaucracies. The public witnesses the Congress enacting legislation with high sounding titles and purposes. We hear about occupational safety and health laws, equal employment opportunity laws, environmental protection laws, consumer protection laws, and so forth, and rarely does the average American realize the waste, cost, and problems which often result from the implementation of legislation with even the highest of motivation. These burdens fall even harder on the small businessman who is not armed with a staff to handle the paperwork blizzard.

I could give you dozens of examples of bureaucratic regulations which are just short of sheer stupidity. Too often, low level bureaucrats make important decisions which impede progress, jeopardize jobs and add costs which ultimately must be paid by the American consumer. Let me give you one example of a bureaucratic monstrosity which recently crossed my desk. Company X in the 17th District is a small contracting firm employing 121 workers. A part of the gauntlet they have to run in carrying out their business is compliance with Equal Employment Oportunity Commission—EEOC—regulations. How these regulations have multiplied in themselves is an interesting example of bureaucracy at its worst.

The company has received a periodic approval from bureaucratic officials which indicates that it is in overall compliance with the law—that is, they have hired the necessary number of minority employees as determined by bureaucracy and their hiring program is such that minority employees have been recruited in adequate numbers for new positions which are available in the firm. This is not enough for redtape experts, however.

No matter how small the job, somehow or other poor management must arrange to have a proper number of minority employees on the job and, even worse, in all categories of work. This might not sound difficult but stop and consider the problem as evidenced in this one particular case.

Company X does subcontracting for large contractors. One small job required 5 days of work. The employer files his necessary manpower reports and shows the following breakdown:

Supervisory—78 hours total work, 46 percent by minority employees;

Cement masons—107 hours total work, 31 percent by minority employees;

Laborers—234 hours total work, 28 percent by minority employees;

Teamsters—39 hours total work, 0 percent by minority employees.

Did company X comply with the law? You should see the paperwork that emanated from this job. Company X receives repeated requests from the Government to show reasons for the deficiency in the teamster category and to outline corrective action plans which will be taken to rectify these supposed deficiencies. Company X writes back repeatedly with the simple explanation—we only needed one truck and had only one truck driver. He happened to be white so obviously there was zero percent minority. On other jobs the truck driver might be black and you would have 100 percent minority in this category.

Government bureaucrats barrage company X with the charge that it is not in compliance with the law. They withhold its payment on the contract and demand that it take corrective action to prevent this from happening.

Now you figure out how you can have a required percent minority man-hours in a category when only one person is involved? Would you say that company X is in general compliance with the law? When 46 percent of the supervisory help are in a minority category when only 10 percent is really necessary. Thirty-one percent of the cement masons are in the minority category when 10 percent would be adequate. Twenty-eight percent laborers—less than those in the supervisory capacity—and far more than what is needed. Does this sound like a reasonable law with a reasonable application of the regulations? Now you see what I mean and what the small businessman faces.

I immediately took this travesty to the Secretary of Labor who was very sympathetic. Peter Brennan himself was a construction worker before he became the head of his union and later the Secretary of Labor.

It is not enough to merely complain or to say "I saw this coming and voted against this bad law." It is on the books even without my vote. Suggestions must be offered to rectify the law. My basic suggestion to help the small businessman was that company X not be required to have compliance in every job but only in their overall company hiring policies. Think of the difficult daily problems when management dispatches men in the various categories to several different jobs on different sites with a small 121-member labor force. It is a gigantic balancing act to try to make sure that each job is in compliance. This is absolutely ridiculous. If they are in overall compliance in the company, it should satisfy EEOC regulations.

The other element that operates to the detriment of small business is the fact that company X on many jobs must file as many as five forms giving the same information to different agencies. For example, if company X is working in one of the major Ohio airports, it would be required to file compliance forms with first, FAA; second, the city of Cleveland; third, a hometown plan, fourth an EPA plan, and fifth, a State of Ohio plan. All these forms give the same basic information. Unified forms can be a help in this redtape morass.

I also made a third recommendation to the Secretary of Labor. This matter of compliance or noncompliance is too important a decision to be left to low-level bureaucrats who in many cases do not have adequate competence in their field. That one low-level bureaucrat can arbitrarily withhold the payment of millions of dollars or, in the case of company X, its payment for a 5-day job, is wrong. All decisions of this type should be made at higher levels where competence and fairness can be assured.

Above all, I recommended to the Secretary of Labor that basic overall procedures be established which are understandable and can be fairly applied. Most of bureaucratic regulations of this type are fluid and depend on the person applying them, the area and locality.

This is only one of the many areas that I could cite which illustrate the difficulties of the small businessman harassed by his government.

