

EXTENSIONS OF REMARKS

bill and see its impact and implication with any member of the Committee on Government Operations or the Committee on Rules and Administration, I feel confident we would all be available for that purpose. We are very anxious that every Senator understand every part of the bill because of the impact it will have on the discipline imposed on us as Senators and on this body. The time schedule laid down is something we should adhere to and by changing the rules of the Senate in this regard we emphasize the orderly procedure we expect with reference to our affairs.

Mr. ROBERT C. BYRD. Mr. President,

the Senator is making a great contribution by having such meetings. I commend him for it.

ADJOURNMENT TO 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate. I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 6:31 p.m. the Senate adjourned until tomorrow, Thursday, March 21, 1974, at 10:30 a.m.

March 20, 1974

CONFIRMATIONS

Executive nominations confirmed by the Senate March 20, 1974:

DEPARTMENT OF STATE

L. Douglas Heck, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Sumner Gerard, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

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

EXTENSIONS OF REMARKS

REV. NEVIN KENDALL STRESSES
LOSS OF PUBLIC CONFIDENCE IN
GOVERNMENT—INTEGRITY, COM-
PETENCE AND DEDICATION OFTEN
OVERLOOKED

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES
Wednesday, March 20, 1974

Mr. RANDOLPH. Mr. President, the well-documented crisis of confidence in Government has impelled philosophers and poets to attach their minds to explanation, and perhaps absolution, of the failures of public servants. One such thinker-theologian is the Rev. Nevin E. Kendall, vice president for development at Davis and Elkins College, Elkins, W. Va. His paper, "Providence and Government," is based on apparently authentic Christian classical theology and is seemingly supported by Biblical texts. He outlines the reality of good and evil in human society and the necessity for Government to provide the stimulus for a more meaningful life for the many, to protect citizens against evil doers and to punish criminals.

In commenting on the manuscript, our Senate Chaplain, the Rev. Edward L. R. Elson, noted:

Mr. Kendall's paper is timely and could well stimulate thoughtful Americans to pray and work for better politicians and better government. He recognizes quite properly a high degree of integrity, competence and dedication in politicians which is unsurpassed in any other segment of society, a thesis I would support based upon my personal acquaintance with those who serve in the National government. This is an appraisal based on more than 27 years of close observation of our Nation's political leaders.

A major contribution by Mr. Kendall is the reaffirmation of the distinct concept that God may be served while performing government service as truly as He may be served in the ministry of the Church. It is to emphasize this point that I ask that Mr. Kendall's provocative statement be printed in the Extensions of Remarks.

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

PROVIDENCE AND GOVERNMENT
(By Nevin E. Kendall)

In recent poll it was discovered that our institutions of government have suffered a

drastic decline in public confidence. Most Americans now take a very dim view of their government.

Under these circumstances it would seem to be especially appropriate to consider certain passages of scripture that are conceived with the place of government in the life of man.

In the 13th chapter of Romans, Paul tells us that government is an institution that has been established and obtained by God, that those who govern are serving as ministers of God.

These words were written in a setting where government could only mean the government of Rome. If all we knew about that government is what we learn from the New Testament and from a smattering of church history, we might think of Rome in terms that are totally negative. We would associate this government with aggression, tyranny, persecution, and lions that eat Christians.

All of this is part of the picture, but Paul had good reason to honor and give thanks for the function and institution of government as he had experienced it. For one thing, even though Paul was a Jew he enjoyed the unusual privilege of Roman citizenship. There were times when Paul was threatened by an angry mob; and was saved only by the protection that he enjoyed as a citizen of Rome.

Beyond these personal considerations, Paul may also sensed that the progress of the Christian movement had only been possible because of the order and stability that had been achieved under Roman rule. Within the Roman empire, and by first century standards, there was good communication and convenient travel with a reasonable degree of security. In a very real sense the world to which the first Christian missionaries addressed themselves was a world that had been created and made accessible by the Roman government.

It is certainly not strange that Paul would admonish his fellow Christians to honor the governing authorities as having been instituted by God, and as instruments of his providence—and that he would do so even though he must have sensed the rising hostility and the increasing likelihood of oppression and persecution at the hands of a government that would eventually seek to destroy the church. We assume that Paul himself was ultimately put to death by the same kind of authorities that he has described as ministers of God.

I think it is significant and important that when Paul asks us to honor government as a gift of God, he is not speaking in the context of a government that was notably just or compassionate or free of corruption. In many respects it was a terrible government.

This is not very surprising because for most men, everywhere, in all of recorded history, government has been something of a mixed bag—a necessary evil. Very necessary and often very evil.

But despite the injustices and oppression and corruption that have been almost universal, Christians have generally felt themselves impelled to give thanks for government and to acknowledge the authorities as ministers of God—not because they chose or intend to be (they may not even believe in God) but only because God chooses to use them as his instruments in order to provide at least a measure of the order and protection that we need to live as human beings. When the alternative is anarchy, it may not be hard to honor and receive as a gift of God even a government that leaves much to be desired.

Imagine what it would be like if every generation had to start from scratch to devise and establish its own institutions of government; what it would be like if God did not use the accumulated experience of past centuries to provide for us—to have waiting for us, as it were—a system of law and structures of government that we do not have to create for ourselves.

We noted at the beginning that recent events have caused many of us to regard our own government and some of the people of government with a great deal of suspicion and even contempt. But I am also concerned with an attitude that is deeper and much more permanent. Long before we ever heard of Watergate there was a tendency among us to downgrade government and the people who serve in government.

Sometimes we talk as if government has a monopoly on bungling and ineptness and waste; as if these things are never to be found in churches and colleges and corporations.

Our rejection of government is also reflected in our attitude toward taxes. Most of us are not impressed when Paul admonishes:

"For the same reason you also pay taxes, for the authorities are ministers of God attending to this very thing. Pay all of them their due, taxes to whom taxes are due, revenue to whom revenue is due."

It would be foolish to cite these words of Paul without recognizing that there are tremendous differences between the Roman empire of the first century and the world in which we live. I certainly do not question our right and even our duty to object if we believe that taxes are excessive or unfair, or used for a purpose that is improper or unnecessary.

At the same time, I suggest that Paul's words should not be dismissed too lightly. When we object to taxes we may have good reasons, but I suspect there is also involved a failure to recognize how much the quality of life that we enjoy, and even our opportunities to earn money, are dependent upon the effective functioning of government. And I suspect there may also be an element of plain old-fashioned selfishness, a reluctance to let our money be used to help meet the needs of others who are less fortunate.

Our attitude toward government is also reflected in a widespread contempt—or at least a very low regard—for the politician. Religious people especially seem to get hung up on the fact that the work of the politician constantly involves compromise. It is a part of his job to draw together groups that represent conflicting interests or points of view, and through a process of give and take find some common ground, some consensus that may not be fully pleasing to anybody but which is acceptable to enough of us so that we will not be paralyzed but can move ahead in facing issues and dealing with problems. Without this function of the politician, life would simply grind to a halt and we would find ourselves standing apart in opposing groups, glaring at each other across the chasm of our differences, helpless to do anything except to fight and destroy each other. Thank God for the politician!

I doubt that very many people have been any more angered and disgusted than I have been by the cluster of events that we call Watergate. But I also feel that many of us have over-reacted. I do not mean that the crimes have been regarded too seriously, nor that the offenders have been condemned more severely than they deserve. I mean that we have allowed these events to shape and even warp our general attitude toward the institutions and people of government in ways that are totally unwarranted by the facts.

Even in the face of Watergate I continue to believe, and I have never felt more certain of this, that among the people who serve us in government at every level there is a degree of integrity, a degree of competence and a degree of dedication to the common good that is unsurpassed and possibly even unmatched in any other segment of our society.

I would also reaffirm my confidence in the structures and institutions of government that we have received as an inheritance from our forbearers and through them as a gift of God.

Watergate has demonstrated man's unlimited capacity for evil and his great lust for power. It has shown us once again that, in the words of Lord Acton, "Power tends to corrupt; absolute power corrupts absolutely." But Watergate has also demonstrated the tremendous vitality of our institutions.

This was the point of a recent editorial in the Wall Street Journal. The writer noted how amazing it is that such agencies as the FBI and the CIA and the Internal Revenue Service seem generally to have retained their integrity even in the face of tremendous pressures. He noted the effectiveness of the press in uncovering the wrong-doing, and the stubborn almost fearless independence of the courts. Even some of the resignations that were prompted by conscience must be regarded as signs of health and vitality. And in the meanwhile, Congress and other agencies have carried on the business of government with a minimum of disruption even as we pass through one of the greatest governmental crises in our history.

We Americans are fortunate indeed to have inherited a form of government and institutions through which men, with all of their limitations and with all of their capacity for evil, can nevertheless serve as ministers of God who are used by him to bestow upon us the unspeakable blessing of a relatively stable and effective government. It should not be hard for any of us to acknowledge government as a gift received from the hand of God for the blessing of his people.

However, it would not be right, and it could be dangerous, for us to think of Government only in terms of Romans 13, and to ignore the warning that we find in—as it happens—the corresponding chapter of Revelation.

This other passage was written about 40

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years after Paul's letter to the Romans, after Rome had a new emperor and after the Christian Church had suffered terrible persecution at the hands of the Roman government.

This writer speaks of his government in terms of "a beast rising up out of the sea" . . . "a beast that receives its power and authority from the dragon" . . . "a beast that was given a month uttering haughty and blasphemous words" . . . and that "was allowed to make war on the saints."

It probably would serve no purpose to discuss the symbols which are employed by this writer except to say that the meaning would be perfectly clear to his readers. His message is that their government has become an agent of Satan—a force that is totally evil and that stands in absolute opposition to the purposes and will of God.

The writer is talking about an emperor who claims for himself some kind of divinity. The writer counters that claim by suggesting that the uniqueness of the emperor is derived, not from above but from below. It is the dragon, a symbol of the satanic powers of darkness, that has given to the emperor his power and authority.

In Romans 13 we were admonished to honor and give thanks even for a government that leaves much to be desired. But here we have a warning that government can become a force that is evil and demonic.

This is a lesson that the German church had failed to learn when Hitler came to power. The Christian church in Germany was a tremendous force. Church attendance was higher than anywhere else in the world. The Germans were recognized throughout the world for their leadership in theology and biblical studies.

But the German church was almost completely impotent in the face of the arrogance and blasphemy of their government. The church failed to meet the challenge because the church had been corrupted by a heresy which says that religion and politics must not mix; that the church should not meddle in politics; that God has established church and government as separate entities and that neither is to meddle in the business of the other.

Early in 1934 a national conference of Lutheran bishops spoke for a subdued and domesticated church when they declared:

"We German Protestant Christians accept the saving of our nation by our leader Adolf Hitler as a gift from the hand of God."

Only a tiny handful of German Christians recognized that they confronted a government that had become the beast of Revelation. Only these few dared to mix politics and religion. In the famous Barmen declaration they spoke as churchmen, and on the authority of scripture, when they denounced their own government, the duly constituted government of their nation, as demonic and blasphemous.

I assume it would be a rare event when men are required to make this kind of judgment and distinction. The main function of the teaching in Revelation 13 would be to warn us of the potential that is present in every government.

The function of government obviously requires that some men exercise power over the lives of other men. History teaches us that the exercise of such power tends to create in men an almost insatiable appetite for more power. It is through this drive for more and more power, even absolute power that government which is a gift of God becomes the beast of revelation.

In some societies the drive for power would be expressed through brute force. In our society the lust for power is more likely to be expressed in efforts to manipulate the people from whom the power of government is derived; to deceive us by lies or by the withholding of information; to mold our minds until we think what others have de-

termined we ought to think; and to instill in us the kind of attitudes that would serve their purposes, and permit them to do whatever they want to do.

In the exercise of our citizenship, and in our relations with government, we need to be guided by the lessons that can be learned from all of scripture, but especially from the 13th chapters of Romans and Revelations.

Whether we like it or not, our destiny is to live out our lives in this kind of ambiguous situation where human life as we know it would be impossible without government, and where government that is powerful enough to govern effectively will always be a potential threat to our dignity and freedom.

It would be impossible for us to live with this kind of tension and uncertainty unless we could be assured, absolutely assured:

that the God of the Bible is also the Lord of history;

that even princes and rulers of the earth are finally subject to his sovereignty;

and that God is powerfully present and at work in all of life, working to achieve for us, and in us, the purposes of the kind of life that we know in Jesus Christ.

MEDICINE IN SOUTH AFRICA

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. DIGGS. Mr. Speaker, a constituent of mine, an adjunct associate professor of psychiatry at Wayne State University, has forwarded to me the following report on medicine in South Africa. This report was prepared for the Medical Association for the Prevention of War in England. I have been asked to make this report available to my colleagues in order to enlighten those concerned with the medical profession on the present trends in South African health services. My constituent urges that:

The content of this leaflet be circulated as widely as possible in the United States amongst health professionals, health workers and the citizenry. There are various ways in which this information could be used to censure the government of South Africa in the United States. One of these is that American Medical journals should not publish racially discriminatory advertisements for posts in South Africa. Another is American Medical institutions including State Universities should not accept visitors, house officers or staff members from South Africa unless, in fact, these people are refugees or immigrants.

The report mirrors deep concern that these health services are in violation of internationally accepted standards.

I would urge all of my colleagues to read this revealing report:

MEDICINE IN SOUTH AFRICA

This document is written in support of those South African doctors who are disturbed by many of the present trends in their Health Services which are incompatible with internationally accepted medical ethics. It is also hoped that it will be a source of useful information to doctors both inside South Africa and throughout the world who are unaware of the situation.

Despite the difficulty of obtaining adequate statistics from South Africa—and this is in itself a reflection on a highly developed coun-

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try¹—there is now overwhelming evidence that the standard of health care offered to a large part of the population is at an unacceptably low level. On the following page some of these data are set out. No national Infant Mortality Rate is available for the African population, but the level for the

Coloured population is among the highest in the world. Diseases such as tuberculosis, typhoid and diphtheria, which modern medicine is virtually able to eliminate, are still rife. The incidence of kwashiorkor, which has ceased to be notifiable since 1967 and which reflects so closely the relationship between

poverty and disease, is extremely high.² There is no doubt that this last disease is closely related to the fact that many of the parents of these children with kwashiorkor are living below the Poverty Datum Line,³ and some details of the earnings which reflect this are set out at the bottom of the page.

HEALTH AND INCOME STATISTICS

	African	White	Colored	Asian		African	White	Colored	Asian
Population 1970 (in millions) (3):					Tuberculosis ² per 100,000 population (1.):				
White areas.....	8.061	3.731	2.005	0.617	1966.....	446.5	35.6	484.9	203.8
African areas.....	6.997	.020	.131	.003	1968.....	469.9	25.2	390.8	172.1
Total.....	15.058	3.751	2.136	.620					
Infant mortality rate (I.M.R.) (per 1,000 live births):					Availability of health care to the various "ethnic" groups:				
1969(4).....	(1)	21.2	132.0	36.5	Doctor per population ratio 1972 (11).....	1/44,400	1/400	1/6,200	1/90
1970(5).....	200-250	21.1	136.2	37.1	Number of doctors qualifying 1969/70 (12).....	8	364	12	36
1971(6).....	(1)	19.4	121.0	38.3	Practising registered nurses per population 1970 (13).....	1/1,581	1/256	1/1,202	
Life expectancy, 1959-61(8):					Total number hospital beds per 1,000 population (14).....	(5.0)	10.2	(5.0)	
Male.....	(1)	64.73	49.62	57.70					
Female.....	(1)	71.67	54.28	59.57					
Incidence of notifiable diseases:					Average earnings per month in Rands ³ (R1 = £.58 = \$1.41) 1971 (17):				
Kwashiorkor (last notifiable year 1967): Total number of cases reported (9) (1967).....	9.675	7	1,046	12	Mining and quarrying.....	16.31	336.81	72.07	88.51
					Manufacturing.....	50.15	293.79	70.79	74.96
					Construction.....	48.21	306.33	106.19	137.46

¹ The South African Government does not publish certain national African health statistics such as I.M.R. or life expectancy. The 1970 figure shown is published by the U.N. (7) as a conservative estimate for national African I.M.R. based on previous reports.

² Data for many other diseases are freely available (10) and shows similar patterns and discrepancies between the ethnic groups.

³ As a result of recent strikes and international publicity there has been a slight increase in black wages. Despite this many remain well below the P.D.L.

MEDICAL ETHICS

The following are extracts from the Declaration of Geneva and the International Code of Medical Ethics, adopted by the General Assembly of the World Medical Association (of which South Africa is a member) in 1948 and 1949 respectively. The present framework of medical services in South Africa makes it extremely difficult for doctors to comply with these principles.

(1) I will not permit considerations of religion, nationality, race, party politics or social standing to intervene between my duty and my patient. (Declaration of Geneva.)

(2) My colleagues will be my brothers. (Declaration of Geneva.)

(3) The health of my patient will be my first consideration. (Declaration of Geneva.)

(4) A doctor owes to his patient complete loyalty and all the resources of his science. (International Code of Medical Ethics.)

(5) A doctor must give emergency care as a humanitarian duty unless he is assured that others are willing and able to give such care. (International Code of Medical Ethics.)

(6) The following practice is deemed unethical: Collaborating in any form of medical practice in which the doctor does not have professional independence. (International Code of Medical Ethics.)

(7) I will maintain by all the means in my power the honour and the noble traditions of the medical profession. (Declaration of Geneva.)

(8) I solemnly pledge myself to consecrate my life to the service of humanity. (Declaration of Geneva.)

THE EFFECTS

Is the day by day practice of medicine affected by the present political, legal and social system of South Africa?

Colour segregation in health care facilities

(1) Ambulance services are strictly segregated. A 25 year old white man, Nicholas Swart, died in March 1973 following an accident. The ambulance which arrived to take him to hospital was for blacks only and therefore the white drivers had to refuse to take Mr. Swart. After some delay he had to be transported in a private car. The hospital doctor said "If he had been brought here

earlier, we could have saved his life. He lost too much blood".¹⁸

An African collapsed outside the white South Rand Hospital in Johannesburg. Because of his colour he could neither be admitted or transported in the white ambulances at the hospital. He waited an hour for a black ambulance to collect him and take him to the black hospital six miles away.¹⁹

(2) In Oudtshoorn, a patient died after an emergency caesarian operation had had to be delayed for two hours. The doctor concerned was coloured, the theatre staff were white. The delay was due to the ruling that a white surgeon had to be summoned as a coloured could not operate with white staff. The coloured doctor said "The superintendent told me that the white hospital staff were not permitted to work with a non-white doctor, and that I could not even give instructions to an orderly if he were white".²⁰

The effect of the Group Areas Act (No. 36 1966) on health care and medical practice

(1) Racial laws which control the home and working place of all dwellers in South Africa, including doctors, limit the area where people may live and work according to their colour (Group Areas Act). This means that, with a few exceptions, doctors may only work within their own ethnic group. In 1970, several Indian doctors who were practising in grossly underdoctored African areas were prosecuted for occupying consulting rooms illegally in an African region.²¹ Doctors have been fined and expelled for serving humanity across these legally defined colour barriers.

(2) Black doctors and students working in white areas (i.e. all those at the black medical school in Durban) are liable to be arrested if found travelling late at night after the curfew hours which apply to blacks in these areas. To enable them to visit patients and the hospital they have to carry special curfew exemption passes or face prosecution.²²

(3) In African townships (these are legally defined enclaves within white areas where migrant and other African workers live) African doctors are seldom permitted to establish consulting rooms as these are classed as white.²³ White doctors are not permitted to

sleep in African townships which means that many townships (often numbering half a million people) have no residential medical care, at night or at weekends.⁷

(4) Despite the acute shortage of medical care in the African "homelands", only a few whites are allowed government permits to work in these areas. The mission hospitals, which are mainly run by a handful of white doctors, are now being taken over by the government.²⁴ Present trends suggest that in the future there will be more stringent "selection" and control of the whites who will be allowed to work in these areas.

Factors affecting the training and practice of black doctors

(1) Two of the five white medical schools train a few Asian and Coloured students. These students may not attend post-mortems on whites or see white patients. They are socially segregated from their white colleagues.²⁵

(2) Africans may only train at the one black medical school in Durban.

(3) As black students have no access to white patients and their diseases, their clinical training is limited and is designed to fit them almost exclusively for treating their own colour segment of the community. Many of the common illnesses of the whites, e.g. coronary artery disease, are extreme rarities among the African population. In contrast, white students benefit from seeing the full spectrum of diseases in all ethnic groups as they are allowed to visit black hospitals.

(4) Once qualified, academic advancement in medicine is severely limited for most blacks as:

(a) blacks may not generally hold a senior post in a department in which there are whites, and they may not give instructions to the whites.²⁶

(b) It appears that even at the black medical school and teaching hospital in Durban, senior medical and paramedical positions are given to whites in preference to blacks.²⁷ At present there are no black professors or heads of departments in these institutions. At least two black doctors trained at Durban are now professors outside South Africa.²⁸

(5) White and black doctors occupying posts of the same seniority receive different salaries e.g. for government medical officers.

	Percent white salary (27)		
	African	Colored and Asian	
1968.....	48	52	
1969.....	69	79	
1971.....	64	76	

Note: In April 1973 white and black doctors were awarded pay raises of 15 percent and 17½ percent respectively. The real cash value of these increased wages shows that the whites received a greater pay raise than the blacks, e.g., calculated from Maximum Grade Government Medical Officers Salaries 1972.(28): White—15 percent of R.3100=R.1215; African—17½ percent of R6,000=R1,050. This salary discrimination remains despite very strong protests initiated by black Durban doctors in 1969. At the time of this salary dispute the president of the South African Medical and Dental Council, Prof. S. F. Oosthuizen, said, "The dispute over nonwhite doctors' pay is no business of the Council. . . . The matter is a part of state policy and we cannot interfere with state policy." Professor Gordon, then dean of the black medical school at Durban and member of the Council, said, ". . . the ruling has made it impossible for me to continue membership of the Medical Council. In medical ethics, it is unacceptable to me that there should be differentiation in the salaries of people who undergo the same training, write the same exams, perform the same duties—if not more—and shoulder the same responsibilities often in the same hospitals alongside colleagues of the more favored white population." (29)

(6) Black doctors have been barred from attending medical conferences at all levels because of the laws of racial segregation. In 1971 the South African Medical Association, worried about international boycott because of the social problems of visiting black doctors, held its annual congress on a liner which cruised outside South Africa's territorial limits, in international waters.³⁰ The Durban branch of the South African Medical Association refused to hold an annual dinner because its black members were not allowed to attend.³¹

Despite the great shortage of doctors to treat the black population, black doctors are being forced by lack of academic opportunity and the injustices of racial medicine, to leave South Africa.³²

Professional independence and government suppression in South African medicine

(1) In 1969 Dr. Mackenzie and his wife ran St. Michael's Hospital in Batiahars Reserve, the only general black hospital in an area the size of Belgium. Immunisation is the responsibility of the State Department of Health in South Africa, but in 1969, when there was a local outbreak of diphtheria, Dr. Mackenzie immunised 700 people because as he said 'Nobody else was doing it.' For this he was taken before the Bantu Affairs official and told it was not his job.³³

(2) In 1969 the Mackenzies gave a report of the appalling conditions of starvation and malnutrition which occurred in the Kuruman Northern Cape, where they worked. The report was fully quoted in the press. Following this a group of Government officials visited the hospital and tried to persuade Dr. Mackenzie to repudiate the report—"I said I could not possibly do that since three quarters of it came from my own annual report." After this visit three Special Branch police arrived and followed Dr. Mackenzie. One of the Security Branch policeman told me he had information that the pictures of starving children had been taken in Biafra. I took him to the boy whose photograph had appeared in the newspaper and pulled the sheet back to expose the body.³⁴

(3) In 1969 during the dispute over the racial differences in doctors' salaries, the Minister of Health Dr. de Wet (now South African Ambassador to Britain) stated in the House of Assembly 'Let me say at once to the agitators and to every doctor in South Africa that the difference will remain, no matter who agitates for equal treatment. This is inherent in South Africa'.³⁵ During the pay dispute the black doctors at the Durban Medical School 'worked-to-rule' and finally black doctors at two hospitals in Natal handed in their resignations in protest.³⁶ Security police interviewed the protest lead-

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ers warning them that they might be refused passports if they persisted.³⁷ At the end of the dispute some of the seventeen leaders of the protest were not permitted to take up hospital posts again, and at least one of them had his work permit withdrawn so that he was forced to leave the province.

The framework of health care within which medicine is practiced in South Africa is incompatible with the Geneva Declaration of Medical Ethics. This is a matter of concern both to doctors in South Africa and to national and international medical associations throughout the world.

FOOTNOTES

¹ Vorster, J. (25.5.73) "South Africa: The White Man's View". London: The Times.

² Watts, H. L. (1971) "Poverty" in "Some Implications of Inequality". Ed. Randall, P. Johannesburg, Spro-cas Publication.

³ Horrell, M. (Ed.) (1972) "A Survey of Race Relations in South Africa 1971". South African Institute of Race Relations, 25, 59.

⁴ Minister of Statistics (19.9.70) Republic of South Africa, House of Assembly Debates (Hansard) col. 4490. Cape Town: Government Printer.

⁵ Minister of Statistics (8.6.71) Republic of South Africa, House of Assembly Debates (Hansard) col. 977-8. Cape Town: Government Printer.

⁶ March 1973. Bulletin of Statistics. Dept. of Statistics. Pretoria: Government Printing Office.

⁷ Hoffenberg, R. (1970) "Inequality of Health Care in South Africa". United Nations Unit on Apartheid.

⁸ Minister of Statistics (22.9.70) Republic of South Africa, House of Assembly Debates (Hansard) col. 4706-7. Cape Town: Government Printer.

⁹ Minister of Health (3.5.68) Republic of South Africa, House of Assembly Debates (Hansard) col. 4590.

¹⁰ "South African Statistics 1970". Department of Statistics. Pretoria: Government Printing Office.

¹¹ Minister of National Education (27.5.72) Cape Town: The Cape Times.

¹² Minister of National Education (28.7.70) Republic of South Africa, House of Assembly Debates (Hansard). cols. 539-40.

¹³ Board of The South African Nursing Association (1972) "Report on Nursing Service in the Republic of South Africa and the Territory of South West Africa". Biennial Congress of the S.A. Nursing Association.

¹⁴ From 'Hospital and Nursing Year Book of Southern Africa 1970'. H. MacCarthy Publications (Pty) Ltd.

¹⁵ Bateson, E. 'The Poverty Datum Line in Cape Town'. Cape Town Social Survey Report.

¹⁶ Horrell, M. (ed.) (1972) "A Survey of Race Relations in South Africa 1971". South African Institute of Race Relations, 25, 177.

¹⁷ Statistics News Releases 16.6.71, 18.6.71, 13.9.71. Republic of South Africa. Department of Statistics.

¹⁸ 25.3.73. London. The Observer.

¹⁹ Ngakane, P. (1973)—personal communication.

²⁰ 11.9.72. London. The Guardian.

²¹ Horrell, M. (ed.) (1971) "A Survey of Race Relations in South Africa 1970". South African Institute of Race Relations, 29, 263.

²² Benn, S. (1972) 'Apartheid and the Hippocratic Oath'. World Medicine, vol. 7, no. 26, 19.

²³ Department of Bantu Administration and Development Circular, July 1969.

²⁴ 31.3.73. The Star (Weekend Edition). Johannesburg.

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DON'T BLAME CAESAR

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Wednesday, March 20, 1974

Mr. TALMADGE. Mr. President, the publication of the Retail Credit Co. of Atlanta carried in its spring edition an excellent article entitled "Don't Blame Caesar."

Mr. Hiles, executive vice president of the Georgia Savings and Loan League, eloquently and forcefully discussed the social and economic problems that confront our Nation today, taking as his thesis Cicero's admonition about the impending fall of the Roman Empire:

Don't blame Caesar—he is but one man. Blame the people of Rome—they acquiesced in their loss of freedom.

I share the concern expressed by Mr. Hiles about many of the things that are happening in our great Nation, and I bring this article to the attention of the Senate, and ask unanimous consent that it be printed in the Extensions of Remarks.

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

DON'T BLAME CAESAR

(By Ed W. Hiles)

Some years preceding the fall of the Roman Empire a young lawyer named Marcus Tullius Cicero pleaded with Emperor Sulla to reinstate some honesty and integrity in the Roman government. Sulla said, "Cicero, why do you let these things bother you so much when the people don't care?"

Cicero, however, continued his plea. When Caesar came to power Cicero turned to Brutus who was complaining about Caesar and said, "Brutus, don't blame Caesar—he is but one man. Blame the people of Rome—they acquiesced in their loss of freedom."

It's somewhat frightening to me to note some very close parallels between the events of the years preceding the fall of the Roman Empire and some of the things happening in the United States today.

You may have at some time come across a reference to the 200-year cycle of the major civilizations of the world:

From Bondage to Spiritual Faith.

From Spiritual Faith to Great Courage.

From Great Courage to Freedom.
From Freedom to Abundance.
From Abundance to Selfishness.
From Selfishness to Complacency.
From Complacency to Apathy.
From Apathy to Dependence.
And from Dependence back again into Bondage.

I'm sure it isn't necessary for me to remind you that in 1974 we will celebrate the 198th anniversary of the founding of this great nation of ours. It doesn't take a genius to find our position in the 200-year cycle today to be somewhere in that area between apathy and dependence.

For example, I recently looked into the history of presidential elections. I was shocked to find that in 13 of the last 14 presidential elections in this country the man who was elected president of the United States received fewer votes than the number of eligible voters who failed to go to the polls. To me this is serious, and significant, and is a matter which has a definite bearing on our present position in the 200-year cycle.

So, like Cicero, I'm concerned over some of the things that have been happening in America during the past few years. It is my genuine feeling that never before in our history have we approached a crossroads with so much of importance—the whole bag as far as I am concerned—resting on our decision about what direction we should take.

Our economic survival—certainly our position of leadership among all nations—may well depend on the extent of our willingness and our determination to turn away from preoccupation with decisionmaking responsibilities within the narrow confines of our respective areas of individual interest. We must instead divert part of our decision-making responsibilities toward the survival of our country as a free nation.

WHAT'S BEEN HAPPENING

Let's look at some of the things we've seen happening in America during the past few years.

We've seen our nation's prestige in the eyes of the rest of the world reach an all-time low.

We've followed a monetary policy which has virtually dissipated our gold supply.

We've seen responsible confidence in the American dollar reach an all-time low.

We've heard our politicians tell us repeatedly that we have never had it so good, while our so-called affluent society staggers around under the burden of an astronomical public debt with no relief in sight.

We've permitted the development of a system in which wishes have become rights—a system in which the people get their rights from the government instead of the government getting its rights from the people. This is the very antithesis of the basic concept of our American system.

We've witnessed the advent of a philosophy in which the individual citizen sets himself up as the sole judge and jury as to the justice or injustice of our laws, and then proceeds to obey only those laws with which he agrees.

We haven't really changed our system of government in this country, but through acquiescence and apathy we have abdicated our individual responsibilities for maintaining it.

While our State Department officials were seeking a negotiated settlement with the Communists in Paris, we continued to be intimidated into surrender after surrender by the demands and threats of Communist-infiltrated mobs on our college campuses and in the streets of our cities.

We've seen the Supreme Court of the United States rule that freedom of choice is unconstitutional in this country.

We've seen the heavy boot of big government move across the threshold of our homes in an attempt to protect human rights by

destroying property rights—when the property right is one of the most basic of all human rights, recognized twice in the Ten Commandments: the 8th, "Thou Shalt Not Steal," and the 10th, "Thou Shalt Not Covet."

And we've seen Watergate and the end of this is yet to be written.

Yet some ask, like Emperor Sulla, "Why are you so disturbed?"

It was Abraham Lincoln who said, "To sin by silence when they should protest makes cowards of men."

And George Champion, chairman of the Chase National Bank, New York, speaking at a convention said, "This is no time to be timid or tone or fearful of economic reprisals, because when businessmen become afraid to stand up to government, we have the strongest indictment of big government that can possibly be imagined. If that happens, economic freedom will be dead."

In the last election year campaign, both candidates advocated some form of guaranteed income to every family in this country, regardless of that family's contribution to economic productivity.

There seems to be an overwhelming belief among some government leaders that we can cure poverty with money. Now it may sound strange to you, but I'm taking my stand on the premise that we can't. The worst thing that could happen to us would be for everyone to wake up tomorrow morning and find a million dollars on his doorstep instead of a bottle of milk. Of course, and this is very important, there wouldn't be any milk there after that, and the bread man wouldn't be coming, and there would be no morning paper, etc.

No, we can't cure poverty with money. The only thing that will cure poverty is production, not some silly scheme of paying men for not producing.

During the past ten years the government has spent 25 times more money on welfare programs than they have spent in putting men on the moon. Yet we have succeeded in numerous instances in putting men on the moon while we haven't yet begun to scratch the surface insofar as eliminating poverty is concerned—the alleged target of the welfare programs. Actually, despite the massive giveaways, which have steadily increased, our welfare rolls have increased more rapidly. This leads me to believe that welfare is gradually becoming an acceptable way of life for more and more of our citizens.