I have been a foe of bureaucracy during my years in Congress and the more I see the more I realize that compliance orders, controls, regulations and redtape are strangling many businesses, large and small, with the result that the consumer pays, the laboring man has fewer rather than greater opportunities for employment and American productivity is being stifled. A serious charge you say. Not nearly as serious as the situation confronting the average businessman. Just ask him if you have any doubts.

TAX REFORM: THE BATTLEGROUND OF THE MOVEMENT OF THE SEVENTIES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. STOKES. Mr. Speaker, I would like to draw the attention of my colleagues to a recent speech made to the NAACP Convention in New Orleans, La., by my good friend and colleague, Congressman WALTER E. FAUNTROY. Congressman FAUNTROY, who is a Delegate to the House of Representatives from the District of Columbia, is also the secretary of the Congressional Black Caucus, and has been a longtime civil rights activist and close associate of the late Dr. Martin Luther King, Jr.

I fully agree with my distinguished colleague that "tax reform is the next battleground for the civil rights movement of the seventies," and I commend his speech to my fellow colleagues and citizens:

TAX REFORM: THE BATTLEGROUND OF THE MOVEMENT OF THE SEVENTIES

(By the Honorable WALTER E. FAUNTROY, Delegate, Washington, D.C.)

The noted actor-producer, Ossie Davis, in an outstanding speech at the first Congressional Black Caucus Dinner in 1971, coined a phrase that has profound significance for our continuing struggle for freedom and human dignity today. Said he:

"It's not the man, it's the plan;
It's not the rap, it's the map."

Lamenting the tragedy of the deaths of men like Medgar Evers, Martin Luther King, Jr. and Malcolm X and warning of the likelihood that still more brilliant leaders will fall before victory is won, Ossie Davis then called upon black leadership to:

"Give us a plan of action . . . a '10 Black Commandments; simple, strong, that we can carry in our hearts, and in our memories no matter where we are and reach out and touch and feel the reassurance that there is behind everything we do a simple, moral, intelligent plan that must be fulfilled in the course of time even if all our leaders, one by one fall in battle, somebody will rise and say 'Brother! our leader died while we were on page 3 of a plan. Now that the funeral is over, let us proceed on to page 4.'"

I come tonight to talk about such a plan. I come to talk about changing a system of taxation that robs the masses of working Americans, black and white together, of the resources to solve this nation's basic domestic problems that just happen to be reflected in the black experience: Unemployment, inadequate housing and health care, poor publice schools and other pressing social ills. I come to offer a plan for changing that tax system and meeting those human needs. It is a plan to coordinate and concentrate the potential of the black vote across this nation to end the domination in national politics of a historic coalition of Southern Democrats and conservative Republicans. That infamous coalition has developed and maintained a system of gaping tax loopholes for the wealthy few at the expense of the unmonied many; $77 billion worth of loopholes, which, if closed, would enable our nation to find solutions to its basic domestic problems.

It is a plan to mobilize the power of the black vote to forge new coalitions with white voters on mutual respect and cooperation: *Respect*, because of the power of the black vote in key Congressional Districts and States across the nation; and *Cooperation*, because of the recognition of basic commonality of interests on a range of economic issues that blacks share with the masses of white wage earners and small businessmen in this country.

Now I know there are those of you saying: "there they go talking that coalition politics stuff again." Before you tune out on the plan, however, let me remind you there was a time, a little over 100 years ago, when black voters in America were an indispensable part of a voting block that threatened to drive the perpetrators of social and economic injustice from the command posts of power in the South.

Let us recall the facts of history for a moment, and I think you'll understand what I mean. The noted historian C. Vann Woodward, in his book *The Strange Career of Jim Crow*, clearly points out that the segregation laws of the South were not the outgrowth of natural enmity between the races stemming from the Civil War but, rather, the result of the shrewd manipulation of race prejudice by emerging bourbon interests to keep southern labor divided and the cheapest in the land. You see, it was a simple matter for the emerging "bourbon" interests in the South to keep the poor white masses working for near starvation wages in the years following the civil war. If the poor white laborer complained about his low wages, the plantation or mill owner would merely threaten to fire him and hire a former black slave whom he'd pay even less. This strategem assured low wages everywhere in the South and that southern labor would remain the cheapest in the land.

During reconstruction, however, something very significant began to happen. Both the poor white masses and the blacks were awakened to the fact that they had a commonality of interests, that they were being fleeced by big business and the monied special interests. Black and white together, they joined to form a voting block that threatened to drive the money interests from the command posts of power in the South. Marching on ballot boxes, black and white together, they sent the fourteen black Congressmen to the U.S. House of Representatives from such states as South Carolina, Georgia, Mississippi, Florida and Alabama. Marching on ballot boxes, black and white together, they sent six black men to the U.S. Senate, two from the State of Mississippi.

"Something has to be done," thought the monied interests of that day. The Presidential election of 1876 gave them their opportunity. You will recall that the Presidential election that year was so close that it had to be decided by the House of Representatives. Rutherford B. Hayes, the Republican candidate for President, made a deal with southern members of the House in order to become President. In return for their decisive votes, he would withdraw the Federal troops who for eleven years had protected the voting rights of the newly freed black men. And that did it. That killed the incipient Populist Movement.

The Klu Klux Klan went wild beating and maiming and murdering blacks to drive them from the ballot box. Southern politicians fashioned segregation laws that made it a crime against society for blacks and whites to come together publicly as equals.

If it may be said of the slavery era that the white man took the world and gave the Negro Jesus, then it may be said of the Reconstruction Era that the southern aristocracy took the world and gave the poor white man "JIM CROW." He gave him Jim Crow, and when his wrinkled stomach cried out for the food that his low wages could not buy him, he ate "Jim Crow", a psychological food that filled him with the knowledge that no matter how bad off he was, at least he was a white man. He gave him Jim Crow, and when his under-nourished children cried for the necessities his empty pockets could not provide, he showed them the Jim Crow signs on the busses and in the stores, on the streets and in the public buildings; and his children too learned to feed upon Jim Crow, their last output to psychological oblivion.

Thus, while the Klu Klux Klan went about its bloody work, the monied special interests *laughed all the way to the bank* with the money the masses of workers, black and white, deserved but would now never receive.

The infamous coalition of southern Democrats and conservative Republicans which was responsible for that strategem is still with us today. It is the coalition that has dominated the national politics of this century and developed a system of taxation that has the very rich of today laughing all the way to the bank with what Joseph Pechman and Benjamin Okner[1] estimate to be $77 billion dollars a year that slip from the public coffers through gaping tax loopholes.

TAX LOOPHOLES: A BARRIER TO SOCIO-ECONOMIC SOLUTIONS

Until we close those loopholes, we will not be able to solve the nagging problems of unemployment, inadequate housing, poor schools and a host of other ills that plague the American people. Dr. Martin Luther King, Jr. used to say that the human rights programs that we must launch to fulfill the rights of black and poor Americans, unlike the civil rights programs of the sixties, will require *money* to implement, lots of money. How right he was! It will take money to put our five million unemployed to work, about 10 billion dollars a year according to studies done for the Brookings Institution. It will take money to house America's low and moderate income families, $2 billion of more than we are now spending on housing subsidy by a modest estimate of the National Urban Coalition in its *Counterbudget*.

It will take money to provide quality education to all of the 50 million children in our elementary and secondary schools, $3 billion more from the federal treasury than we are now spending according to the National Urban Coalition in its blue-print for changing national priorities. It will take money to provide all of our young people access to higher education, $3 billion more than we are now spending according to the American Council on Education. It will take money to provide America with a comprehensive national health insurance system, train the necessary health manpower and conduct much needed disease research, $10 to $15 billion more than we are spending today according to Dr. Alice M. Rivlin, Economist and co-author of the book "Setting National Priorities," published yearly by the Brookings Institution.

The average American tax-payer, particularly the middle class and the poor, already carries far more than his share of the cost of running our country. It is little wonder then that he is not willing to have his taxes raised in order to fund these desperately needed social programs. If the money to attack the basic problems of this country that are reflected so acutely in the black experience is ever to be raised, it must come through extensive tax reform. That tax reform will not come about until the unmonied many, black and white together, are awakened to the fact that we are being fleeced by the wealthy few and unite as we did 100 years ago to march on ballot boxes and drive the monied special interests from the command posts of power.

Phillip M. Stern in a revealing book, *The Rape of the Taxpayer*, has pungently illustrated what Pechman and Okner carefully documented: that rich individuals and multi-national corporations are given an enormous free ride in this country, a welfare check that adds up to $77 billion a year. Let me give you an example. A 1969 tax study by the U.S. Treasury Department reports that Ralph Senters, a typical laborer in this country making $7,371.00 a year, must pay $1,131.00 of it or 16% of his income in federal income taxes. This, while an oil rich millionaire who earns $1.3 million dollars a year can get away with paying nothing in federal taxes.

Until we change such a system, we will never be able to develop the federal resources to attack the basic problems confronting us in this nation that just happen to be reflected most actively in the black experience. Let's take a closer look at this system which has the bourbon interests of our day laughing all the way to the bank.

The 16th Amendment to the Constitution back in 1913 authorized the first U.S. income tax and empowered Congress to tax "incomes from whatever source derived." The monied special interests of our day laugh all the way to the bank because they have been successful in getting Congress to develop

[1] Joseph A. Pechman and Benjamin A. Okner "Individual Income Tax Erosion by Income Classes," In the *Economics of Federal Subsidy Programs*.

an Internal Revenue Code which exempts certain kinds of income from taxation. If you earn your income from the sweat of your brow like Ralph Senters and virtually all voters in America, you are taxed on that income. But if you earn your money in oil, real estate ventures, the stock market or interest on state and local bonds, substantial portions of your income are exempt from taxes.