This brings to mind the story about a member of a so-called disadvantaged minority who, although he thought the guaranteed income proposal was a great thing, said he had a better idea—we should take all the wealth in America, put it in a kitty, and divide it up equally.

"Let everyone start off on the same financial basis," he said.

Someone replied that this sounded great, but it just wouldn't work in America because in just a few months all that wealth would be back where it is now. Said the proponent, "No, sir, not if they divide it up every Saturday night."

Let's not kid ourselves—we apparently have some folks in Washington who think we should divide it up every Saturday night.

We're all greatly concerned about the drug problem which is rampant in our country today—and it is a serious one. However, in my book, it isn't the pot, the hash, the LSD or the heroin that rank as the most dangerous drugs we must contend with at this crucial time in our history—it's a "drug" which I call "SFn"—something for nothing. This "drug" is eating away at the cardinal virtues of self-reliance and self-respect and is leading to corrosion of the human spirit through subsidized idleness.

The advocates of this something-for-nothing philosophy are pitifully ignorant of the basic fundamentals of man's production and the exchange of goods and services. They

are blind to the basic factual truth that whenever one man gets something without earning it, some other man has to earn something without getting it. That is morally wrong. Any nation espousing that kind of philosophy is headed for trouble, because the real irony here is that the man who pays nothing actually pays the highest price of all through the destruction of his character and self-respect.

Unfortunately, we have some would-be educators who, in my opinion, have been traitors to their calling by encouraging dissident students to put down the American system and rebel against the so-called "Establishment." Instead they should tell them the truth about the real contributions made by generations of parents and grandparents that made this nation the greatest on the face of the earth.

If today's generation is to make half as much progress in its lifetime, it will not be done through negative thinking or by tearing down or belittling the contributions of its predecessors—nor in the further development of a false and distorted sense of values such as some are tossing at them today from every direction.

For example, I read recently about a professor of business at one of our Southern universities who uses, as a required text in one of his classes, a book entitled, "The American Myth." The first two words of the first paragraph of the first chapter in the book are: "Capitalism stinks."

Many students today are being told that profit is a dirty word and should be replaced by something called "social responsibility." The truth is, however, that someone should point out to them that the business which manages to maintain earnings at a reasonable level is the one best able to fulfill its social responsibilities—by remaining in business and providing jobs and wages for qualified individuals.

Those who belittle the importance of the profit incentive are, in my opinion, leading the youth of America up a blind alley.

And so I'm great disturbed by attempts to redistribute wealth in America through passage of laws designed to prohibit winners from being winners in order to prevent losers from being losers.

We hear much today about equality in America. I have no argument with those who hold that each citizen should be entitled to equality of opportunity. I disagree vigorously with those who are attempting to make legal equality synonymous with economic equality, or equality of citizenship synonymous with equality of ownership. There will always be a vast difference between equality of opportunity and equality of achievement. Laws cannot change that.

Can there be any question that one of the primary factors that made the United States the greatest nation in the world was the inherent desire on the part of individuals to be "unequal"—to excel. Those who would seek to establish a one-class or "no-class" society in America are simply short-circuiting the dynamo of our economic power.

Nevertheless, in a noble effort to accomplish this impossible and dangerous objective, we are apparently entering upon an era in which it is going to be against the law to be poor. But, regardless of what name we choose to give this great undertaking, whether it be New Deal, Fair Deal, New Era, Great Society, War on Poverty, or "We shall Overcome," we must still recognize the truth of the fact that government does not have and cannot obtain the power to create wealth. It cannot give anyone anything that it doesn't first take away from someone else.

I am greatly disturbed when I see those who seem willing to exchange increasing amounts of their individual freedom for a partial return of the appropriated products of their own labor, in the form of so-called federal aid of one type of another. Surely

we will one day realize the fact that we are not being granted more freedom when we are being fitted for an economic straitjacket.

I'm reminded of the little bird that one day traded a small feather for a worm. This seemed like a good thing because he didn't miss the feather at all and the worm was very tasty. Thereafter, at each opportunity, he would exchange a feather for a worm. Then, one day, when he traded a feather, he no longer could fly. He had traded his liberty for "security."

If we take a closer look at our programs of increased federal aid and increased federal controls, isn't it possible that we're trading feathers for worms?

A DECLARATION OF POVERTIES

You may be sure that I am not opposed to any valid efforts to do away with poverty; but, I am not certain that we are firing our antipoverty weapons in the right direction. It seems to me we should be declaring war on poverty of the soul, poverty of integrity in government and business, poverty of education, poverty of character, and poverty of spiritual dedication, instead of on the poverty of material things. If we would overcome poverty in these areas, the problems which are getting all of the attention today would soon disappear.

Frankly, I'm disturbed when my country appears to be traveling on the theory that the Ten Commandments were intended for men but not for governments.

More than sixty years ago Lenin said, "We will find our most fertile field for infiltration of Marxism within the field of religion because religious people are gullible and will accept almost anything if it is couched in religious terminology."

We need look no further than to the controversial issues coming from many church organizations today to find evidence that Lenin was not just making conversation.

I believe one of the greatest services we can render youth today is to help them ferret out the *truth*, in a society in which *hypocrisy* has become the order of the day, from Washington on down. Even many of our religious sanctuaries, where socialistic doctrines are supplanting religious teaching, are guilty. In today's society, much of our news media appear to devote more time and space to influence and propaganda rather than to information and education.

Yes, I am concerned, for the future of a nation which proclaims to the world that it is offering the flower of its youth to protect the nation's honor in its commitments abroad, but which resorts to officially sanctioned falsifications to its citizens when caught with its hand in the cookie jar.

Arthur Sylvester, while serving as Assistant Secretary of Defense, was quoted as having said: "It is the inherent right of government to lie to save itself." I wonder if he was referring to saving itself from an enemy, or saving itself from the wrath of its own citizens?

Like the Roman Empire, we have witnessed a breakdown of law and order in this country during recent years. I am greatly disturbed for the future of our nation when I read in the newspapers about crimes of violence increasing faster than our population, while court opinions and decisions continue to make it increasingly difficult for local law enforcement authorities to fulfill their responsibilities to prevent crime and prosecute criminals.

I have about come to the personal conclusion that in the United States today, professional criminals have more legal protection in the pursuit of their chosen vocation than do professional policemen.

THE FINGER OF BLAME

During this year's election campaign, we are bound to witness our political aspirants going about the country pointing the finger

of blame at poverty, at the ghettos, at racism, at police brutality, at political aberrations. Surely we can look in many directions if we want to find a place to point the finger of blame for many of our problems.

We can point it at those public officials and organizations that encourage mob violence by advocating the philosophy of civil disobedience as a justifiable means for obtaining an objective.

We can point the finger of blame at a public official who would tell his police force to treat rioters and looters with compassion, while law-abiding tax-paying property owners stand defenseless and unprotected.

We can point the finger of blame at a national church organization which endorsed civil disobedience, thereby giving it an air of Christian endeavor. (It seems that too many of our church leaders today are trying to change our churches to fit society, instead of continuing the effort to mold society to the basic Judeo-Christian concepts that have proved workable for 2,000 years.)

Yes, there are many directions we can point the finger of blame. But if we are really serious, let me suggest that we quit playing ostrich, pull our heads out of the sand, and look into the mirror. Look at our society—you and me—who, through our apathy and acquiescence during the past two or three decades, have permitted the Constitution of the U.S. to be twisted and distorted by interpretation in order to make it conform to the ever-growing operations of a central government instead of insisting that the government operate within the limitations so wisely and deliberately written into that document by its drafters.

George Washington warned us about such a possibility when he said, "If the distribution of constitutional power be in any particular wrong, let it be changed in the way the Constitution provides, but let there be no change by usurpation; for while in one instance this may be an instrument of good, it is the customary weapon by which free governments are destroyed."

I'm certain that we share mutually our concern over the dreadful specter of a possible future nuclear war. But my concern now is directed at a war in which we are already engaged—a war for the control of men's minds. It is being fought aggressively and cunningly by some in our news media, our churches, our classrooms, on our college campuses—even in our federal courts. And personal freedom is coming out second best in too many of the skirmishes. If personal freedom is to be lost, I, for one, would rather that it be lost on the field of battle than to awaken one day and find that it had been stolen away while I slept.

THE THINGS I CHERISH

My God and my country have been good to me. I cherish my little piece of America in Atlanta where my family begins and ends each day together. I cherish those youthful feet that track in the dirt and wear out the carpets.

I cherish those youthful hands that have a tendency to meddle sometimes and too often forget to put things back where they belong.

I cherish those youthful minds which are yet unable to comprehend the complex challenge of the life that lies ahead of them.

I cherish those youthful ears which respond so instantly and sometimes so violently to the "jungle rhythms" of today's so-called music, when I know in my heart that they have not yet fully experienced the *real* thrill of hearing the "Star Spangled Banner," "God Bless America," or "My Country 'Tis of Thee."

I cherish those youthful eyes which cannot help but see the ugliness as well as the fantastic beauty of the world around them—those eyes that look up at me at bedtime and

say, "I'm counting on you, Dad—don't let me down."

I don't intend to.

Some of you must think I'm an extremist, a super-patriot, or even a random crackpot. My answer is, those things which have contributed so much to making the United States the greatest nation on the face of the earth are matters of documented record. We can ignore them, but we cannot deny them.

Written across the face of this record is instance after instance of the recognition and acceptance of individual responsibility.

WHAT IF THEY HAD SAID

Where would we be today if Paul Revere had said: "Why pick on me—it's nearly midnight. I can't ride through every Middlesex village, and besides I'm not the only man in Boston with a horse."

Suppose Patrick Henry had said: "Sure, I'm for liberty, but let's be realistic." (How many times have you heard that phrase recently?) "This is a complex society we're living in."

Or suppose Patrick Henry had said: "Sure, I'm for freedom, but let's be realistic—the British are bigger than we are, and somebody's going to get hurt."

Yes, as Lincoln said, "To sin by silence when they should protest, makes cowards of men."

So, I protest!

I protest the gradual eroding away of the guarantees of individual liberty and limited government, so wisely and deliberately written into our Constitution by its drafters.

I am doing everything I can to instill in my children a will to defend their heritage of freedom in America. But I am concerned over whether I am doing everything I can and should be doing as one father and one citizen to make certain that my children will have a heritage of freedom to defend.

So, I offer you and all other Americans these challenges:

1. Accept fully and without reservation your individual responsibilities for preserving Constitutional government in the United States of America.

2. Eliminate the inconsistencies between what you believe and what you do. This is a personal and individual thing and consists simply of giving your conscience a bigger voice in the making of your decisions.

3. Stop letting the things you can't do keep you from doing the things you can do. No matter how insignificant an individual may think he or she is, he has a sphere of influence. It may be limited to his breakfast table, to his office, to his civic club or his Sunday school class—but he has a sphere of influence and it behooves him to use it to its fullest extent and to attempt to expand on it whenever possible.

4. Stop worrying about being called a "square" by your "friends" and associates. This may well prove to be the highest tribute you will ever be paid in your lifetime.

5. Stop treating politics as if it were a dirty word or a dirty game. To do this is to discourage men of integrity and ability from seeking public office, usually at a tremendous personal sacrifice. Ours is still a government of the people, with its basic ingredient being grass roots politics sprinkled with deep spiritual conviction. To turn our backs on these grass roots ingredients is to turn them on the finished product—the greatest system of government yet devised by man.

6. Sixth, and finally, let us take issue openly and vigorously with those who would tell the youth of today that God is dead.

Alexis De Tocqueville, that perceptive Frenchman who visited our shores, in 1835, wrote: "I sought for the greatness and genius of America in her spacious harbors and her ample rivers, but it was not there—in her rich mines and her vast world commerce—but it was not there; it was not until I went into the churches of America and found her

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pulpits aflame with righteousness that I discovered the true source of America's greatness and genius. America is great because America has been good. If ever America ceases to be good, America will cease to be great."

Is it any wonder, then, that many of us are so genuinely concerned about the very real possibility that our churches may have become the primary targets of those who would seek to destroy us?

Former President Hoover appealed to his party at their 1956 convention with these words: "Your task is to generate a spirit which will rekindle in every American not only a love for this country, but a devotion to its true ideals. You are here to feed the reviving fires of spiritual fervor which once stirred Americans to live and die for human liberty—Americans who know no private interest, no personal ambition, no popular acclaim, no advantage of pride or place, which overshadows the burning love for the freedom of men."

If you are unwilling to accept this challenge—if you are unwilling to get disturbed

enough to fulfill ALL of YOUR responsibilities as an individual citizen, and you awaken one morning to find your personal freedom has been stolen away from you while you slept, I would remind you of Cicero's admonishment to Brutus... "Don't Blame Caesar!"

DRASTIC DECLINE IN DEFENSE-RELATED EMPLOYMENT IS NOT ACCOMPANIED BY A CORRESPONDING DECLINE IN IMPACT AID

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. HUBER. Mr. Speaker, next week the House will debate amendments to H.R. 69, the elementary and secondary

education amendments, and at that time, consider my proposed amendment to Public Law 874 which I had printed in the RECORD, March 11, 1974. My interpretation of the intent of Congress in passing Public Law 874 is that impact aid payments are to be restricted to the compensation of local educational agencies for financial burdens imposed on them by Federal activities and that such payments should not exceed the federally created burdens on school districts. A summary of defense-related employment in 1968, 1970, and 1972, presented in the accompanying table shows a drastic decline during these years, a decline not reflected in impact aid ADA—average daily attendance—claims. The employment figures cited in this table, as evidenced by the documentation of sources, appear to be authoritative and I do accept them without reservation.

The table follows:

U.S. DEFENSE-RELATED EMPLOYMENT AND IMPACT AID, 1968-72

[Absolute figures]

Fiscal	Military personnel	Federal civilian personnel	Non-Federal civilian personnel	Total civilian employment attributable to military expenditures	Total military, Federal civilian, and non-Federal civilian employment attributable to military expenditures	HEW/OE reported impact aid pupils in ADA							
						(1)	(2)	(3)	(4)	(5)	"A"	"B"	Total "A" and "B"
1968	2,103,000	1,090,645	2,354,355	4,345,000	6,448,000	348,703	2,222,358	2,571,001	2,571,001	2,571,001	2,571,001	2,571,001	2,571,001
1970	1,754,545	1,044,652	2,642,348	3,687,000	5,441,545	372,661	2,211,566	2,584,226	2,584,226	2,584,226	2,584,226	2,584,226	2,584,226
1972	1,474,631	988,433	2,056,567	3,045,000	4,519,631	387,114	1,973,892	2,361,001	2,361,001	2,361,001	2,361,001	2,361,001	2,361,001

FIGURES FOR 1970 AND 1972 EXPRESSED IN PERCENT OF 1968

1968	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
1970	83.43	95.78	81.19	84.86	84.39	106.87	99.51	100.51
1972	70.12	90.63	63.19	70.08	70.09	111.02	88.82	91.83

¹ Excludes Personnel in foreign countries.

² Col. 4 minus col. 2.

³ Col. 1 plus col. 4.

Sources: Col. 1—OASD/DOD (comptroller), Directorate for Information Operations, "Distribution of Personnel by State—by installation (as of June 30, 1968; June 30, 1970; and June 30, 1972)." Washington, D.C., DOD (mimeograph). Col. 2—OASD/DOD op cit; also U.S. Civil Service Commission, "Annual Report of Federal Civilian Employment by Geographic Area (as of Dec. 31, 1968; Dec. 31, 1970; and Dec. 31, 1971)." Washington, D.C., U.S. GPO. Col. 4—"Statistical Abstract of the United States—1973." Table 418; also Bureau of Labor Statistics figures for fiscal 1972. Col. 6—HEW/OE, "Administration of Public Laws 81-874 and 81-815," 22d annual report of the Commissioner of Education, June 30, 1972. Washington, D.C., U.S. GPO, 1973, p. 10.

RECOGNITION OF DRUID CITY HOSPITAL

HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. FLOWERS. Mr. Speaker, the National Fire Protection Association recently announced the winner of its 1973 fire prevention contest. I am pleased to report that Druid City Hospital of my hometown of Tuscaloosa captured the first place award in the "International Rating" of the group A government division. This is nothing new for Druid City, as they won in 1971 and achieved honorable mention in 1972. Mr. D. O. McClusky, administrator, Mr. Swann Gray, safety engineer, and the entire staff are to be congratulated for receiving this fine award.

Mr. Speaker, this contest is sponsored annually by the Fire Protection and Clean-Up Campaign Committee of the N.F.P.A. and is in its 47th year. The National Fire Protection Association, a non-

profit organization, is dedicated to the reduction of the loss of life and property by fire. There is considerable competition for the fire prevention contests, which focus attention on efforts for fire safety. Such contests are obviously beneficial to our communities and deserve our support.

Hospitals are a vital part of any community, and it is thus reassuring to the people of Tuscaloosa that such a fine institution serves the area. We, in Tuscaloosa, are justifiably proud of our hospital's record, and feel that recognition of Druid City's outstanding achievements are definitely in order.

CONGRESSIONAL COUNTDOWN ON CONTROLS

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. KUYKENDALL. Mr. Speaker, in joining my colleagues in this "Congres-

sional Countdown on Controls", I would like to point out the feelings of the Eighth District of Tennessee. Most of the Members of Congress spent a great deal of time with constituents in the district during the recess; I used this time to get a feel of their views on the problems facing this Nation. I returned to this floor convinced that one of the greatest concerns is the rising cost of living. I share this concern.

The Consumer Price Index rate for the last 3 months ending in December 1973 was 9 percent—a glaring contrast to the 4.9 percent for the last quarter before the wage and price controls began.

In a recent article in my hometown newspaper, the Memphis Press-Scimitar, several homemakers were interviewed concerning the changes in their lifestyle. Memphis homemakers are concerned and have changed their lifestyles—by shopping cautiously and frugally. Mrs. Peter Yates said,

Mostly, we eat hamburgers, hot dogs, and vegetables because of the high prices.

The lifestyle of industry has changed and is changing desperately. The inde-

pendent plastic processing industry, for example, has been subject to cutoffs of the feedstocks necessary for their operations.

I urge serious consideration by my colleagues to reexamining the entire program of wage and price controls.

Let us return this Nation to a free economy.

THE PSRO SPECTER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. SYMMS. Mr. Speaker, it seems that all too often apparently innocuous provisions of legislation come back, to haunt the Congress and the American people. Another addition has been made to this list of specters, and this one strikes with particular force the doctors of this country who are already overburdened with the paperwork occasioned by Government health programs. It is the provision of Public Law 92-603 which has established the Professional Standards Review Organizations. Not only will this law overtax the time and talent of doctors, but it will demolish the confidentiality of the doctor-patient relationship by making records available to outside scrutiny.

Congressman RARICK of Louisiana has remarked:

The legislative history of PSRO reads like a description of a left end run that went all the way for a touchdown.

In this case, the touchdown does not mark a victory for those who believe in quality health care and the traditional doctor-patient relationship. The following article from the March 1974 issue of *Private Practice* outlines the PSRO specter:

PRESCRIPTION: PSRO

(By Hon. JOHN R. RARICK)

A handful of informed medical professionals scattered around the country had some foreshadowing of the true nature of PSRO before it became law on October 30, 1972, with the President's signature. The great majority of the nation's 322,000 practicing physicians were unaware of the consequences that faced their private practice of medicine from the far-reaching legislation. Certainly, the more than 80 million Americans under treatment by Medicare, Medicaid and maternal and child health programs of the Federal government had no inkling of how this government-dominated system of diagnosis, care, and treatment would affect the quality of medicine they had been receiving.

But in fourteen months, between the time when it became law and the time that the Secretary of Health, Education and Welfare began implementing the scheme, Professional Standards Review Organizations became the hottest controversy facing private practitioners of medicine in recent years. It also became the object of a legal struggle to test its constitutionality and a Congressional drive to repeal the potentially destructive legislation.

Dr. Malcolm C. Todd, at the time president-elect of the American Medical Association, called Professional Standards Review Organizations: ". . . the greatest threat to the private practice of medicine of any piece of legislation ever passed by Congress." But

EXTENSIONS OF REMARKS

he added that repeal of the law would be both "unattainable and politically naive." AMA's House of Delegates echoed his statements in its four-day business meeting held in early December in Anaheim, California.

A substantial number of physicians, increasingly concerned at the prospects of Federally subsidized and controlled peer review, declared: ". . . the best interest of the American people, our patients, would be served by the repeal of the present PSRO legislation." The delegates also suggested "that the local and state medical societies take all legal steps to resist the intrusion of any third party into the practice of medicine."

The doctors stopped short, however, of demanding an all-out effort to repeal the law. Instead, they placed their confidence in an information campaign directed at educating "the public and legislators as to the potential deleterious effects of this law on the quality, confidentiality, and costs of medical care . . ." They voiced hope that "Congress in their wisdom will respond by either repeals, modification, or interpretation of rules which will protect the public."

The president of the Association of American Physicians and Surgeons, Dr. Robert S. Jaggard, was even more outspoken:

"This is a vicious, punitive law which will force physicians to practice medicine by averages. The aged, poor, and disabled in America will suffer because they will be denied the best medical care their doctors can give them. It will force physicians to practice in a climate of fear—fear that they will be punished if they don't adhere to standards dictated by government, fear that if their medical judgement is overruled by government functionaries their patients will be hurt."

Dr. Jaggard's organization places its hope for rescinding the PSRO provisions of Public Law 92-603 in the courts. Last June, the AAPS filed suit in the U.S. District Court in Chicago, challenging the constitutionality of PSRO. The suit charges that PSRO violates the First, Fourth, Fifth, Seventh and Ninth Amendments to the United States Constitution. The right of privacy in the physician-patient relationship, secured by the Constitution, will be denied both patients and doctors, the complaint charges.

Another group of medical doctors, the American Council of Medical Staffs, is currently conducting an intensive nationwide educational campaign directed at the state medical societies. The thrust of their efforts to repeal PSRO began in February 1973 when it was adopted as national policy by the group. Largely through their urging, thirteen state and dozens of local medical societies have adopted resolutions calling on Congress to repeal the law. The Louisiana State Medical Society, one of the most active and efficient in the country, was the first one in the nation to ask repeal of PSRO.

It was after study of the facts presented by the House of Delegates of the Louisiana State Medical Society and a great deal of discussion with doctors in my state, that I introduced my bill H.R. 9375 on June 18, 1973, to repeal PSRO.

One thing is certain at this point: the medical profession, which was ignorant of PSRO a little over a year ago, has had its eyes opened in a short time. I have received correspondence from doctors all over the country. The prevailing theme is clear. Physicians and surgeons, who have realized the position that PSRO puts them and their patients in, are up in arms.

What is it about PSRO that has generated such heated controversy, impassioned denunciation by doctors and other health care professionals, legal suits, and the Congressional move to repeal the law? The answers go deep into the law itself.

The concept that led to the establishment of PSRO resulted from a realization by law-

makers that the costs of government-sponsored welfare medicine had gotten out of hand. Despite original estimates, actual costs for the various programs have swollen to gargantuan dimensions. HEW estimates that the Federal government spends \$17 billion a year for Medicare and Medicaid programs. The overrun of projected costs for Medicare alone is expected to top \$240 billion over a twenty-five-year period.

Many members of Congress felt that they, and the American public, had been defrauded by the rosy pronouncements of the architects of the programs at the beginning. They looked around for a method of curbing the ever-rising costs. Blame for the escalating prices was shoved off on the practicing physician.

Overlooked in this search for a scapegoat was the fact that medical costs have risen at the same rate as other services over the past twelve years, and that physician's fees for service have actually risen less than salaries of employees covered by Social Security in the same period. Rather than attacking the real problems, such as rampant inflation from runaway government spending, Congress and the bureaucrats took the easy way out. They aimed for the most visible target—the doctors.

Professional Standards Review Organizations are the sad result of Congress looking for a patsy to bear the brunt of keeping the costs of Medicare and Medicaid down.

Few people will disagree that the government has a solemn responsibility to the taxpayer to control the costs of all Federal programs. But the costs that PSRO extracts in time, money, and the loss of individual rights of physicians, patients, and taxpayers, are too high a price to pay.

PSRO is a creature of the Senate Finance Committee and was introduced as an amendment to the massive Social Security Act of 1972 by committee member Senator Wallace F. Bennett, Republican of Utah. The Senator had originally introduced the idea as an amendment in committee in August 1970. Even though it won committee approval, it died in the waning hours of the legislative session because it never got to a conference of both houses.

With some modifications, the proposal was offered once more as an amendment in committee to the catchall bill H.R. 1, on January 25, 1972. PSRO, with support from the powerful Senate Finance Committee, came to the Senate floor carefully tucked away in the complex and lengthy 989-page Social Security Act of 1972, later P.L. 92-603. While other so-called welfare reform attracted the news coverage and public attention, PSRO moved quietly through the Senate debate without a single amendment being offered from the floor.

The House never considered or passed a PSRO provision when it voted on H.R. 1. It was the Senate's proposal that was adopted, with only three major modifications, by a House/Senate conference committee which ironed out the differences in the two versions of the bill. Both the House and the Senate approved Professional Standards Review Organizations with little fanfare on October 17, 1972.

It may shed some light on the political maneuvering that secured the passage of PSRO to note that while the Senate held public hearings on the scheme, the House never did. It was accepted by a handful of conferees, the only Representatives who actually had an opportunity to cast a vote on PSRO. When H.R. 1 was considered by the House in the last minute rush on the final day of the 92nd Congress, it was brought onto the floor for debate under a closed rule. This is a legislative procedure that does not allow a proposal to be amended during debate by the entire membership.

This is a political power play often used by proponents of an unpopular or controversial

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measure that might go down to defeat if all the facts were known and Congressmen were allowed to decide on the merits of its individual sections. In this case it worked. The representatives of the people had the option to vote for or against the "package deal." The favorable vote was 305 to one.

The legislative history of PSRO reads like a description of a left end run that went all the way for a touchdown.

In an effort to clear up "a great deal of confusion in the minds of physicians" about PSRO, the Assistant Secretary for Health, Dr. Charles C. Edwards, issued a ten-page pamphlet in December called "PSRO Questions and Answers." Dr. Edwards views the beginning of the PSRO program as:

"Embarking on a major new venture in the efforts of government and the health professions to improve the quality of health care one in which the major responsibility falls—as it must—on the physicians who seek to meet the health needs of their patients."

What can physicians, surgeons, and members of hospital staffs expect from this "major new venture"?

The law calls for the establishment of a pyramiding network of review boards that stretch from the local community to HEW offices in Washington. The local PSRO committees, at the present time made up of physician-sponsored organizations, are charged with evaluating the necessity and quality of medical care delivered under several government-funded medical programs. The local PSRO committees are responsible for reviewing the actions of doctors treating patients under these programs, to determine if they are: medically necessary, up to recognized standards, and delivered by the most economical institution or format of care. In fact, they have the authority to deny elective admissions to hospitals and to order a patient to be transferred to a nursing home or other health care facility. The entire scheme is deceptively simple.

In order to arrive at workable standards for diagnosis, treatment, and care of patients, PSRO committees are empowered to set up a Federal rulebook for treatment of all diseases. Some 50 million patients and 10 million hospital admissions are potentially subject to monitoring. Proposed "norms" of care and treatment will cover some 350 procedures. The HEW Secretary will have the final decision for approving these "norms" suggested by the local committees "based upon typical patterns of practice in its region." Such questions as whether some doctors over-prescribe or require unnecessary hospitalization will enter into the review and norm-setting process.

Medical records will become public records, since the law also empowers the government, through PSRO, to examine them in doctors' offices, not only those of Federally insured patients, but private patients as well. A doctor's business records as well as the traditionally privileged and confidential medical records of patients are also open to bureaucratic plundering. The law sets penalties for disclosure of such information. But one section of the Social Security Act of 1973 (section 1106, paragraph B), allows disclosure to be made in accordance with regulations established by the Secretary:

Requests for information, disclosure of which is authorized by regulations prescribed pursuant to sub-section (a) of this section and requests for services, may, subject to such limitations as may be prescribed by the Secretary to avoid undue interference with his function under this act, be complied with if the agency, person, or organization making the request agrees to pay for the information and services requested in such amounts. [Emphasis added]

Perhaps the creators of PSRO expect the program to save taxpayers' money by selling confidential medical information extracted from doctors' files to those parties willing

to pay. The right of privacy, in the past sacred in medical relationships, will be violated without benefit of a search warrant, court order, or authority of the patient.

The local PSRO will compile, and is expected to publish, up-to-date "profiles" on individual physicians. These computerized profiles will be used to identify doctors who fail to live up to their "obligations" of practice under the established norms of health care.

Those doctors who prefer to practice medicine from education and experience, rather than from a Federally directed computer printout of "norms," can expect stiff financial and professional sanctions. Practitioners who demonstrate "an unwillingness or lack of ability substantially to comply with the obligations" face fines of up to \$5,000, suspension from participation in the Medicare/Medicaid programs, and criminal prosecution if fraud is involved.

While HEW comes down hard on transgressors, it is generous to those who go along with the program. One provision even grants immunity from prosecution to those doctors who practice medicine from HEW's guide book. PSRO has cloaked its political doctors in a security blanket of protection against malpractice suits by patients. The provision alone will probably entice some insecure doctors to forsake their own medical judgment for the collective practice of medicine by computer.

The Federation of American Scientists, a professional scientific organization, predicts in its December *Professional Bulletin* that medical and scientific innovation will suffer as a result of PSRO stifling:

There is no question that it [PSRO] will limit research and innovation and may result in doctors' practicing "defensive medicine"—i.e. using only the most conventional treatments. A levelling off of health care seems likely. For example, the Mayo Clinic requires a complete physical for all patients. Will this go unreimbursed simply because other institutions in the area don't provide it? While PSRO should raise the level of poor quality institutions somewhat, it may also have a deflating effect on superior ones. The result could be another bureaucratically muscle-bound project which absorbs much more valuable time and energy better used elsewhere.

The PSRO law lengthens the shadow of big brother government in the doctors' offices and hospital operating rooms of the country, with no guarantee that it will actually save the taxpayers anything. HEW will provide funding to PSRO to cover all necessary expenses involved in carrying out its functions, including the reimbursement of physicians for time spent participating in review activities. The HEW Office of Professional Standards Review, which coordinates all PSRO efforts at the national level, estimates the cost of operating a single PSRO for one year as up to \$500,000. It doesn't take a complicated HEW computer to realize that this cost multiplied by the 182 local PSROs proposed by the Secretary in the Federal Register on December 20 equals a whopping cost of \$91,000,000 for one year's operation. The taxpayers are not told that they must shell out almost \$100 million a year to accomplish the same thing that professional peer review committees in hospitals, state medical societies, and government agencies at other levels already do.

I have had many personal conversations with physicians all over the country, which usually begin, "Congressman, I applaud your stand for repeal of PSRO. It's a bad law, and we must nip it in the bud. But, honestly, do you think that PSRO can be repealed?"

My answer is a qualified "yes." PSRO can be repealed, but not without the solid backing of responsible medical professionals and an informed public. As knowledge of the ramifications of PSRO increases, there

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seems to develop a corresponding increase in opposition to it on the part of doctors, patients, and legislators. In June, when H.R. 9375 was first introduced, it had no cosponsors. There was little interest in it outside a small medical circle. At the time scant news coverage had been given PSRO in the press. The resolution passed by the AMA House of Delegates, however, focused national public attention on the law and the bill to repeal it. An open letter to the delegates was signed by 41 members of Congress in November urging passage of such a resolution. Since then, 14 other Congressmen have joined me as cosponsors of H.R. 9375, and two others have introduced identical legislation. Many of the Representatives who never had a chance to vote on it, have indicated to me that they feel PSRO deserves closer scrutiny before being forced on the American public.

Congress generally reflects the wishes and demands of the people it represents. Unless the voters and taxpayers make the desire for repeal of PSRO known, it will remain law and continue to eat its radical way deeper into our health care delivery system. Unless you as physicians can convince your patients of the danger they are up against and the need to communicate this to their legislator, PSRO will not be repealed.

In the December 10 editorial titled "No Time for Patients," the *Wall Street Journal* assessed the climate today:

"Medicare and Medicaid were a product of the mid-1960s and there is no denying the public support that then existed. But this is 1973 and Americans have seen quite a lot they don't like about Federal social programs. There is no certainty they are yet ready for a national health insurance and they certainly aren't ready for sneaky approaches to that end through innocent-looking riders to complex bills in Congress. It may well be that the public has a bigger stake in repeal than it realizes. At any rate, the issue deserves a better hearing than it got when PSROs were so nimbly written into law last year."

The political promise of improved health care at lower prices is an appealing idea to many Americans. But the question remains, Will physicians be allowed to continue to practice medicine for the benefit of their patients, or will politicians be allowed to manipulate doctors for the benefit of political expediency? The only answer will come from the American people.