The result is that over 3,000 millionaires in this country last year with earnings of more than one million dollars were told that they didn't have to pay $720,000 to Uncle Sam that they would have had to pay if their income were taxed like that of 99% of the American people. That amounts to a public welfare check to those millionaires of $14,000 a day on every million they earn.

To see how such loopholes in the tax system can build up to an aggregate loss of $77 billion a year in lost tax revenue, let us look at a few U.S. Treasury Department documented cases to see how, first, rich individuals and then, major corporations get by with paying *nothing* in taxes. There's the oil man who made $1,313,811 a year but paid *nothing* in taxes last year because he combined his oil depletion allowance with tax deductible drilling allowances. Another oil man who made $26 million in 1960 paid *nothing* in taxes using the loopholes available to him. A real estate man who earned a $1.4 million last year in land transactions escaped through the capital gains loophole to pay nothing in taxes. Don't you know if the Archie Bunkers of this country who, like Ralph Senters, pay 16% of their $7,000 to $15,000 salaries to Uncle Sam understood the game that's being run on them, they'd soon recognize that busing is not the major issue confronting us in this country.

But wait till you see what the major corporations get away with every year, according to the U.S. Treasury Department:

	Profit	Taxes
Alcoa Aluminum	$59,199,000	0
United States Steel	109,491,000	0
Bethlehem Steel	122,071,000	0
McDonell Douglas Aircraft	144,613,000	0

And when you look at the percentage of their income that the multinational oil companies pay in taxes and compare it to Ralph Senters' and our own 16% tax payments, it's enough to make you want to regurgitate.

	Profit	Taxes (percent)
ITT	[1] $413,858,000	5.0
Standard Oil of California	855,692,000	1.6
Texaco	1,319,468,000	2.3
Gulf Oil	1,324,914,000	2.3

[1] 70 percent bracket.

Oh, I wish I had the time to outline for you the incredible loopholes that have been created to allow this one percent of the people to get away with $77 billion a year of our tax money: The foreign investment tax shelters with their one-room subsidiary offices in corporate tax-free little nations around the world; the foreign tax credit sham; the domestic international sales corporations or DISC law; the American-owned foreign-chartered shipping ventures that make billionaires of citizens who pay *no taxes* to *any* country *anywhere* in the world.

Suffice it to say that it is not right that the wealthy few should walk off with $77 billion in Federal funds a year while the unmonied many bear the brunt of financing an annual Federal budget of $230 billion. It's not right. Not when the noted Brookings Institution economist Alice Rivlin suggests that with a net increase of $35 billion a year we could house the low income families of our nation; fund a health manpower, health research and health insurance system in our nation that would meet the needs of all our poor and elderly citizens; create jobs for our 5 million unemployed and train less skilled people to fill them; and above all increase substantially our spending for the public education of those in need at every level from pre-school through college. This system is not right and it must be changed.

MASTERING THE ARITHMETIC OF POWER POLITICS: A FORMULA FOR ACHIEVING TAX REFORM

I come here tonight to suggest that it can be changed. Even though 90% of the contributions to the campaigns of the Congressmen and Senators whose votes can change it, comes from the 1% of the population that benefits from this $77 billion tax bonanza, I believe we can reform the system. The quiet revolution that is taking place in black American politics today may well enable us to reconstitute a populist movement in this decade and, black and white together, close up those loopholes and free the funds necessary to solve the basic problems confronting our nation that just happen to be reflected in the black experience. Let me explain.

The Voting Rights Act of 1965, emerging as it did from our Movement in Selma, Alabama, has now opened the door to harnessing again the power of literally millions of black voters. Since 1965, nearly two million black voters have been added to the voter registration books of the South alone. Those two million new voters have had a quiet but sure effect upon the infamous political coalition of southern Democrats and conservative Republicans in this country. In 1965, there were only six black Mayors in the Nation. Today, two million registered black voters later, there are over ninety-two black Mayors in the Country. In 1965, there were only 600 black elected officials of any kind, anywhere in the nation. Today, two million registered black voters later, there are nearly 3,000 black elected officials across this Nation. Where have all the marchers of the 1960's gone? They are marching on ballot boxes.

These statistics only scratch the surface of the potential of the black vote today. The Joint Center for Political Studies published statistics two years ago showing that there are now fifty-one (51) Congressional Districts in the Nation where blacks are 25% or more of the voting age population and where the incumbent Congressmen cannot win unless he gets the black vote. Thirty of these Districts are in the Southland, the stronghold of the reactionary coalition of Southern Democrats and Conservative Republicans.