In the meantime, take two aspirin and call your legislator.

WHY DOES YOUR SOCIAL SECURITY CLAIM TAKE SO LONG?

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the Record, I include my Washington report entitled "Why Does Your Social Security Claim Take So Long?":

WHY DOES YOUR SOCIAL SECURITY CLAIM TAKE SO LONG?

People often lack confidence in government because it is no longer plain, simple and intelligible as the Founding Fathers intended it to be. The vastness of government baffles, confuses and frustrates them. No one expects an institution that spends over \$300 billion a year and employs over 2.7 million people to run as smoothly as the neighborhood grocery, but, even making allowances, they see too much delay, inertia and unresponsiveness.

The social security program illustrates the problem of making big government responsive and efficient. Few Congressmen can satisfactorily explain to a constituent with a social security problem why it takes at least a month, and often six months, to get a full report in response to an inquiry.

Sheer size is a large part of the problem. Each month the 55,000 employees of the Social Security Administration process 424,000 new claims, handle 3.3 million inquiries, establish 600,000 new social security numbers and distribute benefits to more than 33 million Americans. Social security outlays will increase by \$11 billion to \$79 billion this year, and the end is not in sight because the fundamental forces that escalate the cost of the system—population growth, public demand for better benefits, and expanding programs—are continuing; 100 million American workers, 9 out of every 10, are now covered by social security, and 1 of every 7 Americans receives a monthly check. In any organization so large—and the social security system is the largest retirement and disability insurance system in the world—the familiar bureaucratic rule often applies that if anything can go wrong, it will.

New programs like the black lung program are constantly being added, and existing programs like Medicare are constantly being changed. The black lung program added 450,000 persons to the social security caseload, and the 1972 change required a complete reprocessing of all claims previously denied. Over a million beneficiaries were added to the social security program when the new supplemental security income program was added this year. Disability claims have been increasing by 15% a year. The determination of disability is a complicated question often requiring close questions of judgment, and in these and other disputed cases, the process of hearings, awards, denials, reconsideration and appeals is cumbersome.

A few simple rules, if followed, will help speed a social security inquiry:

(1) Work closely with officials in your local social security office. They have received special training to help you and they are your most important source of advice and assistance for social security claims.

(2) In contacts with the Social Security Administration or my office, always use your social security number and the name and social security number of the wage earner on whose record your claim is filed (if not your own).

(3) In disability cases, be sure to obtain all the medical and other evidence you can to support your claim, since that evidence is crucial for a decision.

(4) Keep social security records safe and bring them with you when you go to the local social security office to apply.

(5) Notify promptly the Social Security Administration of a change of address and include your name, social security number and the names of any of your dependents also affected by the address change.

(6) Check occasionally with the Social Security Administration to insure that you are being credited for all of your contributions to the social security system.

(7) File early for benefits (perhaps three months before benefits are due) to allow time for documentation.

(8) If your claim is denied, submit your appeal as soon as possible, since action is taken on social security claims in the order they are submitted and appealed.

My office receives about 750 personal letters each week, roughly one-half of which are casework (personal problems with federal agencies) and a major portion of those involve social security problems. In addition, many personal contacts with me or members of my staff concern social security problems. My staff and I direct careful attention to these inquiries and seek for each constituent,

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not preferential treatment, but fair and full consideration of his inquiry, and a just determination.

That is no small task in the vast world of the government's social security program.

BINARY NERVE GAS

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. OWENS. Mr. Speaker, I would like the Members to know that the issue of the Army's proposals to begin production of the binary chemical warfare munition continues to get an increasing amount of reaction from the public media. As I have noted before, I consider the decision as to whether the United States should indeed embark upon a total restructuring of our chemical warfare stockpile to be one of those turning points in legislative history. We have the opportunity to make a crucial decision at this moment which can have a far-reaching impact on all of our arms control efforts to reduce world tension with regard to escalation of chemical weapons manufacture and production. This decision is so crucial that I and a number of cosponsors have introduced legislation asking for a review of our policies on chemical warfare so that we in the Congress may be absolutely certain that we understand the real implications of this proposal by the Army. I include in the Record the following article, published in the *Saturday Review/World*, as an example of the type of reaction which is appearing with regard to the issue of the production of binary weapons.

The article follows:

NERVE GAS: RETURN OF THE NIGHTMARE

(By Richard A. Fineberg)

Isn't poison gas a thing of the past? Not at all: Today's military is pushing for major new nerve-gas systems.

Just when most Americans thought the gas-warfare program had been phased out, the U.S. military has come up with a "safe" instrument of death known as a binary nerve-gas weapon. Inevitably, a storm of controversy has already blown up around the weapon, and later this spring an influential House Foreign Affairs Committee subgroup will hold major hearings on the binary nerve-gas agents.

Undismayed by the growing criticism, the army is steadfastly gearing up for production of the weapon—which is known benignly as binary nerve gas because it consists of two components that are relatively harmless in themselves but are deadly when mixed together, just as the gas is launched at the enemy. Though the binary is no more deadly than its predecessors, the Pentagon is pushing the weapon because it is safer to handle and therefore less likely to arouse the public's latent nerve-gas phobia.

According to a recent army announcement, the nerve agent will be produced at the Pine Bluff (Arkansas) Arsenal. Technically, this lethal weapon is not a gas; it is a liquid dispersed in an aerosol cloud of tiny droplets. This deadly liquid may be carried by a variety of munitions, which include aircraft spray tanks, bombs, rockets, artillery shells, and land mines.

Like ordinary nerve agents, binaries work

by inhibiting cholinesterase, a key body enzyme, thus causing uncontrollable muscle action: A pencil-dot of nerve gas on the skin is potent enough to reduce, in short order, an individual to a nauseated, defecating, spasmodically writhing animal. Untreated, exposure to nerve gas will cause death within minutes.

If it's no stronger than other gases, why does the Defense Department so urgently want this chemical weapon? It is ironic that the big selling point for the binary is its relative safety, not its potency. By manufacturing, shipping, and storing the agent in two separate components, military planners hope to reduce the possibility of accidents that might unleash an inadvertent cloud of death. This is an important consideration for the army: Since 1966 leaks of supertoxic nerve gas stored at Dugway Proving Grounds (Utah), Lexington-Bluegrass Army Depot (Kentucky), Rocky Mountain Arsenal (Colorado), Fort Greely (Alaska), and on the island of Okinawa have created serious threats to the environment, to military personnel, and to public health and safety. Proponents of the binary hope the weapons system will reduce these problems and will reduce public opposition to chemical weapons as well.

One binary component, a chemical that the army compares to organo-phosphate insecticides, will be manufactured and placed in projectiles at the Pine Bluff military plant. The other component, an alcohol reagent obtained commercially, will be shipped, stored, and handled in a separate canister that will be loaded into the munition just prior to firing.

Here's how a binary artillery shell works: When the projectile is launched, the firing force ruptures the walls separating the two canisters that hold the components. As the warhead spins on its way to the target, internal fins mix the components together to form a nerve agent. When the shell hits the target, some ten seconds after firing, a small explosive charge in the nose disseminates the nerve-gas cloud. Separated, neither component of the binary is extraordinarily dangerous by modern industrial standards; combined, they form a lethal neurotoxin similar to currently stockpiled agents.

For this innovation in chemical warfare, the army plans to spend an initial \$400 million. About half this amount will go toward destruction of about 20,000 tons of nerve gas that the United States has stockpiled around the world, from Johnston Island in the Pacific all the way to West Germany. The rest will be spent on replacing the old gas with binaries. And this is only the first installment. The army's production-cost estimate, reluctantly divulged, covers only the first two binary weapons to reach advanced development—the 8-inch and 155-millimeter tactical artillery shells. Other binary weapons are slated to follow these early ones.

Cost and safety are important considerations, but they obscure much more significant long-term questions about the strategic and international implications of the binary weapons system. The Defense Department says the lethal chemical stockpile is needed as a deterrent-in-kind against a potential Soviet nerve-gas attack. But critics of the binary question this premise.

The military's case for a nerve-gas deterrent was summed up before a subcommittee of the House Armed Services Committee last October by Robert C. Hill, assistant secretary of defense for international security affairs. Hill trotted out the well-worn argument that "since World War I, highly toxic chemicals have been used only against nations that did not possess a capability to retaliate in kind and adequate defensive equipment and training." This argument does not stand

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up under close scrutiny. For one thing, highly toxic gases were used by both sides during World War I. Lethal chemicals have been used in two conflicts since World War I (Italy used mustard gas against Ethiopia in 1936, and Egypt reportedly used lethal chemicals during the early 1960s in the Yemeni civil war). But these two instances hardly constitute conclusive proof of the Defense Department's thesis. Moreover, this argument overlooks the fact that chemicals were not used in countless other conflicts, regardless of unequal preparations. One of the most important reasons for non-use of chemical weapons appears to be the nightmare memory of World War I. In that conflict the agony of extended trench war was compounded by vaporous clouds of blister and choking agents that left men gasping, strangling, and clawing for life, blistered cruelly under the armpits, on the back of the neck, or in the groin, or, in some instances, blinded. Chemicals were not used during World War II and are regarded with a special opprobrium that is surpassed only by the horror of germ and nuclear weapons.

In a recent interview with *The New York Times*, Dr. Fred C. Ikle, the director of the Arms Control and Disarmament Agency, went on the record with his belief that the threat of a nuclear response should in itself be enough to persuade the Soviet Union not to launch a nerve-gas attack. Dr. Ikle, whose unit provides technical backup for all arms negotiations, also says U.S. introduction of binaries may further complicate the bogged-down chemical-warfare negotiations at the U.N. Conference of the Committee on Disarmament. The conference has been working on a chemical-warfare ban since 1972.

Veteran arms specialist Herbert Scoville, Jr., doesn't buy the Defense Department's deterrence-in-kind premise, either. Scoville, a former high-ranking official in both the Defense Department and the CIA, as well as the Arms Control and Disarmament Agency, states flatly, "There is no requirement that every possible Soviet action or weapon needs to be deterred by a response in kind." Underscoring the fallacy of the deterrence-in-kind premise, Scoville notes that in most scenarios, the main purpose of the U.S. nuclear panoply in Europe is to deter a large-scale conventional attack by Soviet forces.

Advocates of the nerve-gas deterrent frequently maintain that chemicals reduce the likelihood of an all-out thermonuclear war by providing a non-nuclear alternative to conventional warfare. But arms-control experts such as Scoville suggest that the opposite may be the case. It is a tremendous jump, he observes, from conventional to nuclear war. By interjecting chemical weapons, Scoville says, "you are putting an intermediate step in the escalation of warfare to weapons of mass destruction." Thus, chemicals may serve as a stepping-stone, rather than as an alternative, to thermonuclear weapons.

Some observers fear that the thrust of recent U.S. efforts in chemical-warfare technology is to make the stuff easier to use, thereby increasing the possibility that these weapons may be used in future combat. Moreover, the advent of binary technology, which will reduce the expense and the hazards of standard nerve-gas weapons, may tempt smaller nations to acquire binary nerve gas as a "poor man's nuke." Apart from economic and safety factors, there's always the tendency for smaller nations to follow the lead of major powers in weapons development. Thus, rather than deterring the use of lethal chemicals in future wars, U.S. introduction of binaries may lead to a round of chemical-weapons proliferation and may increase the possibility that these weapons may be used. It is well known that multi-million-dollar projects tend to develop a quite unsubtle bureaucratic momentum as they progress.

One of the more frightening and less publicized aspects of the chemical-research program is the development of an oral vaccine that provides immunity to nerve-gas poisoning. At this moment troops operating in a possible chemical theater carry small cartridges filled with atropine, a belladonna extract. These handy cartridges are for immediate self-injection as a nerve-gas antidote. In case there is a nerve-gas attack, you have to don a cumbersome protective suit and gas mask immediately. Time is all-important. What if you are exposed? Military instructors describe the battlefield after a nerve-gas attack in this way:

"Don't ask questions. Jam that cartridge into your hip. . . . Your buddy is convulsing. He is defecating, salivating, urinating, sweating. He is a stinking mess because his muscles are all contracting. Take out his atropine injector and give him a shot. He has three of them. Use them all. . . . If more is necessary, reach over and take the injectors carried by the dead man lying nearby. Don't be sentimental: he won't bitch."

Doctors consider atropine a dangerous poison itself, and if the soldier (civilians would not be likely to have the antidote available) injects too much and finds that he has not been exposed, he is likely to poison himself with atropine. The new vaccine uses a small quantity of an organophosphate poison to develop, within the body, antigens that provide immunity to nerve agents. If the vaccine works, the atropine-poisoning problem will be solved.

The army holds that the oral vaccine is basically defensive because it will protect U.S. troops and cannot inflict harm on enemy forces. But it is not easy to draw a line between offense and defense in matters of military technology. Immunity to nerve-gas poisoning would make it easier for U.S. forces to use nerve gas, as well as to defend against it, and thus the oral vaccine would appear to have offensive implications. Dr. Richard Novick, a New York City microbiologist who reported last year to the Scientists Committee on Chemical and Biological Warfare on recent developments in this field, believes that the oral nerve-gas vaccine could have consequences even farther-reaching than the binary itself. Novick worries that if one side perfects the vaccine, the other side will follow. The resulting obsolescence of nerve agents, he fears, may lead to a new and more intense search for more effective lethal chemical agents.

Researchers at the Edgewood (Maryland) Arsenal have demonstrated the vaccine's effectiveness in protecting rabbits, which are often used to detect nerve gas leaks because of their sensitivity to the poison. The arsenal also recently requisitioned a batch of beagle puppies to test the new vaccine (beagles are used because their physiological responses are similar to those of human beings). The next logical step will be to challenge the vaccine by exposing people to small doses of nerve agents.

While the army plunges ahead with chemical-weapons development, efforts to establish international restraints on these weapons are standing still. President Nixon is busy assuring anyone who will listen that the United States plays "a leading role in discussion of chemical-weapons controls" at the U.N. Conference of the Committee on Disarmament. The United States, however, has consistently rejected all proposals for a chemical-arms agreement without setting forth any firm counterproposal. For this reason some experts, Scoville included, say that the U.S. role adds up to foot-dragging rather than leadership. Meanwhile, the United States remains the lone major power that has not acceded to the 1925 Geneva Protocol, which bans first use in combat of "asphyxiating, poisonous, or other gases and all analogous . . . devices."

The army usually conducts extensive field tests before purchasing a new item, but the "try before you buy" policy is something of a problem in the case of binary nerve gas. Open-air testing of lethal chemicals has been a sensitive issue since 1968, when an errant aerial nerve-gas test resulted in the deaths of 6,400 sheep scattered across the desert south of Salt Lake City. Beset by growing criticism in the wake of its unsuccessful attempt to cover up its involvement in this fiasco, the army suspended nerve-gas testing in 1969. Congress subsequently required that lethal chemicals should not be open-air tested or procured without specific approval of the secretary of defense and prior consultation with appropriate public-health authorities and elected officials (the key provisions of PL 91-121, however, may be waived by the President in the interest of national security).

Knowledgeable observers say the army has been ready to field-test live binary munitions since 1972, but there are indications that the Pentagon may be willing to go into production without an extensive round of open-air tests, in order to avoid controversy. But in spite of Defense Department efforts to circumvent it, the controversy is building. Democratic Congressman Wayne Owens of Utah, whose district includes Dugway, has introduced legislation to curb the chemical-warfare program, and his persistent effort has rounded up some fifty House co-sponsors. The influential National Security Policy and Scientific Developments Subcommittee of the House Foreign Affairs Committee is planning to take up the question in major hearings this spring. (Observers recall that President Nixon's 1969 policy proclamation on chemical and biological warfare was made in the midst of a thorough analysis of the subject by the same subcommittee, which is headed by Wisconsin Democrat Clement J. Zablocki.)

The debate over testing has been marked by a number of apparently conflicting Pentagon announcements. Although Gen. William Gribble, army chief of research and development, told the House Armed Services Committee in 1972 that "open-air testing will be requested to confirm weapon efficiency of the binary 155-millimeter projectile prior to procurement," Pine Bluff has been designated as the production site for military components—without testing.

Whatever the decision on testing the binary, the fundamental question remains: Is there a pressing need for still another nerve gas whose production is likely to increase, rather than decrease, the possibility that chemical weapons will be used in future conflicts?

MORE MILLIONS FOR SOUTH VIETNAM

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Ms. ABZUG. Mr. Speaker, yesterday the President sent to Congress a message asking another \$54 million for Saigon. This is in addition to the \$474 million included in the overall supplemental request. It is also in addition to the \$250 million for economic aid which as you know, is often converted into military aid. This will bring the total to \$525 million above what the Congress has already approved for the current fiscal year.

Mr. Speaker, we must reject this blatant attempt to overturn the will of Con-

gress. Last fall when the Congress appropriated some \$450 million for aid to Indochina, about \$300 million of it was earmarked to support President Thieu's government. At that time some Members felt that we were obligated to continue assisting this dependent regime for what was cynically called "a decent interval." It was and is common knowledge, in and out of Congress, that without U.S. dollars this unpopular regime would quickly be thrown out.

As the war went on without sign of ceasing, as President Thieu openly proclaimed his disdain for and disregard of the Paris Peace Agreement, more and more Members and constituents have begun to question our continued and expanded involvement there.

Secretary of Defense William P. Clements told the House Armed Services Committee yesterday that:

We're just running out of capabilities to run these programs . . . operations will be severely curtailed. They may have to stand down.

Well, there are lots of other things this country is running out of—like gas and heating oil and food and paper. Operations are being curtailed by every business, every private citizen. Why should we be propping up a regime from which we supposedly disengaged a year ago? and with more money than when our own troops were fighting there?

The question we must face squarely is whether it is in the best interest of the United States to continue our support at such cost. The worst alternative posed by military spokesmen is that Communist Vietnamese may gain control of the country. Does this really pose a serious threat to the United States? What vital national interests are involved there? Does the form of government of this tiny country, thousands of miles from our shores, threaten the ordinary citizen of America whose taxes support Thieu or does it threaten the big oil companies and contractors who have made fantastic profits from the war and do not want to end it?

A third alternative is never mentioned by the administration or the Pentagon. That is to insist that Thieu allow his non-Communist opponents to come out of the jails where he detains them, to meet and speak freely, to form a neutralist force and participate freely in elections. This he flatly refuses to do. In fact, President Thieu, President Nixon and the Pentagon deny that these people exist.

I know that they do, because I met and talked with many of their leaders in Saigon during the August recess. I brought back letters signed by Buddhists, Catholics, women, ordinary citizens, detailing their arrest and torture. I was able to be of some help in getting one of their number, Mme. Ngo Ba Thanh, out of the jail she had been in for 2 years. I have also talked with many other Americans who have spent weeks or months in South Vietnam and have firsthand knowledge of conditions there. To deny the situation does not make it go away. Saigon houses a repressive dictatorship and our taxes keep it in business.

EXTENSIONS OF REMARKS

We must insist that the Congress take a closer look at what we support with these reckless millions. And then we must pass legislation which forbids the spending of any U.S. dollars to prop up Thieu until he ceases to violate the Paris agreements and releases his political opponents.

WILLIAM J. CECKA, JR. PRESENTED NMA'S SILVER KNIGHT AWARD

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. JONES of Oklahoma. Mr. Speaker, I am extremely pleased to be able to report to the House of Representatives that William J. Cecka, Jr., president of Rockwell International's Tulsa Division, has been presented the National Management Association's Silver Knight Award for outstanding leadership in business and civic activities.

This is the highest honor that the NMA can bestow, and no individual could deserve it more than Bill Cecka.

This award might just as easily have come from the citizens of Tulsa, for Bill Cecka has been an outstanding civic and business leader ever since he and his family moved to Tulsa. The Silver Knight Award is one in which the entire city shares in giving.

Bill Cecka combines those outstanding qualities of being a gentleman, a superb businessman, a bright and imaginative aeronautical engineer, a dedicated family man, a loyal and patriotic American, and a kind and considerate human being.

Those who applaud Bill Cecka the loudest are the men and women employed by Rockwell International in Tulsa.

Because of my deep respect for Bill Cecka, and because of his strong leadership in our defense and space work, I would like to take this opportunity to include a brief biography of Bill in these remarks. It is imperative that each of us understand the high caliber of the individuals involved in our defense work, and that we recognize their devoted community contributions as well.

A native of Minneapolis, Bill received his degree in aeronautical engineering from the University of Minnesota. In September 1943, Bill joined Rockwell International in the Engineering Wing Group, working on the P-51, B-25, and P-82 aircrafts.

Entering the Air Force in 1944, Bill served in a special aeronautical engineering unit that was assembled to develop aircraft rocket launch systems. Bill's intelligence and creativity led him to design and flight test the first automatic rocket launcher to be installed inside an airplane. For this effort, Bill was awarded a service commendation.

Bill rejoined Rockwell in 1946, and advanced to manager of engineering tests in 1957. He is one of the engineering pioneers who contributed to the success of Rockwell's Atlas, Thor, Jupiter, Redstone, F-1, and J-2 engines. Bill's broad management background at Rockwell

includes: manager applications engineering, manager central marketing, manager special processes, and assistant to the president of the Rocketdyne Division.

Bill was named president of the Tulsa Division of Rockwell International in January 1971, after having served as manager of Rockwell's Neosho Plant, assistant general manager of Rocketdyne's Solid Rocket Division, McGregor, Tex., and vice-president and general manager of the Tulsa Division.

The list of Bill's professional and community organizations would make anyone proud. He is an associate fellow of the American Institute of Aeronautics and Astronautics, a member of the National Management Association, Navy League, American Ordnance Association, American Society of Quality Control, and a registered professional engineer. He is also a member of the First National Bank & Trust Co. board of directors, the Metropolitan Tulsa Chamber of Commerce and the Oklahoma State Chamber of Commerce boards of directors. He serves on the boards of the Tulsa Community Chest, Goodwill Industries, Hillcrest Medical Center, North Tulsa Development Corp., American National Red Cross, and the Dean's Advisory Council for the College of Business Administration at the University of Tulsa.

Bill and his lovely wife Marge, have a son, William T., and a married daughter, Mrs. S. K. Schultheis.

The Tulsa Division of Rockwell International is presently doing work on the Space Shuttle, the B-1, and tooling for the A-10. I hope my colleagues in Congress will have an increased confidence in our defense and space efforts, knowing that a man like Bill Cecka is in charge.

My warm congratulations to Bill and his family for this wonderful tribute to his dedication, energy, and abilities.

VICE PRESIDENT FORD HONORED

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MURPHY of New York. Mr. Speaker, I would like to share with my colleagues the remarks of Vice President GERALD R. FORD at the 66th Annual Award dinner at Bnai Zion on Sunday, February 24, 1974 in New York City. Vice President Ford received the 1974 Bnai Zion America-Israel Friendship Gold Medal Award in recognition of his outstanding contributions to the furtherance of America-Israel friendship. The Vice President's long friendship to Israel was recalled by our former colleague Congressman Abraham J. Multer in his presentation to Vice President FORD of the Friendship Gold Medal Award. The Vice President was greeted by the Mayor of New York City the Honorable Abraham Beame and the chairman of the dinner committee and toastmaster for this annual award dinner, Dr. Harris J. Levine.

EXTENSIONS OF REMARKS

March 20, 1974

The remarks follow:

ADDRESS BY VICE PRESIDENT GERALD R. FORD

It is with deep appreciation that I thank you for the great honor you have bestowed upon me with the award of the 1974 America-Israel Friendship Gold Medal. I will treasure this medal as a cherished token of my commitment to the friendship of our nation with Israel. But, I trust I have your permission to symbolically share it with the Administration that I represent.

I have often heard that Zionism makes for better Americanism. Accordingly, let me offer American Zionists some of my thoughts on the evolving relationship between our own country and the State of Israel.

We meet at a historic moment. This is the eve of Secretary of State Kissinger's return to the Middle East. Dr. Kissinger is now seeking the disengagement of Israel and Syrian forces as a further step in the process of peacemaking ensuing from the agreement consummated between Israel and Egypt for separation of contending armies at the Suez Canal.

Dr. Kissinger judged very astutely the moment when Egypt and Israel were both ready to go from a state of permanent hostility to a state of possible accommodation. He converted that readiness into a formula that both countries could accept. We pray that this can now be done with regard to the confrontation on the Syrian-Israeli front.

I am pleased to note that American diplomats recently returned to Syria after more than six years of severed relations. This can, I think, encourage partisans of peace.

We are, of course, addressing ourselves to the issue of Israeli prisoners of war held by Syria. I recall all too vividly the torment of Americans over the unknown state of our POWs in North Vietnam. Humanitarian considerations indicate that Syria and Israel should exchange full lists of prisoners and that both sides permit Red Cross visits to POW camps.

Dr. Kissinger has already conveyed some initial Syrian ideas on disengagement to the government of Israel. The role of the United States in these negotiations is not to impose American ideas on the other parties, but rather to work with them to find solutions to the problems that block movement towards a lasting Middle East peace settlement.

We remain hopeful for the alleviating of the Arab oil embargo. Our conviction is that the free flow of commerce facilitates the economic stability of our countries and strengthens the cause of peace. The United States wants friendship with *every* nation in the Middle East. We harbor malice towards none.

This Administration is proud of the role it played in helping to bring about the cessation of hostilities in October, the 6-point agreement to consolidate the ceasefire in November, the convening of the Geneva Peace Conference in December, and the disengagement agreement in January. We are pleased that disengagement to lines specified in the Suez agreement took place according to schedule.

Dr. Kissinger's peacemaking is nourished by the new climate that exists in the world. This is the climate that ensued from the President's courageous initiative in visiting Peking and Moscow and from the understandings reached there and in subsequent exchanges. This is the climate that flows from the President's extrication of the United States from the war in Vietnam.

I am very proud that American diplomacy relieved the dangerous global pressure point at the Suez Canal. Egypt and Israel now have the opportunity to implement a scenario of peace step by step in such a manner as to build mutual confidence.

All the credit does not belong to American diplomacy. A large share accrues to the cour-

age, goodwill and vision of leaders in both Egypt and Israel.

Dr. Kissinger's genius was in narrowing the distance between the parties without imposing a formula from the outside. He acted as a go-between for the two sides. This is far better than coercion or pressure. It enhances America's moral standing with both parties, increases our influence and decreases the chances of American military involvement.

President Nixon made a commitment to provide the necessary defense capability to Israel. He was mindful of the dangerous flow of Soviet weapons to Egypt and Syria. The President kept his word. There was no credibility gap in Israel when the United States Air Force ran transport after transport of arms to Tel Aviv during and after the October war. To finance the airlift and other assistance, the Administration sponsored a 2.2 billion dollar emergency aid bill.

This Administration remains committed to a military balance to preserve peace.

President Nixon pledged in 1968 that the United States would seek to impose neither arbitrary settlement nor unilateral concessions. He said that we would use our good offices only to assist the parties to the conflict to fashion their own settlement. He kept his word.

I cite the record of the President and the Secretary of State because I feel honored to be associated with an Administration that began making peace popular in an area where anxiety and death have stalked frontiers for over a quarter of a century. That is why an award for America-Israel achievement belongs more properly to others than to the new Vice President.

Let me say another word about President Nixon. Your organization is greatly concerned over the plight of Soviet Jewish citizens who want to emigrate to Israel. As he advanced the concept of detente with the Soviet Union, President Nixon interceded on behalf of Soviet Jewry. Some 35,000 Soviet Jews have found new homes in Israel.

There is now renewed interest in the fate of Soviet writers and poets—Jewish and non-Jewish—to voice dissent within the Soviet Union. The necessity for detente, as we can conceive it, does not reflect approval of the Soviet domestic structure. We look with sympathy and great appreciation upon freedom of thought and expression in all Societies.

I can tell you tonight that the United States is relieved that the distinguished writer, Alexander Solzhenitsyn, has found a haven outside the Soviet Union. It appears that his wife and children will be able to join him—bringing with them his valuable books and papers.

I have great admiration for Mr. Solzhenitsyn as a creative artist and share the sympathy of all Americans for his present situation. We stand for universal freedom of speech and thought. We regret limitations imposed on these freedoms anywhere.

Our foreign policy, however, is based on a recognition that the United States and the Soviet Union share a special responsibility because of their nuclear power. We have always made clear that our search for a stable peace does not mean approval of their domestic system. The quest for a secure peace must and will continue.

It is my hope that negotiations toward strategic arms limitations and mutual and balanced force reductions will be successful in preserving the present balance and in further reducing the threat of war. Meanwhile, the Administration has just presented to Congress the first defense budget in over ten years that need not provide for the support of American forces under fire.

To have peace, we must have strong enough defenses to deter aggression. A viable defense bolsters our diplomacy. The realistic defense budget submitted this month reinforces the credibility of American power.

We learned much from the tragic Middle

East war last October. Specific material shortages were brought to light during the crisis. The new budget would increase our airlift capacity to deploy forces overseas in time of emergency.

Our forces structure is much smaller than it has been since the Korean war. It has been reduced by almost 40% from the 1968 Vietnam peak.

Meanwhile, the Soviet Union is placing new emphasis on seapower. Soviet Naval Forces are growing and are more and more directly deployed in areas of serious international concern.

Peace is our goal. Its achievement requires that we be strong enough to negotiate with confidence. We must insure that our goodwill is not misconstrued as *lack of will*.

An era of peace is within reach—for the super powers as well as the Middle Eastern countries. To reach that objective we have no alternative but to maintain a strong defense.

The real interests of Arabs and Israelis, of Russians and Americans, require peaceful co-existence.

Let there be peace for Israel, the land where the prophets dreamed that nation should not lift up sword against nation.

Let there be peace as well for the Arabs, whose poverty and frustration deserve better than missiles and jets.

Instead of the cradle of civilization becoming its grave, let the cradle of civilization give rise to two people, Arab and Jewish, each in their own lands, with commerce and travel flowing across peaceful borders and with a new sense of mutual respect in keeping with our dream of the brotherhood of man under the fatherhood of God.

I thank you.

CAUSES OF THE ENERGY CRISIS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. SYMMS. Mr. Speaker, the Government, not the greedy profiteers caused the energy crisis. I would like the Members of the House and all Americans to read the best analysis and proposed solution to the energy crisis I have yet seen. It has been published by the Society for Individual Liberty, a national libertarian educational organization. The analysis shows a plentiful energy supply is completely consistent with personal and political liberty.

CAUSES OF THE ENERGY CRISIS

Below is a list of ways in which the actions of the government and pressure from the oil companies have created the energy crisis. While you may not agree with every argument, the immense destructive effect of scores of controls and regulations should be clear.

PRICE CONTROLS

1. Set a ceiling on natural gas prices so that expansion of production is discouraged and exploration thwarted. Then maintain it for 20 years in spite of inflation.

2. Prohibit the "discriminatory" price reduction of fuel to more efficient, large-scale users.

3. Keep the price of domestic oil at a ridiculously low level so that producers are discouraged from making more, and Americans must increasingly rely on foreign oil producers who may be hostile to us. Then make it nearly impossible to import this oil by blocking the construction of deep-water ports.

4. Once you have undermined the supply of natural gas and oil, greatly increase consumption by keeping prices artificially low.

5. After you unnaturally depress price at every level of production, compound the error by imposing a general price freeze.

6. Once significant shortages have begun to appear, allow gasoline dealers only the same number of dollars of profit, rather than the same per cent of profit, insuring that they will be unable to meet rising costs engendered by inflation and decreased sales.

ENVIRONMENTAL CONTROLS

7. Make most of America's vast 500 year supply of coal unusable through unreasonable safety codes and drastic restrictions on strip mining.

8. Make shale oil development unfeasible through ecology codes and refusal to sell Federal land.

9. Over-restrict off-shore drilling.

10. Block construction of the Alaskan pipeline for years after every reasonable ecological objection has been provided for.

11. Place unreasonable restrictions on the development of atomic power and the operations of existing plants through capricious court rulings and licensing.

12. Ban the use of high sulfur coal and oil, even in remote regions where it will do no harm.

13. After fuel has been made scarce by the above restrictions, suddenly impose rigid emission control standards on cars, increasing fuel consumption 50%. Do not allow auto manufacturers the few years necessary to produce engines both nonpolluting and economical.

SPECIAL INTEREST AND GENERAL REGULATIONS

14. Favor auto and truck traffic over other forms of transportation by building more and more new highways. At the same time, cripple mass transit and common carriers—such as the railroads—through burdensome taxes and ICC regulations.

15. Waste fuel by forcing airlines, buses and trains to run uneconomical routes.

16. Create legal monopolies in utilities which discourage competition.

17. Restrict oil imports through quotas to satisfy the major domestic oil companies' special interest. Be sure and call it "patriotic" despite the fact that 99% of the American people are harmed by quotas which make oil more scarce.

AND TO COMPOUND THE SHORTAGE

18. Mislead the public into believing that it was caused by Arabs, greedy oil companies or people driving too fast.

19. Give U.S. oil away to "underdeveloped" countries.

20. Begin a campaign to confiscate profits from oil companies ignoring the fact that profit percentages are still lower than they were in 1968 when gasoline was cheap.