What a magnificent opportunity this fact presents us for reviving that once potent coalition of black and white voters in the Southland, which could today tip the scales of political power in the nation in favor of the interests of blacks, other minorities, and masses of wage earning white Americans! What a chance we have now to build a new coalition of black and white voters based on mutual respect and cooperation: *Respect*, because of the marginal power of the black because white voters will soon recognize vote in these Districts; and *Cooperation*, that their best interests will be served by tackling the basic problems confronting our nation that just happens to be reflected most acutely in the black experience.

It's already happening, you know. In Districts across the nation, it's beginning to happen. You'd be surprised as to what a rise in black vote activity can do for politicians. When in 1963, I was lobbying the Congress for passage of the Civil Rights Bill of that year, a Southern Senator was traveling across his state saying, "I'm not going to vote for that bill. "I'm not going to vote to allow these people to drink from the same fountains as white people, or go to the same restaurants, hotels, theatres, and schools. Never! We've got to keep the Niggers in their place." But in 1966, one year after the Voting Rights Bill became law and an additional 50,000 black's had registered in his state, he was heard to say, "Well uh, we've got to give some attention to the problems of the 'colored' people." By 1970, when we had register an additional 120,000 black voters in his state, he was traveling around the State saying, "We've got to be more concerned about the plight of our 'Negro' constituents." I wish you could have heard him in 1972 when the registration had increased by 180,000 and the black vote was so critical to his party's power. He was traveling around the State saying, "We've got to be concerned about the problems of our black brothers and sisters. It makes a difference when we register and vote.

It is that growing vote strength that has become the making of a quiet revolution not only in the thirty Southern Districts where we are 25% or more of the voting age population, not alone in the 86 Congressional Districts across the nation where our votes determine who wins an election to the Congress, but most important in the U.S. House and Senate where it can break up the historic coalition of Southern Democrats and Conservative Republicans that has dominated national policy for so long.

I tell you, we have Home Rule in our 71% black Nation's Capital today only because 1400 black elected officials formed Congressional District caucuses in those thirty Congressional Districts where blacks are 25% of the electorate. Their mastery of the arithmetic of their political power resulted in no less than 30 Southern Congressmen deserting that historic coalition of Southern Democrats and Conservative Republicans and voting home rule in the District of Columbia for the first time in one hundred years.

If that can happen on one piece of national legislation, with continued mastery of the arithmetic of our power, with the continued building of coalitions of mutual respect and cooperation among black and white taxpayers it can happen on another. It can happen on tax reform legislation that will enable us to feed our nation's hungry, educate her disadvantaged young, house her ill-housed, heal her sick, provide jobs or income to her unemployed.

This is our challenge in the decade of the 70's. This is the task which I summon you. If we are to deal with the problems that plague black America today, we must by mastering the arithmetic of our political power, lead a political movement that awakens black and white tax payers alike to the fact that we are being fleeced by the monied special interests. We must build coalitions of mutual respect and cooperation with white working people and close up those $77 billion worth of tax loopholes and with just half of that money solve the basic domestic problems of our country that just happen to be reflected most acutely in the black experience.

Now I know there are those who are saying it cannot be done. So long as 90% of the contributions to the campaigns of Congressmen and Senators come from the one percent of the population that benefits from $77 billion tax bonanza, you'll never get the Congress to close up the tax loopholes. You'll never be able to awaken the masses of white people to the fact that black and white together, we are being fleeced by the monied into thinking that bussing is the issue. They are too easily deluded, the blacks are the enemy, they say. They tell us it cannot be done; the corporate giants are too powerful and we the people are too divided and powerless. The Populist Movement of 100 years ago taught us, however, that money doesn't vote, people vote. So every time I hear some one say it cannot be done, I remember that they told Joshua and Caleb that we can't do it. We cannot take the promised land. They are giants over there

and we are but as grasshoppers in their sight. But Joshua and Caleb believed in themselves and simply marched about the walled city of Jericho until the walls came tumbling down.

They told us in Birmingham, Alabama in 1963 that it could not be done. You can't change "Bombingham." But some of us believed in our plan. We marched out of the 16th Street Baptist Church toward Bull Connor like David before Goliath saying you "Bull Connor" come before us with a sword and a shield but we come in the name of truth and right. Now you can beat us with your billy clubs but we'll keep on marching. You can knock us down with your fire hose, but we'll keep on marching. You can turn your vicious dogs upon us, shoot our leaders and bomb our churches on Sunday morning but we'll keep on marching, Bull Connor. For there is something within us that fire can't burn out and water can't drown out and billy clubs can't beat out and bullets can't shoot out and bombs can't bomb out. It is our belief in our goal and our plan for reaching it. And so we marched. We marched around the steel city of Birmingham until the patter of our feet became the thunder of the marching men of Joshua and the world rocked beneath our tread. Don't tell me it cannot be done.