21. Once a shortage is rampant, require domestic sellers of oil to charge a price based upon their average cost, thus making it impossible for them to purchase available foreign oil selling for more than that average, worsening the shortage.

22. Create a gas allocation plan based upon 1972 consumption figures which fail to take into account subsequent shifts in population and growth of large cities; creating endless lines at metropolitan service stations, even while many rural areas have more gas than they know what to do with.

23. Finally, set up an agency to control the energy producers, eventually socialize the industry, and make the shortages a permanent feature of American life.

24. Ignore any evidence that shows your policies to be in error, and intimidate anyone who dares question those policies by branding them "ignorant," "greedy" or "un-patriotic."

25. To condition Americans to accept continual shortages, borrow propaganda leaflets

EXTENSIONS OF REMARKS

from Red China extolling the virtues of pain and hardship, and denouncing the bourgeois sin of luxury and freedom.

SOLUTION FOR THE ENERGY CRISIS

The basic solution for the energy crisis lies in eliminating the strangling regulations and special interest laws which created it in the first place. Rationing gas, passing an "excess profits" tax, or rolling back prices will only compound the problem.

Gas rationing is at best a temporary expedient. The most proponents of it claim that it will do is "distribute the hardships equally." The goal should be and can be to eliminate hardship entirely. At worst, gas rationing will make the problem of the energy crisis more severe. No bureaucrat can clearly distinguish between pleasure trips and business trips. Further rationing is likely to precipitate an economic depression by destroying the travel and vacation industries and by disrupting the entire lifestyle of suburban America.

An excess profits tax would take away money that the energy companies and utilities need for expansion of production.

Rolling back prices is the worst of all proposals because the artificial lowering of prices is one of the major factors which created the shortages to begin with. Low prices encourage consumption and waste, without providing the profit-incentive needed to increase production to meet demand.

Below are a list of specific actions which cumulatively will end the energy crisis:

1. Abolish all price controls on energy companies and utilities. Energy prices will then rise to levels which discourage waste.

2. De-control the profits of energy companies and utilities. High profits are a temporary phenomenon which serve the socially desirable function of attracting new capital to areas where demand is greatest. Artificially lowered prices mean eventual shortages.

3. Relax safety standards in mining. Miners can best determine for themselves what safety standards are reasonable. One standard should not be forced upon all miners in contradiction to their wishes.

4. Make more Federal land available for development by energy companies. Too much land has been withdrawn from production.

5. Permit off-shore drilling once reasonable safeguards are provided against spillage.

6. To provide incentive to develop cars both economical and non-polluting, eliminate or greatly reduce taxes for auto manufacturers who produce such cars.

7. De-regulate the railroads, buses and other common carriers. Stop forcing them to run uneconomical routes.

8. Eliminate restrictions on oil and natural gas imports, and duties on economical foreign cars.

9. Get rid of the Federal gas allocation plan. Left to their own oil companies will naturally send gas to areas where demand and sales are greatest.

10. Eliminate legal monopolies in the energy industry.

11. Encourage the development of alternative power sources, such as solar, geothermal and nuclear power, by making companies producing these forms of energy tax-exempt for a reasonable period of time.

12. Disband the Federal Energy Office.

PERSONAL EXPLANATION

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, due to a long standing speaking

engagement yesterday, I was unable to be in the Chamber for two record votes.

Had I been present, I would have voted "yea" on roll No. 95 and roll No. 96.

HIJACKERS AND THE DEATH PENALTY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Ms. ABZUG. Mr. Speaker, I cannot vote in favor of final passage of the Anti-hijacking Act (H.R. 3858) being considered by the House today. Obviously I am not in favor of hijacking. On the whole this bill is a much needed piece of legislation to protect air travellers from the whims of desperate or unbalanced persons. It contains commendable provisions to tighten domestic security standards and to bring sanctions against foreign countries which do not provide adequate security precautions. As long ago as the Munich Olympic Games tragedy, I called for U.S. action against nations which do not attempt to discourage hijacking and terrorism.

Despite these excellent provisions, however, I will not compromise human dignity by voting for a bill which mandates the death penalty. The act requires this ultimate penalty for hijackers when, as a result of the hijacking, a death occurs.

The inclusion of the death penalty does not serve the main purpose of the prevention of air piracy. It has never been shown conclusively that the death penalty acts as any kind of crime deterrent. The hijacker is already a desperate person upon boarding the airplane—a deranged personality, sometimes a political fanatic. The death penalty is unlikely to stop him from killing. Either he feels invincible or is convinced that he has nothing to lose. When a death occurs during the hijacking attempt, the hijacker may become even more desperate and reckless if he knows he faces a mandatory death penalty. He may cause more death in a wild escape attempt, or decide to bring the entire plane to destruction with him.

Capital punishment was to a major extent declared unconstitutional by the Supreme Court in 1972. I believe that, if we reinstitute the death penalty through this legislation, we are only reverting to the past. The trend of civilization has been to eliminate inhumane and brutal forms of punishment. The death penalty is, furthermore, inimical to the concept of rehabilitation. Instead of trying to re-fashion a criminal mentality, we discard a human life. The punishment is also irrevocable. Once the sentence has been discharged, no mistake in judgment or miscalculation is remediable.

The House Judiciary Committee may soon be reviewing the death penalty as part of either its inspection of the criminal code or its study of current legislation reconstituting the death penalty. I believe it is rash to include capital punishment in this legislation reported from

the Interstate and Foreign Commerce Committee which has not the jurisdiction over penal matters, when a review of this most terrible of punishments by the Judiciary Committee may be upcoming. The House is being forced to vote on a much needed piece of legislation on hijacking without the opinion of the Judiciary Committee on the advisability or legality of a death penalty provision.

For these reasons I must vote against the entire Antihijacking Act. If it passes this body and the Senate and is signed by the President, I hope that the courts will strike from it the objectionable penalty of death, leaving the antihijacking measures standing. I look for continued advance in human thinking on capital punishment to the point where the Congress will approve legislation such as I have cosponsored (H.R. 5592) which will eliminate the repugnant idea of capital punishment from our laws altogether.

MASS TRANSIT PROBLEMS IN HAMMOND, IND.

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MADDEN. Mr. Speaker, traffic congestion in northwest Indiana is multiplied with 15 railroad lines and several hundred highways and streets temporarily blocked by freight and passenger trains.

Thousands of automobiles and trucks from adjacent Chicago and Western States and vice versa from the east going west create traffic hazards and congestion in Indiana's industrial Calumet region.

I include an editorial from March 13 Hammond Times on the great traffic problem in this area:

BAD RAILROAD TRACKS JEOPARDIZE THE PUBLIC

Considering the poor condition of railroad tracks in Hammond, it's a wonder a derailment like the Penn Central's last week hasn't happened long ago.

Or that last week's smashup wasn't worse. Explosions and fires from inflammables aboard freights are fairly commonplace in derailments. Luckily, Hammond has escaped them.

Railroads generally have let their tracks deteriorate. Once tracks were silk smooth and very safe. That was years ago during the passenger trains' heyday.

Ever since the railroads ran the passenger trains out of business, there has been little need for really good tracks. So what if freight jounces and bounces. It can't complain to the conductor.

So what if freight is damaged in transit or lost by derailment. The loss is written off in various ways. It's harder to write-off the cost of human life or injury.

When derailments like the Penn's occur, people are jeopardized. One Penn Central car slithered into a house. Only a wall separated it from a man asleep inside.

Another car flattened a parked automobile.

Police and firemen at first weren't certain if other toppled cars might have crushed pedestrians near the Penn Central right-of-way.

Part of Amtrak's on-time troubles with its passenger trains arises from poor tracks. The ricketyness also prevents some Amtrak

trains from running at speeds they're capable of going. And Amtrak pays the railroads to operate its trains.

Hammond is littered with railroads. They're a hazard to public safety because of their rundown tracks. One glance at most of them or at a train moving over them could set even a school child to wondering how the cars remain upright.

If the city can require the railroads to repair grade crossings or to observe blocked crossing regulations and speed limits, it ought to have the authority to require that tracks be maintained at genuinely safe standards.

Penn Central's wreck is a warning. The next accident may be far worse. If the city can legally prevent that, it should.

A SUPERB PERFORMANCE

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. KUYKENDALL. Mr. Speaker, an extraordinary occurrence involving an extraordinary young man in my district should be called to the attention of this body. I refer to a television newsman named Bill Anderson, who is more accustomed to reporting crimes of violence than to stopping them. Nevertheless, our own chief of Memphis Police, William Price, gives Bill Anderson full credit. His prompt action in ramming his television news car into a bank robber's vehicle "definitely saved the life of a Memphis police officer," Chief Price told my office.

An editorial in the Memphis Press-Scimitar, my hometown newspaper, describes the event and pays proper tribute to newsman Anderson. It is as follows:

[From the Memphis Press-Scimitar, Mar. 19, 1974]

A SUPERB PERFORMANCE

Just hours after banks and law enforcement agencies announced a plan designed to combat the recent increase in bank robberies in Memphis, three gunmen held up the Union Planters National Bank in Poplar Plaza, grabbed hostages, and led officers on a dramatic chase that ended in disaster for the bandits.

The anti-robery plan involves \$1,000 rewards for information leading to the arrest and conviction of bank robbers. The case yesterday never reached that stage, however, as an alert bank employee set off a silent alarm and police converged on the scene in force while the robbers were still gathering up the loot.

With three hostages in tow, the gunmen were allowed to drive away. Police and FBI agents, directed by a police helicopter overhead, gave chase. At one point, one of the hostages, the branch bank manager, was released with a message to officers to allow the robbers to escape under threat that the other hostages would be shot.

The officers continued to follow the getaway car, though, and it eventually turned into the parking lot at The Treasury, at Lamar and Prescott. After watching the robbers' car deliberately run into an on-foot policeman and turn to hit him again, a news cameraman for WHBQ-TV, William R. Anderson, gunned his car and rammed the getaway vehicle, bringing it to a halt. A patrolman was wounded during a brief flurry of gunfire, but not seriously.

Then, as the two remaining hostages sat horrified, one of the robbers, reported to be the leader, killed himself. The others surrendered. The money was recovered. The only

injury to the hostages was a sprained ankle.

When one considers what might have happened, the community will regard yesterday's events as a superb operation from every angle. The alert bank employee who turned on the alarm . . . the restraint displayed by the officers in permitting the robbers to leave the bank . . . the skilled chase by the law enforcement agencies, close enough but not too close . . . the bravery of the TV cameraman . . . all are deserving of praise.

We are reminded in this episode of the tremendous risks faced by law enforcement officers as they fight crime, and also of the futility of crime.

Maybe the new approach to robberies being taken by the banks, police, FBI and sheriff's office will help stop the spiraling rate of stickups. If the rewards result in the arrest of those responsible for some of the recent robberies, it would certainly help.

There's nothing quite like throwing bank robbers in jail to discourage others contemplating such crimes.

BAN THE HANDGUN—XXXIV

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. BINGHAM. Mr. Speaker, irrational, terrifying, and all too common acts of handgun violence have turned our cities into perilous jungles. Reprinted herewith is one such instance reported in the March 14 edition of the New York Post. The easy availability of handguns must be ended on a national basis:

KILLED BY GIRL ON EIGHTH AVENUE

A 21-year old Bronx man was shot to death today on a Manhattan street by an unidentified girl, police reported.

Police said David Tate, of 1 West Farms Square Plaza, was shot once in the chest shortly after 1 a.m. while standing in front of 2321 8th Av.

Two witnesses reported seeing a teenaged girl, described as being between 17 and 19 and heavy-set, shoot Tate and then flee on foot, police said.

THE OTHER SIDE OF THE STORY: AN INTERVIEW WITH AMBASSADOR WALTER H. HEITMANN OF CHILE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. RARICK. Mr. Speaker, the legacy of destruction that Salvador Allende bequeathed to the citizens of Chile will continue to plague that beleaguered country for years to come. Three years of Marxist misrule had brought Chile's economy to the point of total collapse.

In the rush of the mass media to discredit the new military government, Americans have been given a distorted, largely inaccurate picture of the situation in Chile. No one wants military rule. Aside from a total Communist dictatorship, which was the direction that Allende was taking Chile, military rule is probably the least popular form of government to us Americans. The new

Chilean leaders obviously recognize this and are making attempts to return their country to civilian control as soon as possible.

In spite of our personal distaste for military rule, an accurate accounting of the activities, accomplishments and facts about Chile today should be expected from the U.S. news media. Unfortunately, this does not appear to be happening.

In order that our colleagues may have the benefits of "the other side" of the story in Chile, I ask that the interview of Ambassador Walter H. Heitmann, Ambassador of Chile, follow my remarks. The interview was conducted by Fulton Lewis, the highly respected radio commentator, on his syndicated program aired February 22 and 25 over the Mutual Broadcasting System.

The interview follows:

AMBASSADOR HEITMANN OF CHILE WITH FULTON LEWIS, MUTUAL BROADCASTING SYSTEM, WASHINGTON, D.C., FEBRUARY 22 AND 25, 1974

LEWIS. Last September the Marxist regime of Pres. Salvador Allende—replaced temporarily by a military government whose Ambassador to the United States, Ambassador Walter Heitmann is my guest at this microphone now.

Mr. Ambassador, how long does the present Chilean government plan to hold the reins in Santiago?

HEITMANN. Well that's a very difficult question to answer really, it's the same as if you would ask a patient in the hospital when he's ready to go home. It depends on how strong the medicine is that we get to heal our sick body. The sooner the government can return to complete freedom in the country, the better. And everybody wishes that.

LEWIS. How much freedom is there now in Chile? The government now, of course, is predominantly military—but is it a military dictatorship as described by many of Chile's critics?

HEITMANN. It is not a military dictatorship, it is a military government, and I think there is a big difference and everybody knows what the difference is. The Constitution is in effect in Chile, only in accordance with the laws and with the Constitution some of the liberties are limited or restricted right now because that is necessary for the recovery of the country.

LEWIS. Such as—what kind of freedoms, what kind of liberties?

HEITMANN. Well, there is complete freedom of the press again. The control was lifted last week, so every paper can write what they want to write and of course, if they write things that are against the law (the same law that we always had), then they have to go to court or are closed for a certain period. That's in accordance with the regulations we have and it's the same in every country.

LEWIS. So the court system has not been suspended?

HEITMANN. No, it has never been suspended, the judiciary system is the same as before, we have the same judges, the same courts, the same courts of appeal and the Supreme Court. And that has always been in effect. That's why we say there is no dictatorship and complete freedom. With a free judiciary system, that means we have freedom.

LEWIS. What about the economy of Chile today? Of course this was one of the things that led to the downfall of Allende, the fact that the economy had fallen apart under his administration.

HEITMANN. Well, the economy as many of the audience may have already known is completely wrecking the country. A fiscal deficit of a thousand, two hundred million dollars and that we have to cover through

loans, through increased production and all the ways and means we have. Allende, when he came into power we had a surplus of four hundred million dollars, close to it. And when he left we had a deficit of almost a billion dollars. And we expect to get loans from the international loan institutions like the World Bank and the Inter-American Development Bank.

LEWIS. So gradually Chile is recovering.

HEITMANN. Is returning, yes.

LEWIS. The previous government, the government of Salvador Allende, has been described as being anything from Marxist to Marxist/Leninist, and in different debates there is a difference. How do you describe it? Do you feel that Allende's regime was principally Communist, Marxist...?

HEITMANN. Well, it was Marxist/Communism, that, I would say was the exact definition of it. People might not agree on the meaning or the definition of it but that's the way it is. And he said it, even before he became president, but once he was president he never recognized it, he never wanted to tell it. He liked to give the impression that he was working towards a socialist regime, and never said what kind of socialism, but we found out what kind of socialism he was taking the country to.

LEWIS. And the people he was affiliating with more and more were Fidel Castro, the Soviet Union. And as I understand it many of the arms that were used by Allende supporters were supplied by Fidel Castro.

HEITMANN. Yes, I would say that Fidel Castro was his advisor, his supervisor, he told him what to do and how to do things and that's the reason Fidel Castro spent almost month in the country. And that's when we met him and got to know him and we disliked him. Fidel Castro is solely responsible, I would say of sending all these weapons to the country, with the knowledge of Allende, of course, and that is against the law, because in Chile there is a very old law by which every arm that is taken into the country or bought outside has to go through the customs and needs a special authorization. And they brought these arms, some of them, in boxes in the Cuban airline, and they were taken to Allende's house where later we found them.

LEWIS. So these arms have been recovered, pretty much.

HEITMANN. Most of them, we hope. There must be some hidden somewhere, but it's going to take a long time to find them all because many of the people who hid the arms, they left the country and we're never going to know where they are hidden really. But some day we're going to know the exact amount.

LEWIS. Chile stands out alone among Latin American nations as a country who has been wedded to democracy; a country that has rejected and resented foreign interference. What was the reaction of the Chilean people to this sudden injection, not only of Cuban arms and Cuban influence, but also Soviet influence in their country?

HEITMANN. Unfortunately all this information did not come to the knowledge of the people. It was handled secretly by the government and was very difficult to detect. We found the arms only after the military took control of the government. We never imagined how many arms we had in the country. We thought maybe a couple of hundred or a couple of dozen, we never realized that we had tens of thousands of arms in the country.

LEWIS. All of which were coming from Cuba?

HEITMANN. They were all coming from Cuba, yes.

LEWIS. Initially Mrs. Allende declared her husband had committed suicide and then when she arrived a few days after Allende's death she changed her story and said Allende

had been murdered. What is the truth about how Salvador Allende died?

HEITMANN. Well, in the first place I would state very clearly that Mrs. Allende has not her own opinion. She is telling and she is saying what she is told to say. She is a machine of the international-propaganda now. So her statements and her words really have no meaning and have no value at all. And what really happened to Allende: he committed suicide. He was requested by the military to surrender and he was requested three times to surrender, and he thought he had control of the situation and that the popular militia would support him, and he would finally come out as the big winner. And when he finally found out that nobody was following him, that the imagined image he had of the guerrillas was artificially created by his followers, then he had no other recourse other than to commit suicide.

LEWIS. In a sense it was a very sad thing because Allende, I think, probably believed throughout the last month or two that he still had the support of the people.

HEITMANN. Yes, that happens most of the time with dictators; they never have the feeling of what the people think and feel about him, and it was the same with Allende.

He was told by some of his body-guards that he was very popular; that he had the support of the people and it was never true. He found it out too late, otherwise I think he would have quit the government before.

LEWIS. On another controversial issue we get varying reports—some people say that there were only a handful of casualties during the brief skirmish that resulted in the ouster of Salvador Allende. Other people say it was a massive bloodbath. What is the truth about the number of casualties?

HEITMANN. Well, there have been many figures in the papers and in the words of many people, but the official figures state around 2000 casualties, and not over it. Some people talk about 30 thousand, and if they realize that in the last war between Israel and the Arab countries the Israeli army lost (I think it was) 1800 soldiers, in a battle that lasted for a couple of days and with the most modern and effective weapons. So when people who talk about ten or twenty thousand casualties, they don't really know how many a thousand lives are. The figure is around 2000 and I think all the people who fled, who left the country and requested refuge in the embassies, they should know how many they killed.

LEWIS. There is another controversy about the number of people—of Allende's supporters—who were imprisoned... some people say that there were many murdered. How many were executed, what is the truth? How many were imprisoned and what legal rights do these people have?

HEITMANN. Well, I don't know exactly how many have been executed, everything is registered in the files in Chile, but I don't have the figure. But I can tell you that all the prisoners that we had in the country came to 8000. Four thousand, four hundred and forty-two requested refuge in the embassies and the others were taken into custody into different places. At this moment there are only 300 prisoners in the country awaiting trial by the courts.

LEWIS. So there have been trials, and as I understand it there are not just military trials but in some cases civilian trials when the offense is a civil offense.

HEITMANN. Yes, every citizen has the same rights he ever had in the country. He can choose his own defender and he goes to the court and has the regular time that everyone has to present his case with full rights available.

LEWIS. Ambassador Heitmann, many liberal members of the U.S. Congress have backed legislation that would allow, if it were passed, literally thousands of pro-Allende, Chilean Marxists to enter the United States. Now you've had experience with these

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people in Chile, were they to be allowed to come to the United States to live, what could we expect from them?

HEITMANN. Well, I hope that your domestic system and your democratic life here will absorb them and will convince them that they were wrong, otherwise you are going to see what they will do. I cannot predict it, but I hope you don't have the experience we had.

LEWIS. How militant were the Allende backers in Chile, during the period that Salvador Allende was president? Were they tolerant, were they understanding of people who disagreed with Allende or was there an attempt by them to suppress anti-Allende sentiment?

HEITMANN. Yes, I am sorry this is not a television station, otherwise I would show you some pictures of Chileans who opposed the government of Allende and were taken at night or at any hour of the day into the Civil Police for interrogation. And there they were beaten, they were tortured and there are many who never came back and some were crippled for the rest of their lives. So that is the tolerance they are preaching now!

LEWIS. The United States gave credit, financial credit to the Chilean government when Allende was president, and that credit has been cut off now...

HEITMANN. Well, I wouldn't say it has been cut off now. We have the same credit, and we hope we'll get more credit than Allende got because everybody, in official circles, they have to realize how critical the situation is in the country. And if we don't get credit, that means that the Chilean population won't have enough food to eat, and I think that would be a crime against human rights.

LEWIS. Ambassador Heitmann, what has been the Chilean government's response to requests by several international organizations for permission to inspect the prison facilities that have been set-up by the new government and to investigate the status of those supporters of the previous government who have been arrested?

HEITMANN. Yes, that is a situation of which it is very unpleasant to tell. During Allende regime they used Chile as a guinea pig—everybody looked and watched what was happening in Chile, and never did they try to help or avoid anything. And now everybody is going to Chile to see what the consequences were. But what they see they do not print and they do not tell. They only tell what has already been made up in their minds. Everybody is going to Chile to see what's happening. The United Nations Committee for Human Rights; the Red Cross and they all went to Chile and wrote their official reports—very favorable. These were never printed in the papers or mentioned in the medias. And there are many small groups of liberal tendency or other left-oriented groups which go to Chile just to create problems, and when they come back they never tell what they've seen, they only tell what they were told to tell before they went to Chile to tell.

LEWIS. But the International Red Cross Committee gave you a favorable rating?

HEITMANN. Yes, all official organizations who have sent groups to study the Chilean situation are all favorable, but you don't read it in any papers or any magazines.

LEWIS. One of the things that interests me is the economic experience that Chile has gone through, because socialism is not limited to Latin America, it's not limited to just Chile, the Socialists are trying to expand socialism throughout the entire world. When Salvador Allende took power he professed that he was going to have a government of the working people; it would preserve the Chilean economy and it would expand the economy and democracy. The record of Allende's government would suggest that it did just the opposite. I think the last year of Salvador Allende inflation went up between 300 and 400 per cent. And in his last

days it was the working people themselves who took the lead in getting rid of Salvador Allende. What happened to Marxism in Chile? Is it a system, that in your view, is just bankrupt? It could never work? Or do you feel that the new government is going to "refine" socialism? Is socialism something that is just history now in Chile?

HEITMANN. Well, Chile was always a socialist country and we have more advanced reforms and conditions than many socialist countries, in freedom. And that's the difference. And what Allende wanted to do in Chile was not a free socialism, a democratic socialism. He wanted to institute a totalitarian socialism—and that, we did not accept. And so I wouldn't say the socialist economy is a failure. Many countries have socialist economies, and we have it right now, and we call it "liberal socialist economy"—it's a different system, and I wouldn't say that socialism is not good. It's good for some countries, since every country has its own way of living; every country has ways of deciding how it's going to be governed by their certain system, but what is very clear and definite is that there is no "democratic communism"—it is totalitarian by origin and structure.

LEWIS. Where does Chile go from here for the future, economically speaking?

HEITMANN. We hope to recover the potential we had in 1970—that's three years ago—we hope to recover that in two more years. So it's a loss of five years in Chile's economic life and from then on, we hope in three years we might reach a national net product of around \$5 billion. Right now it's close to \$1.5 billion.

LEWIS. What formula do you intend, or rather does the government intend to use in developing the economy? Will the government believe in private ownership of property?

HEITMANN. Yes, there is private ownership, and it has always been the same. The only thing we are going to increase now is the control of the State over the enterprises, over the organization and the industries. You see, we think the industries have a social meaning and content. The workers are not only money makers or machine tools for capital, but workers are human beings and they deserve the right to have participation in the earnings and the profits and also in the management of the organizations. And that is what they are doing now.

LEWIS. So it's a kind of regulated free enterprise . . .

HEITMANN. Yes it is.

LEWIS. Now, what about Chile politically? Now there is a military government there, the government leaders themselves have pointed out that they are old men, that if they were ambitious to be dictators they would have let young men take over the government. But they have declared that their intentions are to be in power temporarily. How long is temporarily, and what happens then?

HEITMANN. Well, there is one thing I want to make very clear. Chile has always been a democratic and free country, basically democratic. And it's going to be that way. The Constitution is re-written right now, because we have to make some changes in accordance with the past experience. What I think has to change in Chile is the organization of the political parties, because during Allende's regime and afterwards we found out that the Chilean population does not accept any totalitarian system. They like and they love freedom, and they're going to stay that way. And political parties now have to recognize that it is useless to talk about Communism and other things. All the parties now have to reprint their contents, their philosophical content. They have to consider the wishes of the Chilean population made known to the world after September 11th.

LEWIS. What about the Party structure itself. One of the ways Allende got in was the fact that there were many parties running—it was splintered. He only got 36% of the vote and there is reason to believe (many people have asserted) that if there were a two party system in Chile that he would have still got 36% or maybe 40% and he would not have won. Do you feel that having a multi-party system is good, or that the weakness is there that a minority candidate can get in because the opposition is split?

HEITMANN. Well, I think Allende became president because we had too many parties. That's the reason. If we had had only two parties he would never have been president.

LEWIS. Do you feel that Chile should move or will move toward more of a two party system as they have in the past?

HEITMANN. Well, I think, and I'm not a politician, but I think most politicians are agreed that the fewer parties you have in a country the easier and the more logical the government is. If you have too many parties it is very difficult to govern the country and to come to any conclusion, because then the political aspect prevails over the national necessities, I would say.

LEWIS. Ambassador Heitmann, I want to thank you for being my guest in these two past broadcasts, thank you very much sir. From the Mutual Studios in Washington, I'm Fulton Lewis and that's the top of the news as it looks from here.

SUPPORT FOR GUARD AND RESERVE

HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. J. WILLIAM STANTON. Mr. Speaker, it recently came to my attention that Mr. Harry E. Figgie, Jr., chairman and chief executive officer of A-T-O Inc. of Willoughby, Ohio, signed a statement of support for the Department of Defense National Guard and Reserve Forces. What this undertaking means is that a major diversified corporation with annual sales of approximately \$435 million and with 15,000 employees of 40 companies in 18 States has pledged that its employees will be granted leaves of absence for military training as members of the Guard and Reserve units. The young men and women of A-T-O will not sacrifice vacation time because of this duty in serving our country. In announcing A-T-O's affirmation of support, Mr. Figgie stated:

As far as A-T-O is concerned, we believe in the necessity of a strong military defensive organization and encourage the divisions of our company to actively support any young man or woman who conscientiously gives his time to the Reserve Forces of our country.

I think this pledge on the part of Mr. Figgie is a great mark of his patriotic feeling toward our country. This is not the first time that he has demonstrated a great love of country. As a young man he served in the U.S. Army during World War II. More recently, in a statement to shareholders, Mr. Figgie said:

The Arsenal of Democracy remains a valid concept essential to the survival of this nation, and responsible citizens should be concerned with the rapid decline of our nation's defense manufacturing capabilities.

Because of his great concern for the national defense of the United States, it was no great surprise to me that Harry Figgie would lend support to his employees that are members of the National Guard and Reserve. As a tribute to him, I insert A-T-O's pledge in the RECORD following my remarks:

STATEMENT OF SUPPORT FOR THE GUARD AND RESERVE

We recognize the National Guard and Reserve as essential to the strength of our nation and the maintenance of world peace. They require and deserve the interest and support of the American business community, as well as every segment of our society.

In the highest American tradition, these Guard and Reserve forces are manned by civilians. Their voluntary service takes them from their homes, their families and their occupations. On weekends, and at other times, they train to prepare themselves to answer their country's call to active service in the United States armed forces.

If these volunteer forces are to continue to serve our nation, a broader public understanding is required of the total force concept of national security—and the essential role of the Guard and Reserve within it.

The Guard and Reserve need the patriotic cooperation of American employers in facilitating the participation of their eligible employees in Guard and Reserve programs, without impediment or penalty.

We therefore join members of the American business community in agreement that:

1. Our employees' job and career opportunities will not be limited or reduced because of their service in the Guard or Reserve;

2. Our employees will be granted leaves of absence for military training in the Guard or Reserve without sacrifice of vacation time; and

3. This agreement and the resultant policies will be made known throughout the organization and announced in publications and through other existing means of communication.

THE FINAL TAXPAYING IRONY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. GAYDOS. Mr. Speaker, I have a constituent who objects to perhaps the least of the Government's trespasses upon his rights and his pocketbook. He brands as the "height of irony" the fact that he now must place a stamp costing 10 cents on the envelope carrying his tax payments to Washington.

In the past, he accepted without protest the 8-cent stamp charge and, in years previous to that, the lesser assessments of the postal service. But, it seems, the dime figure has set him off.

"It is a crime," he contends, "to make the people pay the costs of delivering their money to the spenders in Washington."

As we think about it, the man has a legitimate gripe. He makes out his return, or has someone do it for him, and they must buy the 10-cent stamp to have it posted. If he pays quarterly, it is another dime every 3 months for the rest of the year.

"It is not the amount," this man says, "but the principle of the thing. A total

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of 50 cents for the year's stamps is not much when we compare it with what the Government takes from us otherwise. But it is like putting a pinch of salt into a very bad wound."

What can be done about this? I, certainly, do not have any good answers. The postal service is bogged in the red already without loading upon it the immense burden of handling tax returns at no cost. An even greater deficit brought on by such free tax mailings would have to be made up by taxes and this, of course, would be no advantage to the burdened taxpayer.

I wonder, nevertheless, if something might be done in the way of setting up collection centers for envelopes containing tax returns at various points in our communities—at places such as supermarkets and drugstores which all of us visit on occasion. The returns might then be picked up in bulk and sent off to the process centers without the need of a dime stamp on each one of them.

Now, in this era of the 10-cent stamp, I call the matter to the attention of the Internal Revenue Service people. They may find even better ways to relieve the irony mentioned and thus make some friends among irate taxpayers such as the constituent of mine. I am sure there are thousands of them across the Nation, taking their stand on principle.

CONGRESSMAN ADAMS NEEDLES DEPARTMENT OF TRANSPORTATION ON POLICY LAG

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. ECKHARDT. Mr. Speaker, recently our colleague, Representative BROCK ADAMS, testified before the Transportation Subcommittee of the Committee on Appropriations. In his testimony, Mr. Adams called for a comprehensive transportation policy for the Nation and suggested what such a policy should be. He also called for a unified transportation budget, a select or an ad hoc committee on transportation policy and a single transportation trust fund. His excellent testimony aroused widespread interest in the transportation industry. The perceptive testimony of Mr. ADAMS, an acknowledged expert on transportation matters, will also be of interest to my colleagues, and I include it in the RECORD at this time:

CONGRESSMAN NEEDLES DEPARTMENT OF TRANSPORTATION ON POLICY LAG—REPRESENTATIVE ADAMS CRITICAL OF INABILITY TO GET PRINCIPLES STATEMENT

(By Jesse H. Merrell)

A leading transportation legislator, expressing dismay at the repeated failure of the Department of Transportation to come to grips with ever-pressing transportation problems, last week unveiled his own four-point plan he said would provide a solid foundation for solving the immediate crisis and developing "a rational plan for the future" in this field.

HOUSE TESTIMONY

Rep. Brock Adams (D-Wash.) a ranking member of the House Commerce Committee,

outlined his proposal in testimony before the Transportation Subcommittee of the House Appropriations Committee.

The influential congressman, regarded by many as developing into a key spokesman on transportation matters, was one of more than a dozen persons—some of them other congressmen—to testify as an aid to the subcommittee's efforts to develop a national transportation policy.

Rep. Adams' four-pronged approach calls for a unified transportation budget, a select committee on transportation (or a blue-ribbon commission on transportation policy), a single trust fund for transportation and a simplified statement of national transportation policy.

In simple and clear-cut language that was later unanimously praised by committee members, Rep. Adams elaborated on his plan to attack short- and long-range transportation problems.

Criticizing past DOT statements on a national transportation policy as so many pages of near-nothing, Rep. Adams said DOT has merely given Congress "a plethora of paper and a paucity of progress."

For example, Rep. Adams said DOT's 1971 transportation policy statement contained 41 pages of "Problems," "Existing Policies," "Framing Objectives" and "The Status of Transportation in America."

The similar 1972 report, he said, was a "slight improvement" over the 1971 report because it was "only 25 pages long." Like its predecessor, Rep. Adams said, it was long on "outlooks," "overviews" and "status reports" and short on recommendations.

"I cannot understand," Rep. Adams emphasized, "why it takes 41 or 25 pages to attempt to state what this nation's transportation policy should be."

Rep. Adams said he hadn't seen DOT's 1973 transportation report, but that if it was anything like earlier ones, "I have not missed too much."

What he missed was a 51-page report—10 pages longer than the 1971 report and 26 pages longer than the 1972 version—Transportation Secretary Claude Brinegar had given before the committee the day before Rep. Adams testified.

CRITICAL OF DOT

Rep. Adams said the present transportation policy, or non-policy, under the auspices of DOT is comparable to the abominable snowman—it's supposed to be out there somewhere, but about all we ever see is tracks.

Declaring there had been enough talk, and that it was time for action, Rep. Adams proposed the following statement of policy toward the regulated interstate transportation industry:

"The nation's transportation policy should be directed toward creating and maintaining a privately owned and operated intermodal, interstate system regulated by the federal government in the public interest.

"The regulations should be uniform for all modes and the degree of regulation should vary with the degree of monopolizing existing at any particular point in the system.

"Government regulations should thus take into account the importance of both transportation and shipping units in a particular market, with competition allowed to set individual prices above cost where neither shippers nor the industry have power to control rates and quality of service. Otherwise the rates will all be set publicly by governmental regulation.

SPEAKS ON REGULATION

"The ICC should be given a period of time to demonstrate whether it can overcome its present regulatory lag; if not then the regulatory system should be restructured so as to produce prompt and fair regulation."

Urging Congress to act, Rep. Adams said it was "clear" to him that DOT "does not have the resources, the desire, or whatever

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it takes to develop—and to attempt to implement—a national transportation policy."

During questioning by committee members, Rep. Adams said he was "not sure" a transportation trust fund—such as the Highway Trust Fund—was necessary, that funding could be done by general appropriations.

He said he would not object to breaking the trust fund concept in the future, but conceded, it would be difficult to do at present because of the "constituency" each transportation mode has.

The Highway Trust Fund and highway construction were defended by another witness, Ray W. Burgess, president of the American Road Builders Assn., who labeled the Nixon Administration policy of cutting back highway building contrary to the expressed intent of Congress.

The administration-recommended highway obligations in fiscal year 1975 would be \$4.8 billion, Mr. Burgess said, over \$1.2 billion less than authorized by Congress—and an amount which "can adequately be financed out of the Highway Trust Fund."

At this slowed-down rate of obligation, Mr. Burgess continued, completion of the Interstate System "will be stretched out well into the mid-1980s. This obviously was not the intent of Congress when the program was initiated in 1956."

Likewise, Mr. Burgess said, primary, secondary, rural and urban highway projects are currently "way under-funded" in relationship to congressional authorizations and the ability of the Highway Trust Fund to "pay as we go."

Recent events have clearly demonstrated how much all Americans depend on our street and highway network for a variety of essential services and needs, Mr. Burgess said, adding that any national transportation policy "should recognize the predominant role of this mode of transportation."

Such recognition, the roadbuilding official said, "means we must continue to devote a substantial portion of our federal resources to our very vital highway transportation system."

In response to questioning by Rep. John McFall (D-Calif.), committee chairman, Mr. Burgess said the ARBA "feels very strongly" that there should be a "full obligation" of Highway Trust Fund revenues—instead of arbitrary holdbacks by the administration.

Chairman McFall invited Mr. Burgess to reply in writing to the comments made to the committee earlier by Transportation Secretary Claude Brinegar on DOT's role in developing a national transportation policy.

Some observers said the hearings last week—designed to help develop a national transportation policy—were unusual, in that transportation policy questions are generally handled by the Commerce Committee.

Rep. McFall, in remarks made on the House floor, said the federal role in developing a national transportation policy is well established, "but clearly, what we have seen from the Department of Transportation so far cannot be considered a national transportation policy."

The committee chairman noted that the original concept of DOT was to "pull together the fragmented transportation modes in order that they might function in a coordinated fashion," but that such coordination "will not come into being until an integrated transportation policy has been developed."

In his 51-page statement, Secretary Brinegar was less than specific in detailing DOT's role in a national transportation policy because, as he puts it, the very concept of such a policy is "inherently vague and elusive."

He did, however, list 10 general principles he said could be used as a guide for developing a national transportation policy. But these principles should be "regularly reviewed and updated," he said, leaving even the principles without much finality.

Some of the principles recommended by Mr. Brinegar seemed to raise more questions

in the minds of some committee members than they provided answers for. But the DOT secretary, who has been on the job for a year now, said "future statements" would attempt to develop needed policies.

Mr. Brinegar managed to be specific, however, in making oft repeated administration thrusts against transportation regulation as administered by the Interstate Commerce Commission.

Economic regulation of common carrier trucking is "clearly in need of review and revision," Mr. Brinegar declared, referring to such "inefficiencies" as "excessive route circuitry 'gateway' restrictions, commodity and backhaul restrictions and the lack of close coordination with energy-efficient rail freight service."

Secretary Brinegar also laced his lengthy testimony with such old cliches as "reliance on free market competition," regulation limited to the minimum" and "a broader and more competition-oriented view of policy."

Such dangling phrases almost caught Mr. Brinegar meeting himself going at one point.

During questioning, Rep. Silvio Conte (R-Mass.) asked Mr. Brinegar if he would consider present transportation policy "an uneven fabric ill-suited to today's needs, an unbalanced economic regulatory structure applied by federal, state and local regulatory agencies, with imbalances in investment between the various segments of the industry."

Mr. Brinegar swallowed hard, paused momentarily, and with an uncertain smile said he hesitated to answer because he feared Rep. Conte might be quoting him from some past statement.

Laughter rocked the hearing room.

Rep. Conte didn't tell Mr. Brinegar whether he was quoting him or not, but a check revealed that Rep. Conte was paraphrasing a quote by Mr. Brinegar's predecessor, John Volpe, and a statement by a Republican task force on transportation.

Mr. Brinegar told Rep. Conte that he didn't think present transportation policy was quite that bad, and that he would not make such a statement—unless it was written out and handed to him to say.

AN IMPORTANT VIEW ON WAGE AND PRICE CONTROLS

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. BADILLO. Mr. Speaker, Mr. Leon J. Davis, president of the National Union of Hospital and Health Care Employees, approached me to request my assistance in averting the adverse consequences attendant upon a retention of the provisions of the economic stabilization act for the health industry. Mr. Davis argues that such a step, besides being ineffective in controlling health care costs, would cause extreme hardship for the technical, clerical, and maintenance workers in that industry who in most instances are receiving wages barely satisfying the requirements of the statutory \$1.60 per hour. Furthermore, since a very large proportion of these workers are members of minority groups and fully 80 percent are female, perpetuation of the controls in this area would be used as an excuse by employers to make this already disadvantaged segment of the labor force bear the full burden of budgetary limitations.

I believe that Mr. Davis' testimony,

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given before the Senate Committee on Banking, Housing and Urban Affairs, is pertinent and of general interest. For this reason, I am inserting it here in the RECORD:

STATEMENT OF LEON J. DAVIS, PRESIDENT NATIONAL UNION OF HOSPITAL AND HEALTH CARE EMPLOYEES, RWDSU, AFL-CIO

I am Leon J. Davis, President of the National Union of Hospital and Health Care Employees, RWDSU, AFL-CIO. I am here on behalf of the National Union representing 100,000 members in 15 states and the District of Columbia. Our membership includes service and maintenance workers, clerical workers, technical workers, and certain professionals such as psychologists, social workers, licensed practical nurses, registered nurses, pharmacists and therapists. Our collective bargaining agreements, covering primarily voluntarily hospitals, nursing homes, also include community mental health centers and developmental centers.

Recently, Secretary of the Treasury George P. Shultz, and John T. Dunlop, Director of the Cost of Living Council, presented statements to the Senate Banking Committee in which they proposed that controls should be extended for the health industries and that controls for all other industries should be ended.

I am here to state our unequivocal opposition to the extension of controls in the health industry at a time when controls in all other industries are being eliminated. Such controls have no logical basis.

By singling out the health industry for mandatory controls, the federal government's approach to the control of inflation is inherently unwise, unfair and unjust and places the major burden on those least able to afford it—the hospital workers.

CONTROLS IN THE HEALTH INDUSTRY ARE UNWISE

Controls in the health industry are unwise because health workers will have to pay continually higher prices for the things they buy with wages which are being held down by controls. Mandatory controls were ineffective in controlling the prices in the economy. In the past year, prices have increased approximately 9%. The only success of the Economic Stabilization Act has been to keep down wages. This is understandable since the Program has had the active support of most employers in enforcing the wage standards but made only feeble attempts in enforcing the price standards, which by their nature are unenforceable.

It is foolhardy to believe that imposing controls on such a small segment of the economy as the health industry will have any appreciable effect on inflation. In fact, Dr. Dunlop stated last week that we do not know how to control inflation. (*New York Times*, February 14, 1974). This is a remarkable admission by the person principally charged with holding down inflation. The fact is that no control program can operate if every section of the economy, except one, is free of constraints.

No matter what the type of controls, there can be no effective means of controlling medical and hospital costs. Fees may be controlled to some extent but costs consist of the totality of fees. No government agency can tell a hospital that it cannot buy equipment, such as x-ray machines, which it considers essential for proper medical care. The purchase of needed medical equipment justifiably adds to hospital costs. Similarly, no government agency can tell a physician not to use diagnostic tests and various types of equipment which he believes are necessary for the proper treatment of his patients. These too add to costs. But who would argue that they are not justified? Anyone who believes that price limitations on medical services and hospital fees really hold down costs is practicing self-deception. On the surface

it would appear that costs are being held in check. Faced with such limitations hospitals and physicians will reduce the services they provide with the result that there will be a deterioration of the type of medical care and services we have been striving so hard to improve over the years. Thus, the American public, the health care consumers, will be paying for it by getting inferior medical care.

Furthermore, the proposed control of the health industry will not control the prices of items which the industry purchases. Hospitals buy food, linen, medical equipment, drugs and a myriad of other items. These uncontrolled items will also increase hospital costs.

The Administration has estimated that the present control program has cost the government (or more properly the American taxpayer) \$200 million in administration expenses. Private sources estimate that the cost of industry and labor in complying with the regulations has been \$721 million to \$2 billion. Considering the results it is highly questionable whether the enormous cost has been unwarranted. It is even more unwarranted to continue a bureaucracy solely for the purpose of controlling a very limited segment of the economy.

CONTROLS IN THE HEALTH INDUSTRY ARE UNFAIR

The history of the present stabilization program has clearly shown that the government has been unable to control prices. The stated objective of limiting price increases to 2½% per year has never been accomplished. Prices, especially food, have been skyrocketing for more than a year and there is no end in sight. As a result, the effect of controls in the health industry will only be on wages.

Under the proposed legislation no other group of workers will be subject to wage controls. Such a proposal is completely inequitable and highly discriminatory because the greatest impact will be on low-income workers—many of whom are from minority groups and females—and will require of them a greater degree of sacrifice than all other workers.

CONTROLS IN THE HEALTH INDUSTRY ARE UNJUST

Wage rates have been getting a large share of the blame for rising hospital costs in recent years because payrolls constitute about 60% of total costs. Hospital wages have been increasing, and wage increases are the costs most visible to the general public.

Total payrolls do constitute about 60% of total costs in hospitals. Where hospitals have union contracts the unionized wage cost is 25% or less of total cost. The largest part of hospital payrolls is attributable to the high salaries paid to executives and middle management professional and staff personnel. It should be also noted that employees under union contracts constitute only 8% of all hospital workers nationally.

I am not ashamed to say that our union has been responsible for raising the income of some of the lowest paid workers in the country. But it is time to deflate the myth that increases for low wage hospital workers have been the main cause of the rise in hospital costs.

Despite the increases our members have won, the average wages of hospital employees are still relatively low. Hospitals were exempt from minimum wage legislation until 1967, and took advantage of the exemption to pay wages well below the minimum. Even now, many hospitals pay large sections of their employees the minimum of \$1.60 per hour.

The truth is that most hospital employees work at full time jobs at part time pay. For example, the last census reports average wages for service workers in hospitals as follows:

Male Food Service Worker, \$4,000 a year. Female Food Service Worker, \$3,000 a year. Male Cleaning Worker, \$4,300 a year. Female Cleaning Worker, \$3,200 a year.

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The plain fact is that thousands of hospital workers are still compelled to seek supplementary assistance from welfare agencies.

It should be noted that in urban areas most hospital workers belong to minority groups. 80% of the employees in the industry are females.

The fact that hospital workers have been catching up in recent years is due mainly to efforts by unions like ours and is hardly to be regretted.

We are well aware that the current regulations permit the payment of a wage rate of up to \$3.50 per hour without approval. However, the \$3.50 wage rate is not compulsory. Most hospital workers are unaware of the \$3.50 per hour low wage exception. As a result employers are still claiming that they are still limited by the 5.5% guideline.

Both industry and labor agree that the present stabilization program is a dismal failure. The government never achieved its goal of controlling inflation. In fact, the current rate of inflation is worse than it has been in anyone's memory. The removal of mandatory controls last year from all industries except food, health and construction was highly discriminatory. The proposal by Secretary Shultz and Dr. Dunlop to continue controls for the health industry alone is unconscionable.

Anticipating the passage of a national health insurance bill, with an effective date and provisions unknown, Dr. Dunlop was reported by the *New York Times* of February 14, 1974 as saying:

"To let the controls off now, with the prospect of them going back on again . . . would be almost open invitation to everybody to raise fees, charges and so forth before Congress comes back in with a health bill with a cost-constraint in it."

In effect Dr. Dunlop is holding low wage hospital workers hostage until the national health bill is passed at some indefinite time in the future.

Dr. Dunlop's Cost of Living Council has recently permitted hospitals to raise its fees. Hospitals also have the ability to increase revenues by increasing the use of ancillary services such as laboratories, x-rays, etc. The only source of income for low-paid hospital workers is the salary which they receive from their employers. To keep their salaries under control when salaries of no other group of employees are controlled and the prices of goods which they buy are uncontrolled is to ask these hospital workers to make a sacrifice which no other group of employees in the United States is being asked to make. A majority of our members are Black, Puerto Rican and are women and have suffered discrimination all their lives. To add the economic discrimination proposed by Mr. Shultz and Dr. Dunlop will institutionalize another form of discrimination by keeping their wages at their historical low levels.

I will be submitting a report on The Impact of Phase III Controls upon the Health Care Industry which was prepared for our union by Dr. Oscar Ornati, a full professor of Economics at the Graduate School of Business Administration at New York University. The information in his report is equally applicable to the Phase IV wage controls in the health industry and provides the underlying basis for the economic information in my statement.

BYELORUSSIAN INDEPENDENCE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. PATTEN. Mr. Speaker, March 25, 1974, marks a day of significance for

American citizens of Byelorussian origin. It is the 56th anniversary of the proclamation of independence of the Byelorussian Democratic Republic.

Unfortunately, while Americans and people of the free world commemorate this day, in the Soviet Union the people of Byelorussian descent are forced to "celebrate" the Bolshevik Revolution, which in fact represents the conquest and subordination of Byelorussia to the U.S.S.R.

The first All-Byelorussian Congress was dispersed by the Soviet Russian Army on December 17, 1917. Despite this action of suppression, the Council of the Byelorussian Democratic Republic proclaimed the independence of the Byelorussian State on March 25, 1918. To counter this, the Soviet Russian Government of Moscow created its own state, the Byelorussian Soviet Socialist Republic, and made it part of the U.S.S.R. The totalitarian Communist system was then forced on these people and their freedom was lost.

These courageous people have been fighting for their independence for several years at great risk to their lives. As we in this Nation know, freedom is a precious thing. It is even more necessary then, for the free peoples to recognize this day, not only so that, the Byelorussian people know that others still care, but also so that we do not take the idea of freedom for granted.

Until the day comes when the Byelorussians and other individuals residing in captive nations are free, we will commemorate this day so that those who are oppressed will know that they have not been forgotten.

REV. H. CARL McCALL

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. RANGEL. Mr. Speaker, one of the most active and creative leaders in the Harlem community is the Reverend H. Carl McCall. From communications to governmental reform, from the pulpit to the New York City agency offices, Carl McCall makes his voice and his ideas felt effectively. Issues as diverse as education, voting, social services, antipoverty and economic development are within his areas of expertise and concern.

I am pleased to share the following article on Reverend McCall with my colleagues in Congress:

REV. CARL McCALL: SPOKESMAN FOR URBAN REVITALIZATION

(By Claire Paisner)

"We're a voice in the wilderness," said Rev. H. Carl McCall, president of Inner City Broadcasting Corporation, referring to the fact that Inner City's radio station, WLIC, is the only Black-owned station in New York City out of about 60.

"The community expects more of us than any other station, yet we have fewer resources than any other station," Rev. McCall stated, explaining that the station must cover the whole Black community, while operating in a situation of financial restraint. "A heavy mortgage is the only way Black people can get

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into business," he commented. He felt this was but one aspect of the generally discouraging economic situation of today, in which there is a "diminishing interest in Black economic development by financial institutions."

Rev. McCall described WLIR as a station that "listens" to people, in addition to being listened to. How has the programming changed under the new ownership? It has acquired an added "depth and quality," he thinks, with more emphasis on analyzing what's behind the news. He also cited an active policy of editorial comment, with responsibility shared by himself and the general manager. He feels WLIR devotees more time to editorializing than the White-owned stations that are Black-oriented. Mr. McCall, a Dartmouth graduate and minister at the Metropolitan Community Methodist Church in Harlem, is also chairman of the editorial board of the Amsterdam News newspaper.

THE COST OF NEGLECT

The content of that "voice in the wilderness," as expressed in the cogently argued views of Mr. McCall, comes across as an unrelenting call to invest in the future of our cities.

"If you're going to improve services, someone is going to have to pay for it," he stated. He said that if we did a cost analysis, we would see that ultimately it's not going to be profitable to continue ignoring urban problems. "It's a matter of alternatives. Put it on a business basis: either we do it this way, or we pay the price that way." The "dehumanizing" system of welfare, he feels, "would not exist if we had invested earlier in education and training and providing jobs for people." Rev. McCall envisages approaching the development of the ghettos the way the Western world tackled the development of Europe through the Marshall plan after World War II.

The means toward financing urban revitalization, as he sees it, are two-fold. First, is the role of government, which must revise its tax structure so that we have a truly progressive and equitable tax system. "There are too many loopholes for the rich to avoid paying taxes. . . ." Then, a policy of "flexible and realistic grants and loans" should be the goal of government.

The second link in the renewal of our cities is lodged in the private area. "Government should force the private sector to be more flexible in its loan making policy. . . . Banks are chartered by the state, and assets are not being made available on an equal basis."

IMPEACHMENT

Yet none of this, or any other solution, can be realistically expected without "a change in the leadership" at the federal and state level. Advocating the replacement of Richard Nixon, either by resignation or impeachment, Rev. McCall stated, "The criminal activity and the insensitivity to human need on the part of the President should convince everybody of his unfitness to continue in public office."

The former chairman of the Council Against Poverty and deputy administrator of the Human Resources Administration skipped with ease and familiarity from one topic to another as he fielded questions on such far-ranging topics as drug abuse, housing, decentralization and the Beame administration.

The former Governor's recent antidrug law he described as "oppressive measures that simply haven't worked." Stiffer penalties do nothing to attack the root of the problem, which he sees as "deprivation, lack of opportunity, outright racism. . . ." He asks rhetorically, "Stay off drugs for what?"

Just as he condemns the "short-range, " "piecemeal" approach shown by our leaders in regard to the drug problem, he faults our planning process in the housing field as be-

ing "short sighted" and "fragmented." In contrast, Rev. McCall points to certain large developments in Europe illustrating the way building programs can create "total communities." People need more than just the four walls of their residence, they need services too, he emphasizes.

GOVERNING NEW YORK

Turning from issues and policy to administration, Mr. McCall stated that we are not getting enough minorities into civil service.

With respect to the new city government, he was "not generally impressed with the people" Mayor Abraham Beame has named to office so far. Concerning minority appointments, while noting there have been few of them up to this point, he felt it was too soon for final judgment. Saying he didn't know much about Deputy Mayor Paul Gibson, he felt he should be given "every opportunity."

In his belief that the movement toward decentralization should continue, not only in the schools but in other areas, Rev. McCall recommends making the various local districts coincide to eliminate the present overlapping of boundaries in administering health, planning, sanitation, educational, etc., services. Should local bodies remain advisory? "People aren't going to buy advisory situations. They want decision making powers . . . and they have the ability, the energy is there."

Mr. McCall's emphasis on community participation in the political system is reflected in his efforts towards increasing minority voter registration and education in his capacity as chairman of the Citizens Voter Education Campaign.

Rev. McCall, organizer, minister, writer, administrator, person in the media, combines activities which might well fill up many lives. How does he find the time? "You start with breakfast meetings and end up with midnight meetings." The void must somehow be filled, he says.

LEGISLATIVE REPORT

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. PATTEN. Mr. Speaker, periodically, I mail a newsletter to my constituents in order to keep them informed of my legislative activities.

My most recent newsletter deals with one of the most serious domestic problems facing the Nation—the energy crisis. Although the lifting of the oil embargo by most Middle East nations is extremely encouraging and will naturally help meet our requirements, I think it is important to remember that Federal Energy Office Administrator William E. Simon has warned that a shortage will still exist.

The contents of my latest newsletter follow:

LEGISLATIVE REPORT

THE FRUSTRATING ENERGY CRISIS

A recent survey showed that most Americans consider the energy crisis the nation's most serious domestic problem—a conclusion that shouldn't be a surprise to anyone. The crisis has not only affected every family, but has created more public indignation, confusion, and frustration than any domestic issue in recent congressional memory. And the public has every right to feel this way—for several reasons:

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Because of the serious gasoline shortage, motorists have had to face long lines and cannot always get the amount of fuel they need. Although the congestion is not as bad as it used to be, tempers are short, with violence sometimes erupting. In one Middlesex County community, a motorist who was refused gasoline hit the station attendant with a shovel.

Despite "controls" on petroleum products, prices have increased tremendously. In March, 1973, for example, regular gasoline was selling at an average of 35 cents a gallon. A year later—with "controls" still on—the price has skyrocketed to a shocking 50 cents a gallon—a rise of 42%! And fuel oil bills are expected to increase by more than 25% this year after a disturbing rise in 1973.

Over 232,000 persons have lost their jobs in the Nation due to the energy crisis, with more than 14,000 workers in N.J. involved in energy-related layoffs since January. Especially hard hit are auto, chemical and plastic industries. Linden's General Motors plant closed down for several weeks in late February throwing 2,000 employees out of work, and the Delco-Remy plant in New Brunswick laid off workers. A chemical firm in Fords reported 6% of its employees absent each day because they cannot buy enough gasoline, and hospital officials said that patient care has been seriously threatened by "intolerably low" hospital staffing levels caused by the fuel shortage. When Labor Secretary Peter J. Brennan appeared before the Labor-HEW Subcommittee on Appropriations on which I serve, I expressed deep concern over high unemployment in Middlesex and Union counties and urged the Nixon Administration to follow the intent of Congress and implement the Comprehensive Employment and Training Act, which is supposed to help the unemployed through Federal grants. Unfortunately, the Nixon Administration is ignoring congressional intent by arbitrarily changing the district I represent thousands of jobs and employment. The revised method would cost the district I represent thousands of jobs and millions of dollars in U.S. grants.

NEAR-RECORD VOLUME OF MAIL FROM AROUSED CONSTITUENTS

What started out to be a fairly serious problem when the Middle East embargo of oil took place, has turned into a real crisis. I've been in Congress for over 11 years and except for impeachment letters, I have never received more mail than correspondence on the gasoline shortage. Excerpts from a few of those letters reflect an almost desperate appeal for help. From a man in Woodbridge: "The gasoline situation is getting worse. I have to wait in long lines to buy a few gallons at outrageous prices. . . ." A woman from North Brunswick wrote: "The gas shortage has reached a disastrous point. Our visiting nurses are unable to purchase gasoline necessary to visit critically-ill patients. . . ." And from a man in Edison: "My work is suffering because I can't get enough gasoline. If things don't get any better, I won't have a job. . . ."

BLAME FOR THE CRISIS SHOULD BE SHARED

It would be expedient to place all blame for the energy problems on one person or group, but that would be unfair and irresponsible. Some believe that Arab nations deserve the greatest condemnation because of their oil embargo. The embargo, of course, contributed to the severe shortage here. However, since the Middle East supplies the United States with only about 10% of its oil requirements, it certainly is not the main reason. Others should also share the blame.

Oil companies enjoyed fantastic profits at a time when some restraint should have been practiced. Many persons were astounded to

hear Treasury Secretary George P. Shultz disclose that net profits of oil firms in 1973 averaged the highest in 11 years. The top five oil companies had almost unbelievable years in net profits: Exxon, the world's largest, showed a profit of \$2.4 billion, an increase of 59% over 1972; the Royal Dutch/Shell Group, \$1.7 billion, a leap of 153%; Texaco, \$1.3 billion, a rise of 45%; Mobil, \$842 million, up 47%; and Gulf made a net profit of \$800 million—a gain of 79%! N.Y. Times reporter Leonard Silk expressed the feelings of millions of Americans when he wrote, "The oil crisis appears to be bad news for everybody—except the oil industry." Windfall profits would have been prohibited in a bill that was filibustered by the Senate in December after passing the House. I voted for a windfall profits ban in the bill, but it was deleted in the Energy Emergency Act passed by Congress in February. President Nixon's veto of the legislation was a great disappointment to me. It not only would have rolled back prices on domestic crude oil, but contained other provisions that would have helped in fighting the crisis.

The Nixon Administration should also be criticized for ignoring warnings for more than 2 years that crude oil supplies were inadequate to meet rising demands, and setting unrealistic petroleum import quotas. For instance, *Time* magazine reported that in 1969, when a Cabinet-level task force was about to recommend a plan to drop oil import quotas, Exxon's chairman arranged a private meeting with President Nixon, who eventually made the decision to keep the quotas. Unrealistic quotas are harmful to American consumers because they not only reduce the supply of oil in this country, but also have a tendency to keep prices higher—and they are obviously too high. The Executive Branch failed to exercise effective leadership, but I frankly believe that Congress could have taken swifter and more vigorous action, too. Speaking on the House Floor in late February, I told my colleagues that it was "incomprehensible" to me that Congress did not act sooner. "One does not deal with an emergency by considering legislation for three months," I told the House.

Neither is the Nation devoid of blame. With 6% of the world's population, the United States consumes 35% of the world's energy supply. We take energy supplies for granted as if they will last forever and sometimes use electricity, oil, natural gas, gasoline, and other energy sources unnecessarily. One program that will eventually help is legislation passed by Congress that calls for billions of dollars to be spent for developing shale deposits and extract oil and other energy sources. Unless more self-discipline is practiced by all of us, the energy shortages that plague us now will continue. In fact, it was disturbing to read that William E. Simon, administrator of the Federal Energy (FEO) said in late January that the Nation faces "severe energy shortages in the years ahead."

SOME PROGRESS IS BEING MADE

Governor Brendan T. Byrne, with whom my office has been working on energy problems, has shown strong leadership in dealing with the severe gasoline shortage in New Jersey. On Feb. 8th, Governor Byrne announced a mandatory state-wide gasoline rationing program, second in the Nation. The modified rationing system has cut lines at service stations, but it is not the solution to the infuriating gasoline shortage. What will help is a more equitable redistribution policy—something that was partly achieved when Governor Byrne and the New Jersey Congressional Delegation were able to obtain an additional 23 million gallons of gasoline in February for N.J. drivers, as well as an increase of 34 million gallons scheduled for March. Motorists, however, should not feel

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euphoric over this. The real solution is increased production of gasoline by oil firms. It's important for consumers to remember this. The lifting of the Arab oil embargo will ease the crisis, not end it.

In letters to President Nixon and FEO Administrator Simon, my N.J. colleagues and I also had urged that an investigation be made to determine why N.J. has not received its fair share of gasoline while other states have more than enough. I've also sent telegrams to major oil firms, requesting their complete cooperation with FEO in providing an adequate supply of gasoline for retailers and consumers. "The impact on N.J. is much greater than elsewhere and the need for an increased supply here is imperative," I wrote to the oil firms. In addition, I'm working with Rep. James J. Howard (Dem.-N.J.), Chairman of the House Subcommittee on Energy and the rest of the N.J. delegation to bring in more gasoline and find out why certain oil companies are not complying with the allocation regulations issued by the government. Furthermore, I'm working closely with two officers of the N.J. Gasoline Retailers' Association—Gerald Ferrara and Vincent Barone. They have pledged the cooperation of station owners in every practical way. Communities have also contacted me on problems and I'm doing all I can to help them.

PATTEN BILLS HELPING TO FIGHT ENERGY CRISIS

Because of the urgency that exists, I helped sponsor legislation to establish a House Committee on Energy, and one that would create a National Energy Information System and authorize the Interior Dept. to take an inventory of all U.S. energy resources on public lands. Under this bill, major energy firms would submit annual reports on their assets and operations. It is my conviction that firms do not always provide all the information they should. If it is signed into law, the information would help the government deal with the energy crisis by enabling it to know more about what oil reserves are, and where they are located.

Another measure I helped sponsor would authorize the Interstate and Foreign Commerce Commission to conduct an investigation and study of the importing, inventory and distribution of crude oil, residual fuel oil, and refined petroleum products. (See box above). Although most of the oil we use is produced in this country, we should know all the facts about oil that is imported by us.

Another energy-related measure I co-sponsored was the Solar Heating and Cooling Demonstration Act of 1974, which was passed by the House last month.

Since the Nation faces shortages in heating oil, I feel that it's important to develop new sources for heating homes and plants. One of the most promising is utilizing the world's greatest source of energy—the sun. Its vast potential should be developed—a potential cited by space expert Dr. Werner Von Braun, who is very optimistic about future benefits of solar energy. My bill, of course, involves a long-term solution, but the program offers encouraging prospects. Hearings have been held by the Senate, where passage is also expected and I'm confident that the President will sign it.

MARCH OF DIMES FAMILY FOR 1973-74

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. KETCHUM. Mr. Speaker, I am honored today to call to the attention of

the Congress the accomplishments on one of Kern County, Calif.'s most active and distinguished families, the Leonard Sturtevant family of Bakersfield. Len, Betty and sons Brian, Larry and Scott have served their community and Nation in countless ways with dedication and selflessness. On Friday, March 22, 1974, they are to be honored by their many friends for this service. I am proud to be able to participate in this way.

The Sturtevant family's lengthy list of activities includes scouting, service clubs, political activities, charitable work, fund raising, and youth programs. As volunteers, they have personally expended time and money at any cost to them to be of service to their fellow man. The Sturtevants can always be counted on to perform any task assigned, and to do it the best way possible. They are stalwarts of many organizations which have recognized their generosity, and made good use of it.

They have been named "March of Dimes Family of the Year for 1973-74" by the board of directors of the South San Joaquin Valley chapter of the National Foundation March of Dimes. For the past 7 years, Larry and Scott have been extremely active in teenage March of Dimes activities. Betty, who has served on the board for 2 years, has served as Mothers March chairman, block walker, Telerama Food Committee chairman, and also award dinner chairman for 2 years. Len Sturtevant has served as both chapter vice chairman, and chairman of the chapter's board of directors in South San Joaquin Valley.

Certainly such an honor is to be highly prized, and I have never met anyone more deserving of it than the Sturtevant family. I am proud to count each one of them as my friend. Indeed, everyone who has been privileged to know or work with the Len Sturtevant family knows well the enormous dimensions of their self-sacrificing compassion for others. It is a distinct pleasure to speak on their behalf today, and I am sure that my colleagues will join me in tribute to this fine American family.

TENT SAFETY

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. PEYSER. Mr. Speaker, fires are the source of much grief and tragedy in our society, but it is only recently we have become sharply aware of a fire danger which has been obscure to us. This is in the hidden hazard in canvas and similar type tents which are used by millions of Americans who go camping each year.

This tragedy was graphically illustrated recently in the first of three television reports by WNBC-TV, New York City. On March 4, 1974, the station telecast a special report which revealed that most of the tents in use can ignite easily and burn rapidly. Such accidents have produced death and severe injury.

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The initial report, produced and written by Bernard Gavzer, WNBC-TV's investigative reporter, charged that the tent industry had failed even to produce clear labeling which would inform the public of the flammability danger. This report also stated that though the Boy Scouts of America had had an official fire-retardant tent for nearly 20 years, it failed to make any aggressive campaign for use of fire-retardant tents.

In a subsequent report, March 8, the Boy Scouts of America conceded this failure and amid it would press for Federal standards as well as undertake aggressive support of fire-retardant tents.