I like that Old Negro Spiritual, "Joshua fit the Battle roun' Jericho." In its simple yet colorful depiction of that great moment in biblical history, it tells us that "Joshua fit de battle roun Jericho an de walls come tumblin down. Up to de walls of Jericho dey marched wid spear in han, 'go blow dem ramhorns' Joshua cried, 'cause de battle am in ma han'."

These words have I given you just as they were given us by their unknown, long dead, dark skinned originator. Some now long gone black bard bequeathed to posterity these words in ungrammatical form, yet with emphatic pertinence for us today. The battle is in our hands.

We can master the arithmetic of our political power. We can forge anew coalitions of mutual respect and cooperation to march, black and white together; to march on ballot boxes until race baiters disappear from the political arena, march on ballot boxes until we send to our city councils and state legislatures, our U.S. Congress and, yes, the Presidency of the United States, Ambassadors of goodwill; men and women who will be the answer to Josiah Holland's prayer:

GOD, GIVE US MEN

God, give us men; A time like this demands
Strong minds, great hearts, true faith and ready hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who can stand before a demagogue
And damn his treacherous flatteries without winking!
Tall men, sun-crowned, who live above the fog
In public duty and in private thinking;
For while the rabble, with their thumb-worn creeds,
Their large professions and their little deeds,
Mingle in selfish strife, lo! Freedom weeps,
Wrong rules the land and waiting Justice sleeps.

—*Josiah Gilbert Holland.*

THE GREAT PAYCHECK RAID

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. HARRINGTON. Mr. Speaker, despite the many fundamental issues facing our country today, it seems to me the pressing concern of the American people is their purchasing power. Those who work find it increasingly difficult to make ends meet as the price level continues to rise; those who are employed in marginal occupations find their jobs and income seriously threatened by commodity shortages; those who are unemployed find it nearly impossible to obtain even minimum wage employment. Statistics bear out the reality of this situation: An inflation rate of approximately 11 percent, unemployment of 5.2 percent, and a decline in real purchasing power for the American wage earner.

It is not only the deteriorating overall performance of the American economy which reduces the real income of working people, but also the increasing tax burden. Social security taxes, income taxes, property taxes, sales taxes—most of which contribute to the provision of vital social services—all add to this burden. Clearly, many families are reaching the point of financial insolvency which forces them to fundamentally alter their personal consumption patterns. Any further added weight to the tax burden borne by middle- and low-income Americans may well break their backs.

In addition to reordering priorities for Federal expenditures, the burden can be alleviated by redistributing it more fairly among all taxpayers. This includes action both to close loopholes and to establish a more progressive tax structure.

It seems to me that most of those who have the power to change the plight of wage earners would benefit from an inquiry into the specific nature of the taxpayers' situation. Bill Duncliffe, of the Boston Herald American, has provided us with such an exploratory work. The first of his series appeared in the July 10, 1974, Boston Herald American and I would like to insert it into the RECORD for the information of my colleagues at this time:

[From the Boston Herald American, July 10, 1974]

"LITTLE GUY" FEELS HE'S OVER-TAXED, UNDER-SERVED

(NOTE.—Each week your livelihood—and that of every other person in Massachusetts—is being picked apart by a multitude of national, state and local taxes.

But while everyone is aware of how much is taken in withholding and Social Security taxes, few realize how large a slice of their income is being consumed by the many other levies to which they are subjected.

Two typical wage earners opened up their financial records and family budgets to the Herald American in order to explore just how these indirect and hidden taxes hurt them.

What was found—and what it all means, to you as well as to them—is told in this series, "The Great Paycheck Raid.")

(By Bill Duncliffe)

The never-ending raid which taxes are making on the paychecks of two typical Greater Boston wage earners, and the way they believe their money is being wasted, is proof positive—to them—that they've being oppressed and made poorer than they have to be by those they've elected to serve them.

What's worse is their angry and cynical certainty that no one in government really gives a damn.

"I'm a little guy and no one's going to listen to me," said a father of five who makes just over $10,000 a year as a factory worker.

"I see what taxes are taking out of me, I see how my wife and kids are made to go without things because of them, and I get sore.

"I'm ticked off at the people in Washington and the people in the State House. I'm angry about a guy like the President, who's supposed to be our leader, getting caught trying to dodge his tax payments; I pick up the paper and I read things coming out now that I never heard about before—and guys like me are paying through the nose for them.

"I get mad about what seems to be abuses in public welfare, because I'm helping to underwrite them with what's taken out of me in taxes. Last year I got a $9 raise, and by the time the state and the Feds took their cut it was down to $6, and I hadn't even gotten out of the plant with my paycheck yet.

"But what's a little guy like me going to do? Nobody cares what happens to me."

Another man—a white-collar worker whose wife also holds a job and whose combined income is $365 a week—said this:

"My local government is all right; this year's town meeting voted against every big spending program that was proposed—and I have to think the members were worried about what taxes are doing to people like me. But Washington and the State House are something else again.