I am inserting this second excellent report by WNBC-TV into the RECORD at this time for the benefit of my colleagues in the House who may wish to pursue this subject further:

REPORT ON FLAMMABLE TENTS

JIM HARTZ. At the beginning of the week we had a special report alerting people to the risk of deaths and injury in tent fires. We said the tent industry had done poorly in letting consumers know about the dangers. And we said the Boy Scouts of America had fire-retardant tents, but failed to let Scouts really know about them. Today our report resulted in some action by the Boy Scouts of America.

KEN ALVORD. The sign says "Not all scouting is done in the woods," and that is most assuredly true, particularly for an urban Scout Troop like this one, just beginning an overnight stay in what could be one of the highest camp grounds in America, the Observation Tower of the Empire State Building.

Like millions of other campers, these Scouts use tents. And therein lies a problem. This particular tent material does not support flame as you can see. But as we noted in a general WNBC-TV investigation report a few nights ago, that is the exception rather than the rule with most tents in America. It is the subject of increasing concern to organizations like the Boy Scouts of America, whose National Camping Director now says his group will become much more active in promoting the sale of flame-retardant tents.

LOODY CHRISTOFERO. In the past—'bout ten years, five boys that we know of, that we have records of, have been killed in tent fires. We don't know whether these tents were Scout tents or not. As you know, we have been making flame-retardant tents since the 1950's and have listed them in our catalogues. We—what we want to do, is to more aggressively advertise or make known that flame-retardant tents are in manufacture and are available.

ANTIDEFICIENCY ACT

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. BRECKINRIDGE. Mr. Speaker, today I introduced, with colleagues of the congressional rural caucus, a bill which would tighten the language of the Antideficiency Act with the intention of bringing to an end "impoundment" as a means of imposing priorities by the Executive on the legislative branch of Government. This action is necessitated by

the administration's studied disregard of congressional authority and responsibility in the appropriations process.

During the past year the administration has impounded massive amounts of funds, variously estimated at between \$8 to \$18 billion. In so proceeding a basic constitutional question has been presented; that is, if we in the Congress are to retain the power of the purse, can we permit the executive branch of Government to determine which duly adopted programs are to be funded, and which are not?

Although past practice has encouraged the executive branch to spend the least amount of money possible without changing the intent of congressional programs, the incumbent administration has gone far beyond these permissible limits; it has, in an unprecedented manner, instituted what has come to be known for want of a better term as "policy impoundments." The primary purpose of these impoundments has been variously to slow down, curtail, emasculate or dismantle those programs which the administration opposes.

This past January Mr. Roy Ash, the director of OMB, in a New York Times interview stated that the "word impoundment could be taken out of the dictionary" because the administration would no longer impound funds except where they could effect savings. Were this the case, the administration would be operating in accordance with the intent of the Antideficiency Act, which states specifically that—

In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations or other developments subsequent to the date on which any appropriation was made available.

Unfortunately OMB policy has as yet to take shape as predicted by Mr. Ash. The administration is still impounding significant sums of money appropriated by Congress for fiscal year 1974; for example, the administration is impounding \$85 million for the rural environmental assistance program, another \$11,645,000 for the water bank program, and \$140,304,000 of FHA rural water and waste disposal funds.

In a brazen effort to obtain passage of the Better Communities Act the administration is holding hostage \$74,021,000 for Model Cities, \$55,161,000 for open space land program, \$401,734,000 for grants for basic water and sewer facilities, and \$281,314,000 for urban renewal funds.

Every congressional district in the country is being affected by these impoundments. The administration's policy means that hundreds of towns shall remain without water and sewer systems, and that decaying cities shall not receive help in the form of Model Cities and urban renewal grants. Ultimately these impoundments constitute an unconstitutional denial by the executive branch of legislative intent; a second veto not accorded the President by the constitution.

Recently, OMB issued its latest im-

poundment report. The total figure contained in the report amounted to \$11.8 billion for fiscal year 1974; however, this figure did not include \$9 billion that the administration has withheld from the clean water program. This does not indicate, to me at least, an end to impoundment as "a policymaking device" as Mr. Ash implied in his New York Times interview.

The bill which my colleagues of the Congressional Rural Caucus and I are introducing today will not deny the executive branch the traditional right and duty to establish reserves to provide for contingencies, or to effect savings whenever savings are made possible, but it will delete from the 1950 amendment the "other development" clause which the current administration uses in effecting policymaking impoundments. It is, on the whole, a very modest proposal; it simply requires the officer-in-charge to notify the Comptroller General, at least 10 days in advance, of the reserve action and his reason and authority therefore. If the reserve action is in violation of the program as established by the Congress, the Comptroller General is then authorized through attorneys of his own choosing to initiate appropriate action in the U.S. District Court for the District of Columbia to enforce the provisions of the act.

Presently, actions taken against such administration actions have generally been brought by private citizens or organizations, or a State and entail a considerable expense and delay in the implementation of programs. With this bill Congress will be harnessing the good offices of the Comptroller General to take on such legal battles as may be necessitated by the impoundment policy of the executive branch.

I wish to once again emphasize that this bill is not meant to prevent impoundments of a routine nature, where savings are sought and no change of policy is involved. Only when the executive branch embarks on an impoundment policy defying the intent of Congress and ignoring the priorities set by it will this bill take effect. The changes which I propose to make in the Antideficiency Act are consistent with the legislative intent of the 1950 language as well as with recent decisions of the Federal courts. The enactment of this bill will be but a small step in our continuing effort to regain our rightful responsibility and control over the budget; it is, nonetheless, an essential and timely one.

NEEDED: A WORKABLE CHECK ON THE PRESIDENCY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. BINGHAM. Mr. Speaker, on June 5, 1973, I introduced House Joint Resolution 547 to amend the Constitution of the United States to give the Congress the

power to call for a new Presidential election when it has determined that the President has lost the confidence of the people to so great an extent that he can no longer effectively perform the responsibilities of his great office. My distinguished colleague from Wisconsin, Congressman HENRY REUSS, has introduced similar legislation, and other bills ordering new elections where the President has been found guilty of certain offenses have been introduced by Ms. GREEN, Mr. OBEY, and Mr. UDALL.

James L. Sundquist, a senior fellow at the Brookings Institution, has written an interesting and scholarly article on the need to reestablish equality between the executive and legislative branches of Government in a manner such as I have suggested. The article, which appeared in the fall 1973 edition of the Brookings Bulletin, follows:

NEEDED: A WORKABLE CHECK ON THE PRESIDENCY

(By James L. Sundquist)

The Presidency puts too much power in one man. That proposition is heard increasingly these days, for a decade of war in Vietnam and now the Watergate affair have revealed a vast potential for abuse of the enormous power that is entrusted to a single human being. And the realization has come as something of a shock. After all, this was exactly what the Founding Fathers, reacting against the tyranny of George III, were supposedly striving to prevent. We were brought up to believe that the unique American contribution to the art of government was "checks and balances."

We were lulled into complacency because we thought the system of checks and balances was more pervasive than it is. The deadlocks we have so often witnessed occur in a particular process of government—the legislative process—and what applies to the legislative power does not necessarily apply to the executive power. Legislation is a shared responsibility; both the President and the Congress have a veto. But once a law is enacted, the power to carry it out is not shared between President and Congress, for the Constitution vests the executive power in the President alone.

The assignment of executive power to the President does not mean that the other branches of government do not exercise some checks. They do get involved in the execution of the laws, in half a dozen ways. But these checks, taken altogether, have always been severely limited in their practical effect.

The courts can check the President and often have, as when they ordered Harry Truman to return the seized steel plants to their owners. But this power is limited to cases of actual lawbreaking; the judicial process imposes no check on presidential actions that are merely unwise or improper. Moreover, in the broad area of national security and foreign affairs, it is difficult to find cases that can be taken into court.

Impeachment can be seen as an extreme form of judicial process; as such, it has at least as many limitations as court proceedings. "High crimes and misdemeanors" must be proved. In today's meanings of those words (which are the meanings the Congress acts on, though a case can be made that the phrase carried a looser meaning when it was written into the Constitution), a President who has simply lost his capacity to lead and govern because of bungling, betrayal by ill-chosen subordinates, or any of the other weaknesses that can lead to misuse of presidential power, cannot for that reason be relieved of power.

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The Senate's power to confirm appointments is not an effective check, for the obvious reason that the Senate cannot know in advance which presidential appointees are going to abuse their power. When the names of John Mitchell and Maurice Stans were presented for confirmation, no one could have foreseen that they would be indicted four years later. If the Senate could *unconfirm* appointments, that would be a real check, but such power—for good reason—was not granted by the Constitution.

If the President does something the majority in Congress disapproves, it can amend the law to prevent the President from doing it again. But this possibility is more theory than fact. The President retains the power of veto, and if he wants to go on doing what the congressional majority objects to, a minority of one-third plus one of either house is sufficient to sustain his veto. Nor can an amendment usually be made retroactive to force a reversal of what the President has already done. Moreover, to curtail the executive power by law is liable to prevent the President from accomplishing ends that in the congressional view are still desirable.

Nor is the power of the purse an effective check. Since appropriation bills are only a form of legislation, attempts to control the President through the budget encounter the same difficulties as in attempting to control him through amending substantive law. He can veto bills carry unpalatable riders, and his vetoes will usually be sustained. To cut funds is no corrective for maladministration.

Lastly, in order to legislate and appropriate, the Congress through its committees may obtain information on how the laws are carried out, using subpoenas if necessary. Through this process, senators and congressmen can kibitz, entreat, heckle, and threaten, and these methods are often effective. But they cannot compel a determined President to change his course.

A common weakness of almost all these checks and balances is that they operate after the fact, often long after. The Congress has been able to exercise a review power in the case of both Vietnam and Watergate—and in the Watergate affair judicial checks have been operating too—but only long after the damage has been done. The one exception, Senate confirmation, operates only before the fact, sometimes long before. None of the checks and balances operate during or close to the fact, which is when the abuse of power needs to be prevented.

THE EXPANDING GOVERNMENT

These checks and balances, weak as they have been throughout our history, have been further weakened by several trends that for the most part are not reversible. While the federal government's budget has increased by 500 percent in a quarter century and the government has been thrust into a multiplicity of new activities, the capacity of the Congress to check executive operations has not increased on anything like the same scale. Nor can the Congress be expected to keep pace, no matter how much it improves itself through reorganizing, strengthening its staff, electing stronger leaders, or attending to its duties with greater diligence. No matter how it changes its practices, its checks and balances will still have to be exercised through difficult, demanding work by individual members, acting mainly in committees. As the size and scope of government expand, the attention of committees, subcommittees, and devoted individual members is inevitably spread thinner and thinner.

Partly because of the incapacity of the Congress to cope with an expanding government, the line separating executive from legislative power has been shifted in favor of the executive. In part, this shift has been made with congressional consent; the Congress has willingly and repeatedly delegated

power to the executive. Thus it has recognized, in the case of price and wage controls, that measures to curb inflation must be left to executive discretion. Similarly, major decisions to cope with the energy crisis have been delegated. In other cases, the shift has occurred without express congressional consent but with its acquiescence. In foreign affairs, much of what used to be done through treaties, which require ratification by the Senate, is now done through executive agreements, which do not. Above all, the effective power to declare war, which was granted to the Congress by the Constitution in clearest terms, has passed to the President. Even after Vietnam the Congress has not seriously considered taking back the power to put the country into war; it has only required that after the President has done so, he submit his decision for approval.

The Congress has yet to accept any general principle that the President should be free to impound appropriated funds, but it has repeatedly let presidents do so without rebuke, providing the precedent and the encouragement for President Nixon to go further in this direction than any of his predecessors. Indeed, while congressmen have protested the President's impoundment of appropriated funds, in 1972 both houses voted to grant him broad authority to do exactly that. One day, it can confidently be predicted, the power to adjust tax rates within defined limits will also pass to the President so that fiscal policy can be "fine tuned" to cope with inflationary or recessionary trends.

Congressional checks also have been weakened by the trend toward secrecy, with claims of executive privilege and "national security" extending ever lower into the executive branch. The courts are now reviewing the scope of what can be withheld from Congress and from the courts themselves, and some retreat on the part of the President may be forced. But it is difficult to imagine that the long-term trend toward increasing secrecy will be decisively reversed.

Despite demands that the Congress "reassert" itself, there has been no action yet that would rectify the imbalance even to a slight degree. And it is difficult to see how the balance can be shifted much. The government is not going to become smaller or easier for the Congress to oversee. The speed with which domestic and foreign problems arise and grow is not going to slow down even to the pace of a Congress aroused and streamlined, should that ideal condition ever be attained. Diplomacy will continue to be carried on as every other country carries it on: by the executive in secret. The Congress cannot control inflation or cope with energy shortages or establish tariffs except through delegation of authority to the executive. The presidential rights of impoundment and executive privilege may be curtailed a little, but that is about all. Even with the fullest "reassertion" of its powers, the Congress cannot reassert authority it has never had: Its powers will remain those of a confirming body before the fact, and a reviewing body after the fact, with no means of preventing the abuse of executive power when it is taking place.

THE DECLINE OF THE CABINET

If presidential power has been suddenly aggrandized, it is not only because power has flowed laterally from the Congress but also because it has flowed upward from the Cabinet. The decline of the authority of cabinet members has been perhaps the most fundamental of all the forces affecting the power balance in the national government.

In the early days of the Republic, the Cabinet usually included the principal leaders of the President's party and covered the spectrum of the party's composition. Presidents often named to their cabinets men who had been their principal rivals for

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the party's nomination. Prominent members of the Senate were commonly appointed, along with political leaders from the states. Men like Clay and Calhoun, Webster and Seward, Sherman and Bryan sat in presidential cabinets because they had independent power bases that demanded, or deserved, recognition. And cabinets were used as consultative bodies. Presidents could still ignore or overrule them, of course. Lincoln could say, "Seven noes and one aye; the ayes have it." But at least he asked for his Cabinet's opinion, and he took a vote.

Now, all this has changed. Replacing the Cabinet as the President's consultative group has been a presidential-level staff composed of appointees who have no outside power bases and hence no independence. This staff formulates policy for the President, issues orders on his behalf, and supervises and coordinates their execution. It has enabled the President to assume *command* of the executive branch in a sense that is truly military. As in an army, so in the executive branch it is now the headquarters staff that decides; the cabinet officers, reduced to the status of field commanders, execute.

In the old days, the President had to rely on his Cabinet; its members were all he had to run the government with. Now, with his modern management apparatus, the President need no longer talk with them. Nor has he time. No President since Eisenhower has used the Cabinet even as a consultative body. It meets pro forma, if at all, as a convenient way for the President to give pep talks and issue instructions. With the Cabinet's decline in status has come an inevitable change in the character of its members. The nineteenth-century tradition that the President appoint strong political leaders with independent power bases has withered away—a trend that has reached a kind of culmination in the present administration.

The last thing an ambitious presidential staff wants is department heads with independent power bases. Such men have the strength to be defiant and cause trouble. What such a White House staff wants is, in the words of one former Nixon aide, men "who will, when the White House orders them to jump, only ask 'how high?'" To make doubly sure that department heads would be compliant, the White House has systematically placed in subcabinet positions, as under secretaries or in lesser posts, trusted political and White House aides.

But the flow of power from the departments to the presidency, like the shift in the congressional-presidential balance, has not been the product of pure willfulness. Here, too, the trend has had a basis in the realities of modern government. The executive branch does need central direction and coordination; it cannot be treated as a cluster of independent safeties, each responsive only to its clientele. There must be a coordinated budget. Departments do have to respond to common policies established by officials responsible to the people through elective processes—and the only such official in the executive branch is the President. These needs, too, are affected by the greater complexity, the faster tempo, and the closer interrelationship among governmental activities. In domestic fields, as in war and diplomacy, the government must be able to marshal its resources and act decisively and consistently whether the battle is against inflation or pollution, a recession or an energy shortage.

The answer to the problem of misused presidential power is not to try to disperse the essential components of that power among semi-independent agencies within the executive branch. That would only reintroduce the problems of conflict and administrative weakness that compelled the centralization of power in the first place. Besides

being unwise, such an approach would be essentially unenforceable. The Congress could probably find ways, through its appropriation power, to reduce somewhat the size of the White House and Executive Office staffs, but the Congress has shown no wish to interfere with a President's way of doing business to the point of trying to dismantle the presidential office. Short of such a step, there is no way to enforce a new set of President-Cabinet relations. A President can hardly be compelled to appoint strong and independent political figures to the Cabinet and to repose power in them if he prefers to rely on White House aides. The organization of the executive branch is, by its nature, an executive function.

DID THE FOUNDING FATHERS ERR?

If the power of the presidency cannot be reduced very much—and if, in a fast-moving and complex world, it probably should not be—then how does one solve the basic problem of too much power in one man? I suggest that most current analysis of the problem has been misdirected because it concentrates on the first three words of that phrase: *too much power*. I submit that the solution is to be found by looking instead at the last three words: *in one man*.

An institutional principle applied almost universally in the English-speaking world is that major decisions should be made not by one man acting alone, but by a collective body of some kind. In the United States, legislatures are all plural bodies. So are juries, the higher courts, and the regulatory commissions. Corporations and voluntary service organizations, school systems and universities are run by plural boards of directors who select and supervise the managers. In political parties the ultimate authority lies in conventions and committees. The one great exception to this principle is the executive branch of the United States government (along with the executive branches of the state governments and some city governments that are patterned after it).

In other English-speaking countries, even such exceptions do not exist. Executive power rests in plural cabinets, as it does in most non-English-speaking democracies as well. Even in the nondemocracies, power is often lodged at least formally in plural bodies such as the Politburo in the Soviet Union.

This pattern is not accidental. Rather, it embodies a wisdom that has evolved over centuries of experience with human organization. Societies have learned again and again that to entrust power to one man is inherently dangerous. He may be erratic or impulsive or obsessive in his judgments, or arbitrary and unfair. He may be incompetent, a bungler. He may be lazy, negligent, or corrupt. He may pervert the ends of the organization for his own benefit, whether to gain money or punish enemies or reward friends, or simply to perpetuate himself and his followers in office. Hence, in almost every organization the restraint of collective decision-making is forced upon the leader. He is made subordinate to, or required to act as a member of, a plural body of some kind. It may be called by many names—commission, council, board, committee, senate, house, cabinet—but its members have a degree of independence of the leader.

Plural decision-making has its own drawbacks, obviously. It can cause delay, undue caution, and resistance to innovation. Those who seek spectacular progressivism are more likely to find it in presidents and governors than in congresses and legislatures, for the single leader can march without having to be in lockstep with anyone. But the experience of centuries has weighed the disadvantage against the merits and given its verdict—that the plural body, not the single leader,

is better to be trusted. When a single executive is needed to dispatch the execution of a collective body's policy, he is made responsible to and is supervised by that body. Never is he left free to act unchecked, responsible only to the general membership of the organization and to himself.

If this be the folk wisdom, one must ponder how the Founding Fathers came to stray so far. They were sensitive to the danger of concentrating power in any institution, but in their day it was the prospect of too much power in the legislature that concerned them most. They feared that in a republic, the majority of the legislature would get out of hand and threaten the rights of the minority—and their fear seemed borne out by the experience of the states in the decade before the Constitutional Convention. As men of property, they feared the mob, the levelers. So the question was whether the President would be strong enough. Nevertheless, the vote for a one-man presidency was not unanimous. The Convention debated whether the head of the executive branch should be one man or three; seven states preferred the single executive, three states the plural. Had the Founders foreseen how the system of presidential election they designed would change—how the power of selection would pass from a judicious electoral college made up of leading citizens to a popular process resting largely on the vote of citizens in primary and general elections—one can wonder what the vote on a plural presidency would have been.

A POSSIBLE SOLUTION

Could the presidency be pluralized? No proposal to scrap the institution and begin anew could be seriously considered. What is needed is a remedy that could be grafted onto the existing system with the least possible disruption of its basic structure.

The simplest device that might serve to introduce an element of collective judgment into the exercise of executive power may be the one by which the executive in a parliamentary system is controlled. That is the device of dismissal of a government through a parliamentary vote of "no confidence," which could be added to the American system by a simple constitutional amendment.

This provision would have both a direct and an indirect effect. The direct effect would be to make possible the removal of a President who, though not guilty of the provable "high crimes and misdemeanors" that are the basis for impeachment, has lost the capacity to lead and inspire and unify the country—in short, the capacity to govern. On more than one occasion in the past, a President whose effectiveness had been destroyed through incompetence, gross negligence, egregious errors in foreign or domestic policy, or crimes and misdemeanors committed by those who had intimately shared his confidence and acted in his name, has remained in office until the end of his allotted four years—and nothing could be done about it. No other democratic government leaves itself so vulnerable.

If the "no confidence" procedure were introduced into our Constitution, a President to keep his office would have to do more than keep himself free of indictable crime. He would have to satisfy the Congress—and therefore the people, for the Congress would hardly act in such a matter in defiance of the people—with his conduct of the government. And what could be more consistent with democratic theory than that?

The probability, of course, is that the power to vote "no confidence," like the power to impeach, would be rarely used. Consequently the indirect effect would be more important. Though by no means wholly predictable, the indirect effect would probably

be to introduce some elements of plural decision-making at the presidential level.

A President who was forced, under the Constitution, to maintain the confidence of the country and of the Congress would find it necessary to consult with congressional leaders in the exercise of his executive powers. He would not dare to do otherwise: It would be dangerous to flout them and risky to keep secrets from them. To retain their confidence, he would have to take them into his.

What would happen at the other end of Pennsylvania Avenue, on Capitol Hill? The result, one may speculate hopefully, would be a rejuvenation of congressional leadership. The President obviously could not consult with the 535 members of Congress. He would have to share his confidences, and his power, with the leaders chosen by the Congress—the leaders of his own party if they were in the majority, the leaders of both parties if the opposition party controlled the Congress. If the electorate had chosen a President of one party and a Congress of the other, as seems to be its wont these days, there would have to be a degree of bipartisan collaboration. But that has its advantages as well as disadvantages; it has proved fruitful on many occasions in the past.

Working out the mechanics of the simple basic idea would not be easy. The first requirement would be to make sure that the remedy of a "no confidence" vote would be used sparingly. No one would want to introduce into this country a system like that of France's Third Republic or of Italy today under which governments can be toppled every few months for partisan or trivial reasons. Therefore, the proposed power to remove a President should be accompanied by a restraint also present in many parliamentary systems—the provision that the members of the legislature, if they vote "no confidence," can also be forced to face a new election. In other words, senators and congressmen would have to submit their action to the approval of the voters. New terms for everybody—the President and members of Congress (with senators' terms staggered for two, four, and six years)—would begin with the new election. In the meantime the Vice President would head a caretaker government.

The new election presumably should be held as soon as possible, and that would not be easy to square with our system of regular elections held on designated calendar dates. But there is no magic in regular elections beyond the convenience they offer the student in memorizing history in neat four-year blocks. Other countries have done very well with systems of elections that occur at odd times, in any month of the year, whenever a government loses confidence and a new government with a fresh mandate must be formed. When that occurs, those countries have found that it makes little sense to wait a year, or two, or three, as we do, until the calendar rolls around to an appointed month. Yet if the holding of elections in April, June, or even September would violate the criterion of "least possible disruption," the new election could be scheduled for the next November after the vacancy occurred, for new full terms or merely for unexpired terms.

In any case, the purpose would be served. The President would have to level with congressional leaders on matters like Vietnam and make certain they went along. If burglars were discovered in the headquarters of the opposition party, the President could hardly dismiss it as a "bizarre episode." The leaders of Congress would be in a position, on crucial matters, to make demands and say "or else." Major decisions would come to be taken in consultation. The executive power that the Founding Fathers reposed in the President alone would be on its way to being

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shared—checked and balanced, as it were. The fundamental danger of rash or corrupting decisions taken by a lone President would to that extent be reduced.

MR. YUK AND THE PITTSBURGH POISON PREVENTION CENTER

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, this being National Poison Prevention Week, it is most appropriate that we discuss an ever present problem that affects young children, the accidental consumption of poisonous properties.

No matter how much children are informed about this problem, thousands yearly are rushed to hospitals, because they swallow substances which can cause serious illness or death.

The Pittsburgh Poison Center at Children's Hospital, in Pittsburgh, has worked assiduously on this dilemma.

Research by the institution showed that the traditional skull and cross bones symbol actually attracted preschool children and did not serve as a deterrent.

They have come up with an identifiable symbol that can be affixed to poisonous materials and will warn children that they should not play with or consume the matter.

Called "Mr. Yuk," the symbol is an animated face with a sour look and tongue sticking out as if it had just tasted something bitter.

Studies showed that children, when given a range of symbols and faces to choose, rejected most the Mr. Yuk symbol.

The center has printed Mr. Yuk symbols and are making them available to the general public.

A recent issue of the Journal, published by the National Association of Retail Druggists discusses in more detail the Mr. Yuk campaign of the Pittsburgh Poison Center and Children's Hospital.

I would like to put this article in the RECORD at this time:

NATIONAL POISON PREVENTION WEEK, MARCH 17-23, 1974—THE STORY OF "MISTER YUK" AND THE PITTSBURGH POISON CENTER

(By Dr. R. W. Moriarty)

We, at the Pittsburgh Poison Center, believe that "Mr. Yuk" is the first poison symbol designed with children in mind. The idea came about through a series of studies that were conducted by the Pittsburgh Poison Center.

Our first study was a relatively simple one in which we asked a group of parents what they would do if they discovered that their child had gotten into some material accidentally. The vast majority said that they would consult the bottle or package for instructions. However, few manufacturers give any meaningful instructions on their products as far as accidental ingestion is concerned.

We felt that if we could devise a sticker that would have the telephone number of the Pittsburgh Poison Center on it and make the sticker available to parents to place on

the more toxic items in their home; then, at least, they would have our number to call.

The next step in the evolution of "Mr. Yuk" was the idea of developing a symbol that could be taught to children to represent potential danger. In testing a variety of designs, we were amazed to see that the traditional skull-and-crossbone symbol appeared to be attractive to pre-school children. The face that eventually came to be called "Mr. Yuk" and his obnoxious green background appeared to be the symbol that turned the majority of youngsters "off" in our studies.

We then combined "Mister Yuk" with the telephone number of the center and are offering these labels to anyone who wishes them.

We must point out that in order for "Mr. Yuk" to be effective, children must be taught to understand that this symbol represents potential danger. It should be understood that "Mr. Yuk," himself, will not necessarily keep a child from ingesting a particular product.

However, we are convinced that through an educational process, conducted by the parent, children can learn to avoid materials that have a "Mr. Yuk" sticker on them.

The "Mr. Yuk" idea is really a small part of what we are doing at the Pittsburgh Poison Center. We are undergoing a total revision of the center and have added our own full-time staff of registered nurses to handle calls to the center.

We are involved in product research and compiling statistics on the cases of ingestions. We are keeping complete records of all calls which provides a statistical evaluation as well as a following-up of patients with the aid of our social service staff.

We have entered into a working relationship with a number of community hospitals that act as satellite centers for the evaluation and treatment of patients who have ingested materials.

We average approximately 10,000 calls a year. The vast majority of calls concern youngsters under the age of five, but we do deal with adult problems—suicides, drug abuse problems, etc.

The "Mr. Yuk" stickers have been copyrighted by the Children's Hospital of Pittsburgh and are available to everyone.

THE TOLL OF SHORTAGES ON SMALL BUSINESS

HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. THOMSON of Wisconsin. Mr. Speaker, there is not one Member of the House who can afford to be insensitive to the problems facing our small businessmen. Small businesses comprise 95 percent of the businesses in this country and employ nearly half the total workforce. Small businessmen face special problems, and they also face different facets of the problems facing every American business.

The energy crisis poses particular problems for small businessmen. Most struggling small businesses count on growing production or sales to repay capital start-up costs. With shortages at every corner, these businesses face a bleak future unless help can be provided.

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This week's U.S. News & World Report details some of the problems confronting small operators during the present energy pinch. I commend it to my colleagues. I would especially direct the Members' attention to the results of a nationwide survey conducted by the National Federation of Independent Business showing the particular areas most affected.

The House has before it legislation to alleviate this negative impact. It is sponsored by the entire membership of the Select Committee on Small Business. We are recommending that the Small Business Administration be authorized to provide long-term loans to victims of the energy crisis to enable them to refinance their obligations and, thus, get over the worst of this immediate crisis. After reading the following article, I am sure that the Members will want to urge the Banking and Currency Committee to take speedy action to bring this bill to the floor:

ENERGY PINCH: THE TOLL OF SHORTAGES ON SMALL BUSINESS

As if they didn't have enough problems already—

The country's small firms now have to cope with a whole batch of energy-related headaches.

For many thousands of the nation's 5.3 million small businessmen, the energy crunch is adding one more burden to an already top-heavy list of day-to-day problems.

Rising prices, shortages of materials, tight money, high interest rates and burdensome government regulations have combined to make things tough lately for small companies and individual entrepreneurs.

Now, lack of gasoline and fuel oil and petroleum-based supplies is compounding difficulties for these "little guys" of the business world.

"There's no question that the energy pinch is putting a lot of small concerns in double jeopardy," declares Thomas S. Kleppe, head of the Small Business Administration in Washington. "That means frustrations for untold millions of customers, because 95 per cent of all enterprises in this country fall into the 'small business' category."

FROM FAR AND WIDE

Examples of small firms' troubles show up in many directions.

A television repairman in a Virginia community tells a householder whose set is on the blink: "You'll have to bring it into the shop. I've run out of gas for my delivery truck."

The president of a small plastics-manufacturing concern in Cambridge, Ohio, says: "I've had to lay off half of my force of 200 workers because I can't get raw materials." His products are made from chemicals derived from scarce petroleum.

In Jasper, Ala., the owner of an auto firm says:

"The energy czar's allocations assure big-business buyers of gasoline in bulk all they need for their vehicles. But small businesses like ours get the leavings. It's unfair."

A maker of farm machinery in the Midwest complains that he has to order steel and other materials in quantities larger than he needs because "producers don't want to bother with small orders during the energy crisis." He adds:

"I have a choice of stockpiling the raw materials or turning out more machinery and pumps than I can sell in today's market. Either way, I'm tying up a lot of capital."

A plumber in Pennsylvania says that his trucks occasionally must wait an hour or more in gasoline lines. He grumbles:

"People already are screaming about the size of plumbing bills. How can I tell them I'm going to have to pass along the cost of a driver's waiting time at the gas pump?"

WE'RE RUNNING LOW

The owner of a dry-cleaning plant in a Massachusetts city comments:

"We're running low on solvents, metal hangers and plastic garment bags. The day isn't far off when I'm going to be sending customers out into the rain with freshly cleaned clothes over their arms for want of plastic bags. That's not going to be good for my trade, I assure you."

Complaints such as these are heard increasingly from every part of the U.S. as the energy vise tightens on small enterprises.

The protests are causing a stir in Congress, at the Small Business Administration, at the Federal Energy Office and at the headquarters of trade associations that represent small firms.

"Our mail volume has been unbelievable," says a secretary to a North Carolina Senator. "People are angry and bitter. They want gas."

"We're seriously concerned about layoffs and other disruptions caused by the energy situation," says E. Douglas Kenna, president of the National Association of Manufacturers, 80 per cent of whose members are small-businessmen.

"Many small towns are dependent for jobs on just one or two small companies," he adds. "When those firms shut down or furlough workers, the whole community suffers."

John English, executive director of the Organization of Plastic Processors, an association of independent producers of plastic products, declares:

"Five hundred manufacturers in our line already have been forced out of business because they've been cut off from supplies of petrochemicals. Unless we get more raw materials in the next six to eight weeks, we believe another 1,000 companies will go under."

Mr. English estimates that layoffs in the independent plastics industry tied to the energy pinch run as high as 100,000, counting manufacturers, distributors and other firms dependent on them.

A survey conducted among a sample of the 370,000 members of the National Federation of Independent Business reports that the energy crisis has had a sharp impact on small companies. High-lights are shown in the accompanying chart.

Among all companies checked, more than half are confronted with a shortage of materials and parts. In the construction and manufacturing fields, nearly three quarters of all firms surveyed are having that trouble.

Nearly one small company in every 10 has had to lay off workers or cut working hours, the Federation survey discloses.

Wilson S. Johnson, president of the Federation, with headquarters in San Mateo, Calif., noted that small companies in the food business are especially hard hit by lack of fuel.

A HEAD START

Some small businessmen have been able to keep a jump ahead of the energy crises by anticipating potential problems.

Consider the case of Byron Godbersen, owner of Midwest Industries, Inc., a manufacturer of boat trailers in Ida Grove, Ia. He was named "small businessman of the year" recently in a nationwide survey conducted by Zurich-American Insurance Companies. A year ago, before fuel problems became critical, Mr. Godbersen figured he might become the nation's largest supplier of boat trailers. Now, many of the 150 work-

ers in his plant are converting to trailers for hauling highway freight, on the expectation that fewer people will be using boats this year.

"Shortages have raised havoc with our quality control," he says. "That applies all down the line—from top to bottom of the supply line."

The owner of a small farm-supply warehouse in the Southeast says that, as shipping costs increase, he is under growing pressure from suppliers to order fertilizer and other items in larger quantities than in the past.

"Two other warehousemen and I take turns receiving these big shipments," he comments.

"We run back and forth picking up our share of the orders as we get storage space. But this can't go on forever. We're going to have to stop ordering some items until we're sold out. And then we'll have to restock at higher prices."

Small manufacturers of spare parts for autos; shoemakers using synthetic materials; machine shops, and service industries of one kind or another are among firms hardest hit by shortages and by soaring prices.

The owner of a chain of fish-and-chips stores in the Middle West writes his congressman: "Our business will use more than 600,000 gallons of peanut oil this year; pure peanut oil is critical to our products."

"In the last 14 months, the price has risen from 9 to 45 cents a pound. I have read a lot about the overproduction of peanuts and the tremendous surplus which exists. On the other hand, the refiners tell me that the Government will not release peanuts to be crushed for oil, and that foreign buying without regard for price has driven the market upward. This situation is remediable by cutting back on exports."

In San Francisco, a paving-and-roofing contractor says he can get all the supplies he needs, but only at steadily climbing prices. So he must go to his bank for a line of credit.

"But with prices going up all the time," he explains, "I don't know what to tell the bank about my borrowing needs, and I run into the chance I'll be turned down as a poor credit risk."

A Florida businessman, after 30 years of successfully running other enterprises, is just putting the finishing touches on a motel in the area near Disney World. But, he worries, if tourism remains in a slump this summer, he may face bankruptcy on the enterprise before the year is out.

The Small Business Administration is concerned about the financial problems of small firms. The agency currently has guaranteed 90 percent backing on a total of about 4.6 billion dollars in loans to small firms. If any of them go under, the Federal Government will have to pay the banks that loaned the money 90 per cent of the losses.

BUREAUCRATIC BUGBEARS

In addition to the woes stemming from the energy pinch, materials shortages and inflation, small businessmen continue to battle against two long-time bugbears: paper work involved in federal forms and federal safety regulations.

The National Association of Manufacturers notes that the greatest number of complaints from its members centers on "too much federal paper work and the red tape that goes with it." The Government has been trying to ease the paper-work burden but with little success, NAM officials contend.

Says a retailer:

"Frankly, I gave up trying to cope with all the federal forms—employee records, taxes, inventory reports, you name it—and hired a CPA to do the job. It will cost me more

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money, but I just haven't the mind or the patience to cope with it all."

Federal rules covering health and safety standards for industry are drawing the ire of many small firms. Says a restaurant owner in Washington, D.C.

"Here it is the high point in the noon rush hour and one of my 'exit' lights just burned out. If a federal inspector should come in here now, as I read the rules, he could close me down. It's things like this that drive you nutty."

Federal safety rules require that an employee working in a location where something might fall on his head wear a hard hat. Labor officials point out that the rule is designed for factories, heavy-construction sites and the like, where the danger from falling objects is great.

But a shoe-store owner recently complained to his Congressman:

"I have shoes in the back room piled up 8 feet high. If I took that ruling seriously, my wife would have to put on a hard hat every time she went in the back room for a shoe box."

Thus small businessmen find themselves beset by a flock of problems—and not enough answers. As one of them declares, "It's only small solace to know there are so many of us in the same boat."

CONGRESSIONAL INTERN WEEK IN WASHINGTON

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. GUNTER. Mr. Speaker, this week I have had the pleasure of hosting a delegation of 29 high school students for a week internship in Washington, D.C. The students, who are high school juniors, were chosen upon the recommendation of their school principals and faculties and represent each public high school in my congressional district.

The intern program was designed to offer students the opportunity to learn from personal experience how the business of Government operates on a day-to-day basis. I know they will benefit from the experience and will achieve a broader understanding of the values and processes that make our country work. All three branches of the Federal Government are being observed by the interns as they visit Congress and committee hearings in session, the Supreme Court, and briefings at executive agencies such as the Departments of State, Defense, and Commerce.

In addition to observing the governmental processes, the students are enjoying sight-seeing and social activities. They are visiting the Capital's monuments, Georgetown, the Kennedy Center for the Performing Arts, the Smithsonian Institution, Mount Vernon, and many other places of interest in Washington.

Last night my wife, Teresa, and I hosted a dinner at our home for the group, and today they were treated to a luncheon on Capitol Hill with the Florida Congressmen and Senators.

The internship program is being totally financed by private contributions which have totaled more than \$10,000, and the

EXTENSIONS OF REMARKS

generosity of the contributors has made it possible for the program to provide transportation, housing, food, and entertainment.

It has, indeed, been a great pleasure for me to arrange for this internship program and to offer students the opportunity to see their Government at work. I have enjoyed meeting and talking with them, and I hope they will go home at the week's end with a better understanding of the Federal Government.

Following is a list of the interns and the schools which they represent in the Fifth Congressional District of Florida. Also included in the list are the names of the chaperones:

LIST OF STUDENTS

Apopka H.S., Preston L. Schofield.
Edgewater H.S., Debbie Peele.
Evans H.S., Jim Martin, Jr.
Jones H.S., Bernell Hunter (M).
Lakeview (W. Gdn.), Dianne Tiddy.
Ocoee H.S., Tanya Miller.
Lyman H.S., Debra Jean van de Houten.
Oviedo H.S., James W. Stamps, Jr.
Seminole H.S., Charlotte Ringling.
Lake Brantley H.S., David Nelsen.
Wildwood H.S., Norma Cason.
So. Sumter H.S., Ricky Hayes.
Pasco Comp H.S., Clark M. Ghiselin, Jr.
Gulf Sr. H.S., George Kaub.
Hudson J.S., Aaron Isaacson.
Zephyrhills H.S., Kurt Malmquist.
Clermont H.S., Eric C. Heinrich.
Eustis H.S., Terry Thompson (F).
Groveland H.S., Cynthia Lynn Posey.
Leesburg H.S., Robert D. Manning.
Mt. Dora H.S., Beverly Harvey.
Tavares H.S., Valerie Morgan.
Citrus H.S., Glenn DiPaula.
Crystal River H.S., Frank Fucci.
Hernando H.S., Leslie Rider.
Clearwater H.S., Julie Pearson.
Dunedin H.S., Carol Belnap.
Tarpon Springs H.S., Nancy McLaughlin.
Bishop Moore H.S., Debra Bagrosky.

CHAPERONES

Mrs. Harriet Shoupe, with General Telephone in Tampa.
Don Christopher, past intern and graduating honor student at Harvard.
Jacob Stuart, from Mt. Dora with George Stuart, Inc., in Orlando.
Linda Odum, staff of Congressman GUNTER.

THE PANAMA CANAL GIVEAWAY

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. ASHBROOK. Mr. Speaker, on February 7 Secretary of State Henry Kissinger and Panamanian officials signed a joint statement of principles which supposedly will be the basis for a new treaty involving the Panama Canal and the Canal Zone. These principles would surrender U.S. sovereign control over the U.S.-owned zone and canal.

I believe that the actions taken by Mr. Kissinger constitute a grave mistake. The Panama Canal is vitally important to the defense of the Western Hemisphere and to the national security of the United States. It also plays a key role in the American economy. Approximately 70 percent of the traffic through this water-

way either originates or terminates in U.S. ports. American abandonment of the canal would invite the entry of Soviet power into this area, thereby endangering our national security and economic interests.

In addition to these risks, surrender of sovereign control would forfeit the sizeable investment which has been made in the Panama Isthmus by the American taxpayer. Between 1904 and June 30, 1971, the U.S. poured over \$5.6 billion into the canal. This money never could be recovered in the event of American abandonment of the waterway.

A 1903 treaty between the Republic of Panama and the United States grants our Nation full sovereign rights in perpetuity for the construction, maintenance, operation, and protection of the canal. Since completing construction of this passageway, the United States has operated it efficiently and without interruption.

Rather than a curse, the canal has been a source of substantial economic benefit to Panama. Compensation and related benefits from the waterway comprise the major portion of the Panamanian economy and have given that nation the highest per capita income in all of Central America.

Despite these considerations, the State Department is apparently proceeding with a plan to terminate U.S. sovereignty over the canal. This move by the executive branch is a clear violation of article IV, section III, clause 2 of the U.S. Constitution, which provides that the power to dispose of territory or other property belonging to the United States is vested in Congress. It also flies directly in the face of House Concurrent Resolution 459, which was adopted on February 2, 1960, by a vote of 382 to 12. This resolution reaffirmed the sovereignty of the United States over the Canal Zone and demonstrated a firm commitment to the maintenance of American control.

To meet this challenge to congressional authority, I have introduced a bill (H. Res. 872) which would insure that the United States maintain its sovereign rights and jurisdiction over the Panama Canal and Zone. It prohibits any relinquishment or surrender of U.S.-controlled property, tangible or intangible, without prior authorization by Congress. Opposition to the proposed giveaway is coming from both Republican and Democrat Congressmen and Senators.

The unilateral actions taken thus far by the executive branch demonstrate the necessity for passage of this legislation. The Panama Canal is too important to give away.

VEGETABLES AND INTERNATIONAL TRADE

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. UDALL. Mr. Speaker, as Congress wrestles with international trade reform,

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it is well for us to look at specifics which throw light on the intricacies and benefits of such trade.

Nogales, Ariz., in the congressional district I am fortunate to represent, is the leading entry point for winter vegetables from Mexico. That country is our fifth best customer for U.S. foreign sales—she buys more from us than we buy from her and these vegetable sales help her to buy our goods.

The growth of this winter vegetable industry, its relationship to our trade position with Mexico, the hidden cost factors of production in Mexico, these are some of the interesting facts recently set forth in a speech by A. B. (Al) Conard, secretary manager of the West Mexico Vegetable Distributors Association.

Here is Mr. Conard's discussion:

CONARD VIEWS MEXICAN VEGETABLE SCENE

(By A. B. Conard)

(EDITOR'S NOTE.—The following is the text of a speech prepared by A. B. Conard. Because of its orderly presentation in logical sequence and Conard's intimate knowledge of his subject, The Packer has chosen to publish the speech in full. Conard comments, in detail, on the economic aspects of the Mexico vegetable export industry, adding his personal insight to the presentation.)

The winter vegetable export industry of the West Coast of Mexico is primarily located in irrigated areas of the states of Sonora and Sinaloa bordering the Gulf of California. This region, together with Florida, supplies almost the entire market for vegetables in the United States and Canada during the winter and spring. The main vegetable crops are tomatoes, cucumbers, squash, peppers, cantaloupes and watermelons.

The West Coast's economy is predominantly agricultural, and export oriented. There is a relative abundant supply of land, unskilled labor, electric power and transportation facilities. The limiting factors of production are capital, credit, skilled manpower and production technology.

Vegetables are the most valuable and profitable crop in the region; consequently these enterprises could easily bid away resources employed in alternative crops (primarily rice, cotton, sugar cane and wheat). The industry's supply is therefore considered to be quite elastic over any potential range of expansion.

Any expansion of the vegetable industry will affect favorably the economic development of the West Coast. The impact of this influence depends on the proportion of the region's resources employed by the industry, and on its connections with other industries or sectors of the economy.

Comparative advantage in the production of fresh winter vegetables has been demonstrated as certain areas of Mexico have rapidly expanded shipments to the U.S. and Canada. Fresh tomato exports expanded from 133 million pounds in 1950 to 611 million pounds in 1972. Over the same period large increases were observed in exports of cucumbers, peppers, squash, melons and other fresh vegetables.

Future expansion of such shipments would promote economic development in Mexico directly by increasing the demand for resources used in production, transportation and marketing of fresh winter vegetables. Such development would further tend to encourage an increased rate of capital accumulation, improve managerial and technical skills and raise incomes. Foreign exchange earnings would stimulate economic development indirectly by permitting the purchase of capital equipment.

PRODUCTION CHANGES

During the last 10 or 15 years several important changes have taken place in the production of vegetables. Large irrigation projects began operation in the area and better facilities for transportation over longer distances were developed, including especially the introduction of highway (truck) transportation (in contrast to the exclusive use of railroads 10 to 15 years ago). Most production has shifted south to where freezing temperatures are uncommon. The production of pole or staked tomatoes was introduced and there has been a tendency for the concentration of the production and distribution of the produce into fewer but larger enterprises.

With the great advances in agricultural production techniques in the United States after World War II, the region has had to keep pace with these changes to compete favorably with U.S. producers.

A better idea of the volume of winter vegetables can be obtained in the crossings through the port of entry at Nogales, Ariz. At the end of the 1971-1972 season which started in November and ran through June a total of over 28,000 truckloads of produce were imported or a total of over 30 million containers. During the months of February, March and April which are the heaviest months the total daily crossings through Nogales will average better than 250 loads per day.

The importation of vegetables from Mexico takes place between November and June, when the production of these commodities is most costly and risky in the United States. Some late production that ends in the beginning of November originates in California.

IRRIGATION

The present agricultural use of land in the West Coast area has been made possible only through the investment of great amounts of resources in irrigation systems. The investment in communications, water services, education and other services for the incoming population, will further stimulate the economy.

The smaller grower, although he usually tends to adjust his operations to his own funds, must appeal to private lenders. The only private lenders willing and with enough financial capacity to make these loans are the distributors of vegetables at Nogales, Ariz. The growers and the distributors make contracts in which the distributors supply the funds for the production of the vegetables in the way of a loan, and the grower in return promises to give his product to the distributor for sale in the United States and Canada.

In this agreement, in most cases, no interest rates are charged for the loan. The return on the loan is deducted from the dealers commission for the sale of the product. In some cases, besides the commission, the dealer also has some participation in the profits of the grower.

Although the vegetable industry is one of the most mechanized of the area, many of the agricultural operations in the production of the vegetables must be performed by labor. The larger and most efficient growers possess all the desired equipment, while the smaller growers can survive with a tractor and a truck and by paying for those operations that he cannot perform with this equipment, like land preparations, selection and packaging. The trend is, however, toward increasing the use of capital on smaller farms.

GOOD CUSTOMERS

Mexico is the fifth best customer the U.S. has: The balance of payments between the U.S. and Mexico is favorable to the United States, and it might appear that Mexico is deriving all of the benefit in exporting its winter vegetables to the U.S. and Canada, however, statistics undeniably prove that

Mexico buys more from the U.S. than the U.S. buys from Mexico. As far as this industry goes, some of the expenditures on items purchased in the U.S. are quite impressive. Statistics of the annual report by the Department of Exterior Commerce in Mexico show that all of the seed imported from the U.S. to Mexico in 1971 including soybeans, cotton, wheat and others amounted to \$13,634,720 and the amount on winter vegetable seed alone was \$2,115,920. In addition the amount of fertilizer purchased in the U.S. amounted to \$13,939,440 and on farm machinery and equipment \$9,392,400. On these items alone the total was close to \$37 million.

The U.S. Customs Nogales District collected over \$18 million in import duties on produce from Mexico which represents 85 percent of the total duties collected in this district.

In addition to this, many others in the community of Nogales, the state of Arizona, the U.S. and Canada derive benefits. For instance, the railroads, and the trucking industry, receivers in the principal markets, buying brokers, market chains, retailers in general and many others in the allied industries.

It is considered of primary importance that with the only other producing area in the U.S. during the winter months being Florida, who is unable to begin to supply the entire country, and with Mexico filling the gap the American housewife can put fresh fruits and vegetables on her table without paying exorbitant prices, which would be the case were it not for the imports from Mexico. The total dollar value of the fresh fruits and vegetables imported from Mexico to the U.S. and Canada is estimated at \$140 million.

AVOID TRADE GAP

As Mexico continues to buy United States goods it has to sell more of its products, otherwise there will be a trade gap. So the more produce we buy from Mexico the more money we will get in return. By buying produce which the U.S. cannot supply, we keep Mexico on the customer side. This point was strongly brought out last year in an interview by an Industry Trade Publication with Manuel Clouthier, Jr., president of the National Union of Growers in Culiacan, Mexico. The question asked was "What is your answer when someone says you (Mexican Growers) have no right to ship vegetables to the U.S., or that these shipments should be restricted?"

Clouthier's reply was, "I can only say what I recently told an American friend: when I get up in the morning to take a bath, I use Colgate soap. I brush my teeth with Crest toothpaste, go to the kitchen and take some food from my Westinghouse refrigerator, shave with my Gillette razor and drive my Ford automobile to work. At work my secretary uses a Remington typewriter. In my fields we use John Deere tractors and Shell chemicals. My point is, we think the fact that we buy all of these things from American companies gives us the right to sell vegetables to the U.S. If we don't sell our tomatoes, we can't buy these things. We can't sell airplanes or automobiles, because we don't have them to sell. We must sell fresh produce—that's what we have. Another very important fact is that the balance of trade between our two countries has been in the United States favor on an average of \$420 million a year for the past five years."

ECONOMY OF MEXICO

Much is always being said about "cheap foreign labor" and as far as this industry is concerned this cheap labor in Mexico poses a threat to the growers in the U.S. It is true there is an abundance of unskilled labor in Mexico. While the comparative cost of this labor is cheap by U.S. standards, there are many other factors offsetting the low cost of labor and form an important part of the total

cost of producing anything. Some of these things which are never mentioned will follow.

One of these is training costs for labor. One program run in conjunction with the experimental farm system is designed to produce skilled workers to handle increasingly complex farming methods. The growers through their associations maintain a special school and share costs (50-50) with the government at the experimental stations. Special six-month courses are provided to train foremen and field supervisors.

The growers association have also undertaken a basic farm housing plan. The vegetable exporters pay a special assessment on each box shipped and put aside a parcel of land on their property. The land is used for housing and the fund pays half of the cost of construction; the worker pays the other half and owns his own home. These projects create a family type permanent labor force such as California shippers have been trying to establish with their individual housing programs. The adults—men and women alike—work in the fields through the growing season and then part of them move to the packing houses while the remainder handle the harvest.

EDUCATION IS HIDDEN COST

Besides the actual cost of labor there is a cost for schools, not only for the training of labor but the cost of education for the children of the workers as well. The cost of building and maintaining these schools is borne by the growers with teachers furnished by the government. A large number of the labor force is paid on a yearly basis even though the season is of only six to eight months duration. During the peak of the season many of the workers are brought in each morning from as far away as 30-50 miles and returned to their homes each evening, which is expensive.

Some labor figures have been obtained from the National Growers Union in Culiacan, and represent figures reported for the current season, as follows:

Labor employed in production, packing and shipping of produce

Product:	People	Total Salaries
		In Dollars
Melons	25,000	\$5,562,000
Cucumbers	43,800	7,037,760
Tomatoes	145,600	35,992,320
Bell Peppers	12,900	3,029,440
Strawberries	32,000	7,910,400
Total	259,300	59,531,920

Another important cost factor to be considered is the cost of equipment required in the growing of a crop in Mexico. Equipment costs are exorbitantly high. This is one of the areas where the U.S. grower enjoys an advantage. The government program on machinery and auto imports puts purchase prices for tractors, trucks and parts 60 to 100 per cent higher than U.S. prices.

Packing materials is another factor where the American farmer has a distinct advantage and which is never taken into consideration. It is not possible in Mexico to buy this material as needed and to be billed at the end of the month for it. The grower has to purchase at least half or at times his entire requirements for the season even before the crop has been fully planted and pay for it. Having this large stock on hand involves storage facilities and costs to keep it until it is needed, all of which adds more on to the cost.

Of course one other important cost factor which the American farmer does not have are the import duties plus the export taxes and other assessments that must be paid by the Mexican grower.

EXTENSIONS OF REMARKS

ADD FREIGHT COSTS

Freight costs for transportation to the U.S. border from the growing areas some 600 miles away also add to the cost whereas the U.S. farmer is closer to the large metropolitan markets which gives the American farmer an added advantage.

Those involved in the vegetable industry on the West Coast of Mexico firmly believe that the importation of high quality produce from Mexico at the time of year when domestic production in the U.S. falls short of supplying the needs of the American public should not be considered a threat but rather a blessing. The history of the winter vegetable industry in Mexico reveals that many U.S. farmers and investors have been lured by the prospects and claims of cheap labor only to find out the hard way that other cost factors have made it a losing proposition.

Mexico needs the U.S. and the U.S. needs Mexico. Mexico can't buy more from the U.S. unless Mexico sells more to the U.S. As Mexico continues to buy more U.S. goods, it must sell more. Otherwise the trade gap widens. Remember Mexico is the fifth best customer of the U.S. All businessmen know you must buy where you sell and sell where you buy. Dollars spent in Mexico return to the U.S. in the form of purchase orders—mostly for capital goods to maintain Mexico's continuous economic and social development. Mexico wants fair trade—not aid, and has always asked for the chance to help herself through the development of her own resources and through the opportunity to compete in the world marketplace. For Mexico, the Good Neighbor Policy and the Alliance for Progress are not mere political cliches but genuine expressions of friendship by the American people. We have an economically strong friendly neighbor to the south. If we don't keep it that way who wins? Nobody! Who loses? Everybody!

In H.R. 11500 shortsighted environmentalists again single mindedly seek their personal goals in complete disregard of the critical needs of all citizens of our country for power. They ought not be let get away with it.

Cutting the Nation's energy supplies by enacting H.R. 11500 would make about as much sense as trying to grow bananas on Pike's Peak. Let us pigeonhole it.

REMARKS OF U.S. SENATOR HERMAN E. TALMADGE

HON. WILBUR D. MILLS OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MILLS. Mr. Speaker, the Committee on Ways and Means will soon be taking up the subject of tax reform, basing its work on the extensive hearings we conducted in the first session of this Congress.

One member of our counterpart committee in the Senate recently spent considerable time and effort in preparing and delivering before a Washington audience an excellent summary of some of the problems we all face in the area of the tax treatment of capital gains and estates.

The remarks of my esteemed friend from Georgia, Senator HERMAN E. TALMADGE, are worthy of study by all of us and I ask unanimous consent to include them in the RECORD at this point.

The remarks follow:

REMARKS OF U.S. SENATOR HERMAN E. TALMADGE

It is a distinct honor and privilege for me to have this opportunity to appear before this distinguished group. I was very pleased to be able to accept an invitation to be with you at this time.

Today, I want to share with you some thoughts about our economy, our tax laws, the public interest, and the interplay of these items on a subject of prime interest to you, the formation of capital. For over a year numerous public opinion polls have found that better than 60 per cent of the American people rank inflation as our biggest problem. The runaway inflation we are experiencing is robbing workers of their hard-earned wages, the elderly of their savings, investors of their carefully projected returns, and is causing us to lay future indebtedness on the shoulders of generations yet to be born.

We have balanced the budget only six times in the past 43 years. Our national debt is fast approaching \$500 billion—more than the indebtedness of all other nations of the world combined. We have seen the American dollar decline abroad, officially devalued twice, and unilaterally on several other occasions. I, for one, would like to see the American people get as excited about excessive federal spending as they do about the price of eggs or milk at the supermarket. People worry about paying car notes and house notes and complain about high food prices, and they ought to.

But I have yet to see the American people get excited enough to get to the heart of the matter and protest what brought this about in the first place—irresponsible federal

11500 BANANAS ON PIKE'S PEAK

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. HOSMER. Mr. Speaker, when ardent environmentalists run wild with legislation the result is harm to the vast majority of citizens without compensating benefit. This is the case of H.R. 11500, the anticoal mining bill which, under the guise of regulating strip mining, so overweights the bill with unreasonable and unneeded overregulation as to make mining the Nation's full supply of coal costly and unlikely.

This is not the first time environmental extremists have damaged the average American in a significant way. In 1968 the Sierra Club and other environmental groups successfully blocked construction of a 5,000-megawatt smog-free hydroelectric powerplant at Canyon on the Colorado River.

The dam had an electricity potential of almost four times the capacity of Hoover Dam, would have saved 8 million barrels of oil a year, and served to relieve the energy shortage. Its negligible environmental cost would have been the unobtrusive extension of a lake a short distance into an inaccessible area of the Grand Canyon National Park.

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fiscal policies. After years and years of reckless spending policies—of trying to be all things to all people, all over the world with American dollars—what we have now is a nation that has lost its preeminence in the world's economy. We must move to block any further downhill slippage. To halt this rampant inflation, we must swallow some strong medicine and attack the fundamental cause of our present inflation. The irresponsible fiscal and monetary policies pursued by this and previous administrations must be abandoned. We have to say, "The deficits stop here."

I am convinced this is a situation of such serious magnitude that I have proposed and introduced a Constitutional Amendment to bar further federal budget deficits. I would also hope efforts presently underway in the Congress to establish budget-making machinery which will be able to determine the proper magnitude of federal outlays will prove to be successful. To be sure, the first priority in ending the current inflation trauma is to establish a federal budget which is in balance with traditional concepts. The mythical full employment budget concept should be buried and allowed to rest in peace.

Not only do we suffer from rampant inflation, but we also face serious shortages of various commodities. In addition to our well-known shortage of petroleum products, we may face shortages of various agricultural products, fertilizers, beef, and some raw materials during this year.

In a statement filed with our Subcommittee on Financial Markets, your group has strongly urged adoption of tax policy to stimulate increased productivity for the purpose of battling inflation and shortages. Your statement particularly stresses the importance of the investment tax credit as a weapon in Congress' arsenal to control inflation and increase productivity.

The 7 per cent investment credit has indeed proven to be a real stimulus to investment. It is vitally important in the effort to improve productivity and hold down unit labor costs. However, it does tend to add to inflationary pressures during a boom period, which inevitably leads to a bust. Therefore, some flexibility in the size of this credit may be warranted.

Criteria could be developed under which the investment tax credit could remain at the 7 per cent level, or go even higher during periods of recession, but, when the economy is racing ahead, the tax credit could be lowered to a 3 to 5 per cent level. It also might be useful to allow a higher tax credit for investment in depressed areas or in critically short resources, such as energy. I feel the investment tax credit should remain a permanent part of our tax structure. But it should be tailored to counter cyclical pressures in our economy and not be a blunt instrument for breakaway growth and inflation.

Another feature of our tax system which plays a major role in stimulating increased productivity is the incentive provided for retention of corporate earnings. Corporate retention of these funds enables investment in added capacity to be made largely through internal financing. In this manner, further pressure on our limited sources of credit is avoided and the high level of interest rates is not further aggravated by expanded corporate demand. At some future point in time it might be appropriate for the Congress to review this procedure to determine whether it, in fact, results in the most efficient utilization of these funds. I do not foresee such an undertaking during this session of the Congress, however.

The role of the special tax treatment for capital gains and losses in our tax system is an issue which is currently under intense

scrutiny. A brief review of the origin and history of the present treatment may be of interest to you.

The Revenue Act of 1921 contained the first provision for special treatment of capital gains and losses. Taxpayers were permitted to elect to pay a reduced rate of tax on net gains from the sale or exchange of capital assets held more than two years. The rationale for this provision was to stimulate profit-taking and to relieve taxpayers from the bunching of income which had accrued over a period of years. Net losses from sales of capital assets held more than two years were deductible on a limited basis.

Under this Act it was possible for certain taxpayers to offset this income from other sources with their capital losses. In the early 1930's the Pecora Senate Investigation Committee learned through testimony that J. P. Morgan and some of his associates had paid no federal income tax as a result of this provision in certain years. In response to this finding an entirely new formula for the treatment of capital gains and losses was adopted.

The Revenue Act of 1934 established a system under which varying amounts of capital gains, depending on the length of time the asset involved had been held, were taken into account in computing net income. Capital losses were made deductible from ordinary income up to a maximum of \$2,000. These provisions remained in effect until the Revenue Act of 1938 when they were abandoned because it was felt that such a system caused taxpayers to retain their capital assets longer than they otherwise would, thus inhibiting mobility in capital markets. The 1938 Act adopted the basic system we use today, differentiating between short and long term gains and losses and including a provision subjecting gains to a maximum rate of tax set below that imposed on "ordinary income."

In the political campaign of 1972 attention was focused on the question of whether money made by money should be taxed as ordinary income under a reduced rate structure and a suitable averaging system. This idea is not novel. However, it raises a series of difficult questions. For instance, if all capital gains were to be treated as ordinary income, wouldn't it be logically necessary to allow all capital losses to be deducted from ordinary income? If this were done, wouldn't many taxpayers seek early realization and recognition of their losses, thereby reducing rather than increasing federal tax revenues.

Also, what about inflation? To what extent are capital gains reflective of merely the inflated rather than real value of certain assets? Can a system be devised to take into account only "real" increments in value? Would such a tax transfer excessive amounts of capital from the private sector and impair private expansion in "capacity?"

A number of economists who oppose the notion of subjecting gains from the disposition of capital assets to ordinary income tax treatment argue that income so realized is saved and used to finance the creation of capital facilities which will add to the flow of income in the future. They further note that the amount of money which would be taxed away by an increased federal levy would merely buy current satisfactions only. Unlike expanded capital facilities, current consumption would not bring about an increased stream of continuing production.

To insure that gains realized on the disposition of capital assets are reinvested rather than consumed, it may be appropriate to consider the adoption of incentives to encourage such reinvestment or in the alternative, disincentives to discourage consumption of the proceeds of such dispositions.

A number of proposals to alter the tax

treatment of capital gains and losses have been put forward for Congressional consideration. As noted earlier, certain tax reformers would simply do away with the distinction between this type of income and other forms of income such as wages, dividends, interest and profits from the conduct of a business enterprise. While this might reduce the number of pages in the Internal Revenue Code necessary to spell out our income tax laws, such a change could have very serious and adverse economic consequences and could result in severe dislocations in our economy as investors altered their commitments to adjust to such a radical shift in federal tax policy.

An alternative proposal which would reduce the tax burden on realized capital gains has been discussed on several occasions by Ways and Means Committee Chairman Wilbur Mills. Two Senate bills, S. 2787 (Fannin) and S. 2842 (Bentsen) have formally proposed this Mills-suggested revision. These proposals would reintroduce the sliding scale of capital gains tax which was originally adopted in the Revenue Act of 1934 and subsequently repealed by the Revenue Act of 1938. Under this concept, the tax on gains from the sale of capital assets would be decreased, based on the length of time such an asset had been held. The advocates of this change argue that it is necessary to offset the effects of inflation which, in some cases, can be the sole reason for any taxable gain on the disposition of a particular capital asset. In other circumstances, inflation, it is said, may account for not all of the appreciation in value of an asset, but may still represent a significant portion of that increased value. It is also suggested that this change would permit investors to shift their funds to the most attractive and deserving investments without suffering substantial reductions in their investment capital merely as a result of switching from one investment to another. In this same vein it is noted that persons who have accumulated investment assets over a period of years who need to shift to income producing assets would be able to do so without having a substantial chunk of their retirement nest egg taxed away.

In addition to reducing the tax on capital gains, S. 2842 (Bentsen) would also liberalize the current deduction for capital losses by increasing the amount of loss deductible against ordinary income from \$1,000 presently allowed to \$4,000. A three-year carryback of capital losses is also proposed. In support of these changes it is pointed out that the deduction for capital losses hasn't been changed since 1942 while per capita disposable income has risen over 400 per cent since that date. Accordingly, it is urged that such a change merely brings current law up to date. The fundamental reason for such a change is said to be that it will encourage more risk investment, allow investors to take their losses quickly in the event of failure, and provide greater liquidity in our capital markets.

Numerous other proposals for change have been advanced, ranging from taxing capital gains at ordinary income tax rates, with a basis adjustment increase permitted to reflect inflationary gains, to the abolition of any tax on the proceeds realized from the disposition of capital assets. Before opting for any changes in existing law with respect to the taxation of capital gains and losses, Congress will have to carefully weigh three critical factors. Those factors are the equity, the economic consequences, and the administerability of any proposed changes.

We will undoubtedly find that what may be desirable from an equitable point of view may not be totally desirable from an economic standpoint. Similarly, considerations

involving the administrative feasibility of another proposal may outweigh its equitable or economic desirability. As a result, what is most desirable on balance will have to be sought out before a final course of action is ultimately decided upon.

As you can well appreciate, we are being called upon to exercise Solomon-like wisdom and the economic foresight of Adam Smith and John Maynard Keynes to determine whether our present system is, or selected changes will be, in the long range best interest of our nation. We must be certain our decisions are fair and equitable and are perceived to be by the majority of our electorate.

Nearly two hundred years ago Edmund Burke succinctly described the unhappy task of those who must write the tax laws:

"To tax and to please, no more than to love and to be wise, is not given to man."

ARMIN R. BRUNS—KING OF THE SOYBEANS

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. BAKER. Mr. Speaker, as a member of the Oilseeds and Rice Subcommittee of the House Agriculture Committee, I have had the privilege of reading an interesting story about the man who was undoubtedly the first American farmer to grow soybeans as a commercial crop. It is also believed that he was the first major seller of soybean seed and during the time he was dealing in soybeans, he twice cornered the soybean market on the Chicago Board of Trade.

This pioneer in the development of the soybean as one of our major crops is Armin R. Bruns, a retired Iowa farmer and businessman, now residing in St. Petersburg, Fla.