"They throw money—my money—around like every taxpayer was named Rockefeller. The national government finances everything in sight. Everything under the sun, every new program, is financed by the Federal government.

"There are so damned many of them! I can't name anything specific but every time I hear about one of them it's Federally-funded—and they're here today and gone tomorrow. They'll finance something for a couple of years, then pull out, and saddle the state or the local communities with the full cost if the program is to go on.

"I don't mind saying that all the effort and money that was spent to put a man on the moon really burned me. Maybe I sound backward, but who really cared about that? Why did we need to have anyone up there at all? Are we ever going to colonize the place, or develop it?

"All the billions that were spent on that . . . if we had put even a little of that money into cancer research, how much closer to a cure would be now?

"And the state! What am I getting for the money it takes from me? I think I'm getting pols who are in many cases incompetent and in some cases crooked. I'm getting roads that have to be rebuilt a year or two after they're opened. I'm getting bureaucrats who are saddling my town with programs it doesn't want and who are forcing people like me to pay for them.

"I'm getting things like an increase of 12,000 permanent employes in the last five years. Doesn't anyone ever die, or retire? Didn't the state ever hear of attrition, of reducing the work force by failing to fill jobs as they become open?

"I know we all have a responsibility to pay reasonable taxes, and I have no complaint about that—but what scares me is that I see the terrible return we're getting for our taxes now, and as much as I want to see them cut I shudder to think how horrible the 'service' to the public would be if their funds were reduced.

"It's an impossible situation, but I think I'm being over-taxed, over-represented, and under-served—and when I'm told that things are even worse in other states or nations that's no comfort at all.

"I can't understand that line of reasoning. It makes about as much sense as the simile of the steer going up the ramp to the slaughterhouse—the cattle ahead of him

are in a worse fix, so why should he complain?

"Well, I'm complaining because I don't think we're being treated fairly, but the trouble is that those in a position to do something about it won't pay any attention to those complaints.

"They never have, they never do—and they never will."

As irate as both wage earners were about present taxes, they failed to touch on how their money—and that which their children and grandchildren will earn, is being mortgaged for the future.

Or perhaps they were not even aware of it—but the reality is that all three levels of government are in hock to the tune of nearly $480 billion, and every taxpayer for endless generations to come will be made to pay for it.

The national debt at the moment stands at $475 billion, and House Majority Leader Thomas P. O'Neill, Jr., said financial experts have told him that has no apparent effect on the nation's economy.

But it does have an impact on the budget of each taxpaying family—because approximattely $9 of every $100 they'll send to Washington this year will go toward paying the current $29 billion installment on that mammoth obligation.

The state debt, which is tough to keep track of, was measured at $1,613,612,000 as of March 31, and Gov. Sargent asked for $202 million in the budget that will take effect July 1 to make the latest payments on it.

What that means is that approximately $9 of every $100 the factory hand, the white-collar worker, and you and I turn over to the state this year—including 10 of every 16 cents of the tax on every pack of cigarets—will go for that purpose.

And because this will still not be enough, the Commonwealth will use $31.4 million in revenue-sharing money to make up the difference.

The debt run up by the 351 cities and towns of Massachusetts totaled $1,653,-278,738 as of Dec. 31—and that, too, will be reflected in the rent or real estate taxes paid by every resident of these communities.

It's true, of course, that all those debts were incurred to pay for needed projects which might otherwise never have been built—schools, sewer systems, public hospitals, and the rest. And all were financed by bond issues—most of which are too be paid off over a period of 20 years.

So all of us are paying now for buildings that went up in the late Fifties or the Sixties. And since there always seem to be worthy projects and noble causes that cannot come to pass without bond issues, the need for continued new borrowing is equally as certain as death and taxes.

Government being what it is, the debts will never be paid off—which means that even before being born, the generations of the future are being placed in a financial hole by the spending policies of their predecessors.

Situations of that sort, and the seeming willingness of public officials to answer problems by trying to spend them out of existence are helping place everyday people in desperate straits—and are creating a citizen hostility toward those who govern them.

"There's no question that people are becoming alienated," said Rep. Joseph D. Early (D-Worcester), vice chairman of the House Ways and Means Committee, "and there's no question that taxes contribute greatly to that."

Early, who is in a sense an elder statesman of the 1974 Legislature, has the reputation of being a conscientious and knowledgeable man where public finances are concerned. He is also a politician, and is aware of what taxes mean politically.

"If I, or any legislator, do anything which harmfully affects my constituents' family, future, or home we're in big trouble—and the property tax, for one, hits all three at the same time," he declared.

"Watergate has gotten a lot of publicity, but I believe people are even more angered by the President's tax situation because they have to fill out their income tax forms every year and they can relate to that. Most of them made a lot less and paid a lot more than he did, until the IRS audited his returns."

Gov. Sargent, too, is feeling the heat of that growing alienation, and he said:

"What with inflation and everything else, I just don't know how the little guy is getting by. When I meet people that's what they talk about most, about how tough they're having it and how closed to them government is—especially in Washington. I tell them we're trying to be open here, and that, honest to God, we're doing our very best to manage their money."

Sargent has been telling them as well that there'll be no new state taxes next year—but he's about the only one in authority who says that. Everyone else with a working knowledge of state finances says otherwise, and Sen. James A. Kelly, Jr., (D) of Oxford, chairman of Senate Ways and Means claimed that one major reason for that was:

"Neither the Legislature nor the Governor has seriously tried to cut either services or spending. They talk austerity but they're still spending . . ."

And Peter Keyes, the legislative director of Common Cause of Massachusetts, maintained:

"Most taxes are not progressive because the poor and the rich are paying the same rate. That applies to the state income tax and the sales tax especially . . .

"I don't believe the average citizen would mind paying taxes if he thought the system was fair and the money was being used wisely."

And that raises a question—are taxes, as they now stand, fair?

THE COMMUNITY RELATIONS SERVICE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 15, 1974

Mr. RANGEL. Mr. Speaker, 1974 is an anniversary year for the advocates of racial equality and civil rights. Less illustrious than Brown against Board of Education's 20th birthday, perhaps, but similarly important, is the anniversary of a Federal agency half as old. The Community Relations Service, established in 1964 to mediate racial and ethnic conflicts, aids communities throughout the country by means of 103 staff members in 10 major cities.

CRS has been quietly effective over the past decade. It deserves praise for its achievements. Located in the Justice Department, CRS has no law enforcement power. Rather, it seeks to conciliate, to bridge gaps between groups, to help resolve conflicts arising from racial and ethnic discrimination. In 1973, they received 589 requests for help and assistance in resolving 284 confrontations, and in many cases involving public schools, colleges, and correctional institutions, has helped draft binding, written agreements between parties to the conflicts. At Louisiana State Penitentiary at Angola, La.'s Jefferson Parish jail, and Kansas State Penitentiary at Lansing, CRS has helped still racial violence. I am sure my colleagues join me in extending thanks and best wishes for the future to this energetic group of people committed to the cause of peace among all Americans:

COMMUNITY RELATIONS SERVICE CELEBRATES 10TH ANNIVERSARY

The Community Relations Service (CRS), the only Federal agency created expressly to conciliate and mediate racial and ethnic conflicts, observes its 10th anniversary tomorrow, July 2.

Established by the Civil Rights Act of 1964, CRS began operations with a task force of 18 people borrowed from other agencies. It presently consists of a staff of 103 which assists communities through regional offices located in 10 of the Nation's major cities.

CRS Director Ben Holman announced that the anniversary is being observed at a dinner sponsored by friends of the agency at the Sheraton Park Hotel in Washington, D.C. Vice President and Mrs. Gerald R. Ford are the honorary chairpersons of the dinner. Attorney General William B. Saxbe and Senator Edward Brooke are the honorary vice chairpersons.

Established at the height of racial confrontation in the South during the 1960's, CRS responded overwhelmingly to crises there in its first year of operation. Sixty-five percent of the communities assisted were in nine southern States. However, the amount of time devoted to racial conflicts in other parts of the Nation increased rapidly, after the Watts tragedy in 1965. In fiscal 1973, for example, 60 percent of the communities receiving CRS assistance were outside the South.

Holman said that the number of conflicts CRS responds to annually also has increased substantially. "In our first year we had 213 requests for assistance and actually aided 120 different communities. In fiscal 1973, we handled 589 such alerts and helped resolve 284 confrontations," he said.

Originally CRS was in the Commerce Department, but was transferred to the Department of Justice by Presidential request on April 22, 1966.

Unlike many Federal agencies, CRS has no law enforcement function. It seeks to help communities resolve conflicts stemming from racial and ethnic discrimination under the Constitution and laws of the United States.

The CRS Director said that of the changes over the years in the agency's approach to its job, perhaps the most significant is the increased emphasis now placed on mediation as a means of settling racial conflicts. Since March 1972, CRS mediators have helped work out binding, written agreements in a variety of problem areas, including public schools, colleges, and even correctional institutions. "There isn't a more dedicated group in the Federal establishment than the CRS staff," Holman said.

Holman said that in light of such tragedies as Attica—where 41 inmates and guards died in 1971—mediation is a promising means of dealing with confrontations in correctional institutions. CRS has mediated settlements at Louisiana State Penitentiary at Angola, Jefferson Parish (La.) Jail, Kansas State Penitentiary at Lansing, and is currently engaged in mediation at correctional institutions in Georgia and Washington State.