The story of his accomplishments in bringing the soybean to the forefront recently appeared in the Davenport, Iowa, Times-Democrat. It is a story which many colleagues will be interested in reading, I am sure, and for that reason, I insert it in the RECORD. The article follows:

ARMIN R. BRUNS—KING OF THE SOYBEANS

Armin R. Bruns does not look like a "king."

In fact, he looks like thousands of other retired Floridians with his open collar sport shirt and tanned face.

But this former Davenporter is a king.

Because, as nearly as can be determined, A.R. (which is what he's been called for most of his 81 years) was the first American farmer to grow soybeans as a commercial crop. Bruns himself has researched this fact, checking records both at the United States Department of Agriculture in Washington, D.C., and at the U.S. Agriculture Library in Beltsville, Md.

He was also the first major seller of soybean seed and even twice "cornered" the soybean market on the Chicago Board of Trade. In other words, A. R. Bruns could very likely claim the title of "soybean king" without fear of dispute.

Although now living in Florida, A. R. started his career in the seed business in Sigourney, Iowa. Leaving there, he settled in Davenport where he and his brother, Alfred,

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operated first the Bruns Seed Co., a retail and mail order business, and later the Davenport Seed Co., a wholesale and car lot business. In the 1940s, Davenport Seed Co. was one of the ten largest seed houses in the United States.

A. R. grew up on his father's farm near Sigourney. He says he quit high school after five months because "I couldn't, for the life of me, see what Latin had to do with what I was interested in, which was experimenting with everything from agricultural products to the automobiles which were then beginning to appear around the country."

It was those "experiments" that helped lead to what is today the multi-billion-dollar American soybean industry.

"In 1907, when I was 15, I got a catalog from a seed house in the east," he said. "Among the garden beans, they listed a new product called 'soya bean' which they said was imported from China. Soybeans were listed in one-fourth pound, one-half pound and one-pound quantities as they were being used only as edible garden beans. But I ordered 10 pounds. Up to that time, no one had planted them as a farm crop for livestock.

"I don't remember just why I ordered ten pounds of these beans at 60 cents per pound," he says. "Maybe they mentioned something about the soya bean being high in protein." Soybeans are, in fact, 40 per cent protein—the highest of all feed grains—and contain 20 per cent oil.

"I mixed the beans with the corn in the corn planter and let them grow up in a ten acre field near the farm buildings. That fall we turned the pigs and calves loose in the field and let them 'hog-down' the beans and corn," he remembered.

"In the winter of 1907 I ordered 30 more pounds of beans and the next spring I planted them in a field by themselves," he said. "That fall my brother and I 'tramped out' several bushels of the beans in a wagon box and I used these as seed for the following year's crop.

"Each spring we experimented with the various ways of planting the beans—either by broadcasting the seed, drilling them in rows with the corn planter so they could be cultivated or with a regular drill. We also tried different methods of harvesting them. We found that the threshing machine broke the beans, which made them useless as seed. Then the combine came out. It hadn't been designed with the soybean in mind, but we found that it did an excellent job of separating the beans from the pods," he said.

"In 1909 we began selling a few soybeans to local farmers at Sigourney. This, we believe, was the first commercial sale of soybeans as a cash crop in the United States. It took an awful lot of talking to the farmers to get them to try this new crop. No one knew anything about the beans then," he said, "but we persevered because we really believed that soybeans would become a major cash crop in this country."

This faith was justified. In 1973, 53 million acres were planted in soybeans in the United States with an expected production of 1.5 billion bushels at a cash value to the farmers of \$6.5 billion. There are over 1,000 uses for the soybean and its derivatives and soybean meal has become one of the major basic ingredients in livestock feed. Over half of the American soybean harvest is exported. From a low of \$2.53 per bushel in 1969, soybeans reached an all time high of \$12.90 per bushel in the spring of 1973. Recently, soybean futures have been selling for \$6 plus per bushel.

In 1916, A. R. and his father built a seed house on the farm and they were in business together. In 1917, A. R. says he decided that the seed business should go to town so that they would be close to the railroad tracks and they could order in car lots. He proposed to

his father that they open a seed house in Sigourney. "My father told me that he wasn't interested in going to town but that he wouldn't stand in my way if I wanted to go," he said. A new seed house was built on two lots near the railroad tracks and Bruns Seed Co. moved to town. "It was about this time my brother, Al, joined me in the seed business," he said.

The seed business went into limbo for 12 months while A. R. went to France, Belgium and England during World War I and Al was in service in Arkansas, but when they returned in 1919, they incorporated the business and began again.

Having had so much interest in soybeans before he went into the service and so much experience in advertising and talking with farmers, A. R. took a chance and ordered a straight carload of Manchurian soybeans. "As far as I know, that was the first carload of imported beans ever sold in this country," he said.

In 1920, the Bruns Seed Co. had plants in Sigourney and Washington, Iowa, and acquired a retail seed business in Davenport. In 1923 the entire operation was moved to Davenport to a building in the 300 block on West 2nd Street—"The Farmers Block" he called it.

Several years later Davenport Seed Co. moved their office to a large warehouse at 317-321 East 2nd St. This building had a capacity for approximately 150 carloads "and we installed the most modern and up-to-date equipment for the handling, cleaning and grading of farm seeds," he says.

Newell Construction and Machinery Co. of Cedar Rapids had built the elevator adjoining the seed plant at Sigourney and in 1922 they received an order from two brothers in Decatur, Ill., to build a small soybean processing plant for them. "Knowing that I had had considerable experience with soybeans, Mr. Newell asked my advice on the installation of the processing machinery needed and I spent two days in Decatur with him," he said.

This was the same year that the A. E. Staley Co. of Decatur also built a small processing plant. Each of these two plants could handle approximately 300 bushels per day, but up to that time there were so few beans in the country that they could operate for only about two-and-a-half months out of the year. These were the first processing plants in this country.

"In 1934 W. F. Hall Printing Co. of Chicago had the order for printing our seed catalogs. In January they called to notify us that they were ready to go to press as soon as someone would come in to proof read the pages," he said. "I went into Chicago for two or three days and when I returned to Davenport, the news had come out that the government would permit farmers to plant soybeans on part of their acreage instead of corn. At that time there was a great surplus of corn which the government had in storage in their farm program and this was the reason for the government allowing the farmer to plant the beans instead of corn.

"So many farmers showed interest in farm programs that soybeans, which had been selling for 65 cents per bushel, shot up to \$1.30 per bushel over night. The government, fearing overproduction of soybeans, then called the program and beans dropped immediately to 85 cents per bushel," he said.

"In 1934 we had a big drought and also a heavy chinch bug infestation. As the drought continued and the damage from the chinch bugs increased, we realized what a tremendous grain acreage was being lost. We also realized that soybeans would be in great demand for replanting these acres because chinch bugs would not bother the beans.

"We had an early spring in 1934 and on

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April 20 I told Al that I was going to travel through the soybean territories calling on farmers who had soybeans for sale. I would take about a half gallon sample in a paper bag and write the name of the farmer, his address and telephone number on it as well as the number of beans he had for sale and the variety. I would contact farmer after farmer for two days to get this information, then come back to the Davenport office for a day so Al and I could discuss things. I did this for four or five weeks and had samples for many thousands of bushels of beans," A. R. recalled.

"About every third day when I had come in from collecting samples from farmers, Al and I would go out to what we called 'our check points' which were in an area about ten miles north of Eldridge, west two miles then south into northwest Davenport. There were 12 stops which we made on each of these trips to determine the amount of damage the drought and chinch bugs had made since our previous check there. We could easily see the progress the chinch bugs were making. The greater the damage to the corn and grain crops, the more beans we continued to buy," he said.

"It seemed that the small dealers, and also the larger seed houses, just didn't realize that soybeans would be the only thing which could be planted and the chinch bugs wouldn't destroy. We decided to step up our buying of soybeans so we contacted the farmers from whom I had taken the samples and each day we had dozens of trucks hauling beans from the country to our seed plant.

"During this period we worked almost day and night trying to satisfy all of our customers," he said. "Consequently, by the middle of July, which ended the planting season for 1934, we figured that we had handled 140 carloads of soybeans. We wondered whether there was any other seed house that had handled five carloads.

"In 1935 we were back to normal. The drought was over and the chinch bugs were gone. That year as nearly as I can remember, we handled about 40 carloads of soybeans.

"In 1936 we decided we would try to do some checking to determine the total acreage of soybeans planted and growing at that time as the demand for soybeans was increasing. I told Al that to get this information I would travel through all of the territory where they were being grown and so I did this checking during July and August," he said.

"I traveled every highway east and west, north and south, counting the soybean fields beside the highways in a strip one-half mile out on each side. While driving along I would average these bean fields into 40-acre sizes. The highway map would show the mileage from town to town," he said. "I drove more than 9,000 miles gathering information. After all of the territory had been covered and the number of square miles calculated, we estimated that the soybean crop, based on an average yield of 24 bushels per acre, would be 20.5 million bushels of beans.

"A short time later the government came out with its first report of the crop which, as I remember, was 29.5 million bushels of beans. We felt that we had made the most accurate check and that our estimate was the nearest to being correct so we 'stayed by our guns.' When the beans were harvested and the final government report came out, the figures on the total crop were within one-half million bushels of the estimate we had made," Bruns said.

"On Nov. 1, 1936, soybeans were traded on the Chicago Board of Trade for the first time. I went into Chicago the day before the trad-

ing started and checked at the table of about a dozen grain merchants in the pit, who had samples of beans taken from cars on track, so that I could check the quality of the beans. The quality in 1936 was very good and the moisture content was so low that all of them could have been used for seed.

"On that first morning of trading, while I was down in the pit, I placed my first order for 5,000 bushels of May bean futures, at \$1.29 per bushel as I remember, and this was the first 5,000 bushels of beans traded on the Board of Trade. Five thousand is considered as a round lot and I always traded in round lots. It took approximately 30 minutes for anyone to sell me 5,000 bushels. Just as soon as I had confirmation on my first order, I immediately placed another order to buy an additional 5,000 bushels and I lowered my price one-half cent per bushel. This time my order was filled in about 15 minutes. I continued to buy future May beans and during a period of approximately ten days the market was down to \$1.20 per bushel and I had purchased a total of 135,000 bushels of future May beans," he recalled.

"Earlier, during the harvest season, we sent letters to approximately 100 country elevators offering them five cents per bushel more than the Chicago merchant would pay them F.O.B. their track. Our plans were to buy 100,000 bushels of beans while they were being harvested. The beans which we purchased from the country shippers and those which we bought direct from the growers actually totaled 85,000 bushels. Until some of the grain merchants told us, we didn't realize that, having purchased the 85,000 bushels of actual beans and the 135,000 bushels of May bean futures, we had cornered the market. We also cornered the bean market in the spring of 1937," he said.

"From 1907 when I planted the ten pounds of soya beans at Sigourney, to 1934, the drought and chinch bug year, there was a steady increase in the demand for soybeans. From our selling of the first car lot of imported Manchurian beans in 1920 to today, the sales of soybeans have grown tremendously and they will continue to do so in the future. I predict that our export business may increase as much as 10 per cent each year. Japan has been our largest customer for many years and it would be impossible for them to get along without our soybeans," A. R. said.

"Our farmers will have to increase their acreages and it will be necessary that we find methods for increasing our crop production. In earlier days the average yield of soybeans was about 24 bushels per acre, but over the years this has been increased significantly. If the average yield could be brought up to 50 bushels per acre, this would be a great achievement. The United States will always be the leading producer of soybeans."

"As the population increases throughout the world, the demand for food products always increases. Yet, millions of acres of productive land are being diverted from agricultural uses for new and bigger highways, for subdivisions and shopping centers, for mobile home parks, for factory sites and so on. In the not-too-distant future, there is a possibility that we will not have sufficient acreage to produce the food needed. Soybeans, with their high protein content, are therefore an important crop for the entire world."

A humble man, Bruns loves to talk about agriculture and his part in the growth of the soybean industry.

"I am proud and thankful that I have lived the 66 years since the time I planted the first 10 pounds of soybeans in this country and to witness the growth in the use of soybeans to the present time when they have truly come into their own," Bruns said.

March 20, 1974

HOPE CHAMBERLIN

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MOAKLEY. Mr. Speaker, today I would like to pay tribute to a woman who created a long overdue work on a special group of Members of Congress. Hope Chamberlin, author of "A Minority of Members: Women in the United States Congress" was the first person to document the history of American women elected to Congress. It is with great sadness that I rise to speak of Hope Chamberlin because of her untimely death.

Ms. Chamberlin had just begun a second book on women; this one dealing with the contribution of women to American business. This book would have been published in time for the Bicentennial celebration. We can only speculate that her second book would have been as unique as her first book. "A Minority of Members" has been nominated for a Pulitzer Prize and has received the medallion award of the Christophers. I commend the following article about this book which appeared in the Christian Science Monitor to your attention:

A NEW STUDY OF THE WOMEN IN CONGRESS
(By Lucia Johnson Leith)

WASHINGTON.—"There is no question in this world that women make outstanding members of Congress," says author Hope Chamberlin. Her book, "A Minority of Members: Women in the U.S. Congress" (Praeger, \$10), presents what she calls "word portraits" of each of the 80 women who have served the U.S. Congress, starting with Jeannette Rankin of Montana, who in 1917 became the first woman elected to Congress, through 1972. A brief postscript discusses the five women elected last November.

"One thing that surprised me was that for years the myth has persisted that women in Congress confine themselves to so-called social issues," she said in a recent interview here. "I made a list of some of their contributions," and she ticked off the following:

THE ACHIEVERS

Rep. Florence P. Kahn (R) of California in the 1930s drafted legislation strengthening the Federal Bureau of Investigation.

The landmark Fair Labor Standards Act of 1938, setting a minimum wage and limiting work hours, became law after Rep. Mary T. Norton (D) of New Jersey twice forced the bill out of a resistant House committee via discharge petition. This was the same method Rep. Martha W. Griffiths (D) of Michigan used in recent years to get the Equal Rights Amendment onto the House floor.

Rep. Edith Nourse Rogers (R) of Massachusetts, who served more years (35) in Congress than any other woman, was largely responsible for the GI Bill of Rights in 1944.

"These are the barest highlights," Miss Chamberlin said. "I was really surprised they had done so much and received so little credit."

It was one reason she wanted to do this carefully researched, readable book.

FEW REFERENCES

"I felt a great deal of credit was owed these women, yet nobody had had a chance to

learn about them. I looked into books on Montana political history, for example, and if Jeannette Rankin was in them at all, it was as a one- or two-liner. So I wanted to set the record straight.

"Then I hoped that by setting forth the record, that it might inspire more women to run for Congress, after seeing all the obstacles that these women have endured and conquered."

Of the 85 women discussed in the book, 11 served in the Senate, 75 in the House. (Republican Margaret Chase Smith of Maine, who served in both the House and Senate, is counted twice.) The book includes eight pages of black-and-white photographs.

BEYOND REPROACH

"The most revealing thing I found—and I was not surprised to find it—was how conscientious the women are," Hope Chamberlin said. "This is not to say that men aren't," she quickly added. "Of the 85 women who have served in Congress, not one of them has been implicated for doing anything illegal. Their high visibility has almost made it mandatory that they be beyond reproach."

Since the book was written, two women have been elected to Congress in special elections, Rep. Corinne (Lindy) Boggs (D) of Louisiana and Rep. Cardiss R. Collins (D) of Illinois.

"If the time should ever come when there are a great many more women in Congress—and I don't think it will ever reach half, not in this century—if there were more of them so their visibility were not so high, there might be women not so full of integrity as I found these 85 to be."

She also found that women incumbents are generally re-elected with a higher percentage of the votes than male incumbents.

ROUTES DIFFER

Many women have been elected to Congress after their husbands passed on in office.

"Men have used women to fill unexpired terms to avoid facing a sticky situation, like internecine party strife, or to buy time. Yes, some widows in Congress were little more than seat-warmer," Miss Chamberlin admits.

"But what is overlooked in all this more or less derogatory pooh-poohing—oh, they were widows—is the number who went on to carve outstanding careers for themselves."

She points, for example, to Rep. Leonor K. Sullivan (D) of Missouri, former Representatives Kahn, Rogers, and Frances P. Bolton (R) of Ohio, and former Senators Smith and Maurine B. Neuberger (D) of Oregon.

CONSTITUTIONAL RESPONSIBILITY

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mrs. MINK. Mr. Speaker, I am submitting for the RECORD a copy of a letter I have received on the matter of our constitutional responsibility in this Watergate matter which I believe typifies the majority feeling in my district:

KOLOA, HAWAII,
March 11, 1974.

DEAR HOUSE OF REPRESENTATIVES: I love this country and what it stands for. It is too great for one man to negate. It has come through a period of intense threat to its very foundations with flying colors so far.

A black security guard, two dogged investigative reporters, a courageous woman publisher and her editor, a gutsy federal judge, a

EXTENSIONS OF REMARKS

strong Senate Committee, a gutsy Attorney General and his assistant, and a long suffering public have been to date, the heroes in this ongoing high drama called Watergate.

The forces of history are now knocking at your door. I pray that you heed its call and rise to the same heights of non-partisan heroics which our people assuredly deserve. To fail to carry through with the constitutionally provided tool of impeachment proceedings could be an insult to all American citizens who cry out for facts and light and leadership in this difficult time.

When the time comes to face your conscience on the vital question, I pray that you will not shrink from this demand for courageous leadership. I think you will find that doing what is right in this matter will also prove to be politically sound.

Sincerely,

LEAL DE ROZA,

(A longtime Republican turned Independent).

ENERGY CONSERVATION

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. ROUSH. Mr. Speaker, recently I asked high school students in my district to express themselves on how we can each conserve fuel and what the Government should do about the fuel shortage. Some of the letters have been printed in the CONGRESSIONAL RECORD, and today I would like to share more of these ideas with my colleagues:

How WE CAN EACH CONSERVE FUEL
(By Cindy Meyer, Huntington Catholic High School, Huntington, Ind.)

We all know by now that there is a fuel shortage and so we should be using the fuel we have now with caution. There is a lot of fuel burned up needlessly and now is when we should become aware of this and do what we can to conserve fuel.

Simple things like turning off unused lights, keeping the heat turned down, walking to close places instead of driving, and many other things that mean so little but could help so much. If only everyone would do their share instead of a few maybe we could lick this problem before it gets out of hand.

I think stores should all be closed on Sundays because they use a lot of unnecessary energy and that goes for gas stations too. It would not hurt anyone to go shopping a day later or earlier. Why not close the store for one day and conserve the fuel. If gas stations were closed a lot of Sunday driving would be cut out along with the electricity it takes to run it that extra day.

These days, anytime people want to go anywhere, even if it is just a few blocks away, they jump in their cars and take off. People are getting a lot fatter because they do not get enough exercise. By walking we could solve two problems. Cars should be used for long distances or only when necessary. Car pools should be formed whenever possible because this could cut out a lot of gas loss and maybe even accidents.

There are just as many little things that people could do without upsetting their routines and that could contribute so much toward the conservation of fuel if only they would. Everyone by now should be aware that there is a shortage and if they are not more

should be done to alert them. If people would only stop thinking about themselves and start thinking about others we the people of the United States would overcome this problem.

WHEN THE LIGHTS GO OUT

(By Deborah Larson, Huntington Catholic High School)

Darkness descends and the lights go on. But, how soon will the illuminous street light be dimmed? Two years? One? Three months? These may be frightening, but true, statistics. Do you keep your thermostat down to sixty-eight degrees, and reach for a sweater rather than the thermostat? That four or five degree increase may give your fellow Americans more than cold feet. The trucker on the highway, protesting high fuel prices, shouts, "My tank is empty, your belly is empty!" showing the anger brought on by the energy crisis. The odds have always been against Americans, but today the odds may hurt us more than they have in preceding years. Watergate, food costs, and now, the energy crisis, have weakened American patriotism. But what can we do? This question can be answered with one word, cooperate. Cooperate not only with the federal government, but also with the local and state governments.

In 1776 we shouted, "Independence! Give us our own government! Let us make and follow our own laws! Elect and obey a President!" Now it is nearing 1976 and a bicentennial awaits us. Will we survive that long? "Of course!" some say, but behind every answer there is a lurking doubt. We can survive! But we must follow a set of rules which will help us continue along the road in this game of life, such as: (1) Support and obey the President and his energy policies.

We must not let Watergate stand in our way! It is not what the President has done in the past that matters now; it is what he can do here in the present. Keep those thermostats down to sixty-eight, go without Christmas lights, omit Sunday driving from your life, drive at fifty-five, join a carpool, vote in daylight savings time. Give the President complete cooperation. Most of all, do not be selfish. Do not say: "I will only live for ten or twenty more years anyhow." Look at your children. Don't they deserve a chance to live to thirty-five, too?

(2) Talk or write to your Congressional representative. How will he know what you want unless you inform him? In order to help pass or present a bill, he must be sure that the people in his district support his action, especially when this action might impose something on them. The energy crisis is putting more pressure on your congressional representative, because he will be imposing on you when he bans Sunday driving, lowers the speed to fifty-five, gives the OK to gas rationing, cuts off relations with the Arabs. Express your thoughts and views. Do not take this problem lying down.

(3) Start "Conserve energy" projects in your community organizations. Community organizations should take part in conserving energy by omitting such projects as Christmas lighting contests, and any other project which might cause unnecessary consumption of fuel. Leave the lighting to the city's main street mall, or square. Cut out "extras" such as all night New Years parties, etc.

(4) Conserve in your home. Replace that three-way light bulb with a sixty-watt light bulb, which should give just as much light if placed in the right spot. In fact, replace all the light bulbs in your house to save electricity, and lower your electric bill. If you have two lamps in your living room, put a sixty-watt light bulb in one, and a

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forty-watt in the other. Then use one lamp with the lowest wattage for conversations or television viewing, and the other for reading. If you wish to save even more electricity, do not use any lights at all while watching television. It is a known fact that you will not damage your eyes if the picture is clear. Go to bed at ten o'clock instead of eleven or twelve. It will improve your health and make you feel better, because you are saving electricity, money and your life.

Do you live within four or five blocks of school or work? Then use your legs, not the car. How about buying a bike instead of that six-passenger car? A couple of nice, wool blankets instead of that electric blanket? Dish towels instead of a dishwasher?

We are proud of our technological advancements, but aren't we proud of our manpower, too? Why can't we do the work of the new dishwasher, the anti-pollution device in the new cars? The trash compactor? The mini-bike? This crisis was brought on by men, it can be solved by men.

The new word in 1973 is *conserve*—1974 has already made its appearance, but will 1975 follow? So please do your part, so the lights won't go out.

HOW WE CAN CONSERVE FUEL

(By Peggy Bauer, Huntington Catholic High School, Huntington, Ind.)

People are using up our most valuable resource, fuel oil. People are too lazy to realize that they are going to have to suffer more later if they do not cut down now.

Some of the ways people can cut down are very obvious. One way is to set your thermostat down a couple of degrees. If you have a warm blanket to wrap up in, it's really kind of fun. It makes everyone a little bit cozier. If you have empty bedrooms, do not heat them, shut the doors on them. Keep doors shut to an upstairs or a basement and you have cut down on more heating fuel.

Another obvious way people can help the fuel shortage is not drive so fast. I have taken notice that most highway speed limits still say, Speed Limit 65 M.P.H. If you would leave five minutes earlier than usual and drive at 50 M.P.H. then you could save twice as much fuel and still get there on time.

I think it is great to have school spirit and all that, but if a student could skip maybe two activities a month, I do not think this would be asking too much of him. The other times he comes into town, maybe he could get a ride with a classmate.

That brings another idea up. Anyone that works could form car-pools. This way you can meet new people and save gas at the same time.

We have heard most of these simple ideas on television and radio, yet if we are not always reminded of them we seem to forget. When we are cold in about two years, if not sooner, we will remember what we were too stubborn to do in the year 1973, and we will say, we are sorry, but we will stay at home, cold.

THE FUTURE? OR THE END?

(By Monica Owens, Huntington Catholic High School)

First of all, is there really an energy crisis or is someone pulling something over our eyes? Yes, there is an Energy Crisis. It is the result of a shortage of all types of energy products.

Most major oil companies cannot supply their customers with all the gasoline they need. They are providing them with what is available. Black market is common since the gasoline is hard to get.

Well, what can the people of today do about the Fuel Conservation? We can cut down reasonably on public transportation,

join car pools, and drive sensibly with the gas shortage in mind. Do not keep your electricity on unnecessarily, turn your heat down when you leave for the day, and turn the thermostat down at a reasonable temperature at night?

It seems to me most people do not realize the fuel shortage, especially the young people who drive every day to school when they have free public bus service to and from schools.

Also, if we would wait once a week or two weeks to grocery shop instead of running every other day for one thing and another for bread or milk, this would save gasoline. Every drop counts!

Little children needlessly leave lamps and radios on without any consciousness of leaving the electricity burning on and on. Children and adults waste water by not turning the faucet all the way or by leaving it run when getting a drink or just washing their hands. I think the parents should bear down and acquire some order and discipline for the aid of the Energy Crisis.

Think through before buying your purchases. Such as a dishwasher. It will use a much larger amount of water than washing them by hand. The same applies to a washing machine, wait till you have a full load before you wash your laundry.

Convenience food can use more electricity because you have to use a certain appliance such as a toaster to heat the convenience food up. Back in my grandma's day, the only heat you used to cook in was the oven.

Do not let the kids turn the television on until they are going to actually watch it. Most kids turn it on just for something to do.

Keep doors and ventilated areas insulated so the cold air does not sweep through the house. Carpeting helps absorb the cold air and keeps the floor warmer thus keeping the heat thermostat turned down.

The people today should take action in conserving these things. This country is everyone's, not just the politician's. You should be the ones to help, not just a couple of people, they can't do much anyway.

President Nixon did his best on the fuel conservation, such as slowing us down to 50 m.p.h. But this messed the truckers up. The trucks cannot run to a certain potential at a low speed, they have to keep up their r.p.m.'s up to a certain amount to run correctly.

Why can't we get fuel from the state of Colorado? Why are we in controversy over putting in a pipeline to Alaska rather than Colorado?

Why do we waste fuel on the space program when we could use it ourselves? We could convert our system to use rocket fuel since it is so plentiful. I can not see any accomplishments the space program has done for the country since it has started, an exception being the booming profit of the food industry for their Tang and Space Food Sticks.

To me, our country is on the band wagon and has to compete with Russia to see who is the first one on the moon. The country, the whole world should work together instead of conflicting against each other. We should all live in peace and good harmony, but I guess that is just a dream.

THE FUEL SHORTAGE AND WHAT SHOULD BE DONE ABOUT IT

(By Patty Laughlin, Huntington Catholic High School)

As we all know there is supposedly a fuel shortage, and something has to be done about it. The only way we can solve this problem is for everyone, us as well as the government, to work together in order to come up with a solution.

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What we can do is simply cut down on fuel, by organizing car pools, try to do as little driving around as possible, reduce speed, drive economy cars instead of big gas eaters, and cut down on the use of electric heaters and air conditioners. These things are all big sacrifices, but they are sacrifices that we must make. The government is trying to help us make some of these sacrifices by making them laws, such as lowering the speed limits on highways to fifty miles per hour, and closing gas stations on Sundays so that you are unable to take week-end trips. If nothing else works, they will have to resort to gas rationing, but I hope it does not come to this.

The things which we can do to conserve fuel will only help for a short time. In the long run it would help to change the government. One thing we have never had in our government is an energy policy which helps to determine how much fuel is needed and how much there is in reserve. I feel that a wise solution to some of the problems would be the impeachment of the President. Last year he predicted this crisis for around 1980. He did not even realize this crisis coming on and it is his job to have warned us in advance. He has done such things as taking a two million dollar bribe from an oil company.

I think Ralph Nader had a good suggestion. He thinks that they should stop taking oil from the earth and then in a few years the oil companies will be out of luck because they will run out of oil. So the companies, in order to survive, will make their men research in order to find nuclear or solar energy. Then the problem would be solved, and there would be plenty of energy for a considerably long time.

I feel that research on solar and nuclear energy would be a really worthwhile attempt toward a solution and probably about the only choice left. Right now, some people are already using solar power.

Until the decision is reached on what to do about the crisis in relation to the future, I think the oil should be removed from the oil companies. The government should be put in control of all the oil so that it will be socialized. The government would ration it out so that it would hold out longer. As long as the oil companies have possession of all the oil they will keep selling it just in order to make money. While the companies continue to sell oil for a profit, the rich folks will continue to buy a normal amount of fuel so they will be able to lead a normal life. They do not look ahead and plan for the future, and do not care about those who are without; as long as they are comfortable, they are happy. So the wisest thing to do as I mentioned would be put the government in control so that everyone would get a fair amount and so what is left will last for a longer period of time.

A TRIBUTE TO FRANCIS L. SUTTON

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MURTHA. Mr. Speaker, Francis L. Sutton is Scoutmaster of Troop 13 sponsored by Our Mother of Sorrows Church in Westmont, Pa. I have known him for years and learned to have the highest regard for this fine gentleman who holds the Silver Beaver Award and has long been involved in helping young people.

At this time when some people are

complaining about our young people and doing nothing else—we should take an object lesson from this dedicated man who has worked hard with the Boy Scouts in a constructive way.

But, let him tell us himself. I have a copy of some remarks Scoutmaster Sutton made at a Kiwanis Club luncheon in Johnstown on February 21. It is more than simply words made at a presentation ceremony; it represents the strong beliefs held by this outstanding man, beliefs that will sustain him and the boys he helps build into men.

The text of his remarks follows:

REMARKS BY SCOUTMASTER FRANCIS L. SUTTON

I am a Scoutmaster with troop 13 sponsored by our Mother of Sorrows Church in Westmont. I have boys in my troop from some affluent families and from some not so affluent families. I have boys in my troop from many religious faiths. The Scouting program places rich boys and poor boys, black boys and white boys and Jewish and Christian boys into a common denominator—and that common denominator is "The Scout". If there ever was a movement that knocked down all the stupid prejudicial barriers that we have had in this great country of ours, it's the Scouting program. The Scout program has been knocking down these prejudicial walls for decades and not just recently since it's become more popular or more widespread to do so. This is just one of the reasons why I'm in Scouting today.

SCOUTING BUILDS GOOD CITIZENS

There is no doubt in my mind that Scouting builds good citizens. Scouting is the best program that we have available today to build a boy into a man. The Scouting slogan "Today's boy power is tomorrow's man power" has never been more accurate. Boy power does build tomorrow's man power.

I know that Scouting builds leaders because I've witnessed the results in my own Scout troop. I know that the product of 4 or 5 or 6 years of exposure to the Scouting environment will build a boy into a better man, a better citizen, a better neighbor, and finally a more effective leader.

Allow me to give you a few statistics to back up these claims:

342 Members of Congress were Scout or Scout leaders.

29 State governors had Scouting experience.

36 astronauts were Scouts and Neil Armstrong the first man on the moon was a Scout (an Eagle Scout).

64% of all Air Force Academy graduates were Scouts.

68% of all West Point graduates were Scouts.

70% of all Annapolis Naval Academy graduates were Scouts.

Someone also surveyed high schools and colleges and found:

85% of student council presidents were Scouts.

89% of senior class presidents were Scouts.

80% of junior class presidents were Scouts.

75% of football captains were Scouts.

Consider those statistics for a minute and ask yourself who is going to lead this great land of ours in the near future—gentlemen, they are right there at that table and if you have a son, or a grandson that's up and coming, I suggest to you that you get him into the Scouting program so that he too may be in on the receiving end of those favorable odds. In this manner you will in-

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sure that he will be one of the leaders of the future.

Where else in our society do young people learn the principles of duty to God and country, duty to others and duty to self? Where, else do kids learn to be self-sufficient, where else do young people learn to be leaders? Many of our schools don't teach that we are entitled to receive rather than to haul our share of the load. Perhaps the only group left that says "you've got to do your share" is the scout program.

The scout oath and scout law says it all . . . "on my honor I will do my best, to do my duty, to God and my country, to obey the scout law, to help other people at all times, to keep myself physically strong, mentally awake and morally straight". Those words are dynamite—not initially I admit, especially to the new scout because it's just something he has to memorize before next week's meeting—the point is recitation of the scout oath and the scout law, week after week, year after year, does have its effect on the boy, eventually he learns and knows what the words mean—I have just given you the scout oath; let me give you the 12 points of the scout law—trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent.

Now I believe you'll have to agree that that just about covers the basic ingredients to build a good foundation for a boy. Let me repeat that it's not just the one time recitation of the scout oath and the scout law that cause everything to happen but it's years of association with fellow scouts that puts it all together and, remember this, all happens in a healthy environment of camping, swimming, sports and merit badge learning. That's what makes the scouting program so great.

The two basic ingredients of the scouting program is built around these two basic ingredients and that's why scouts in our troop must recite these two fundamentals at each meeting as their opening ceremony.

I believe that my scout troop is typical of most in the Johnstown area. And I'd like to tell you of a few things the scouts have done during the last two years or so—not in any great detail—just a brief review so that you can get an idea of what a typical scout troop does during any given period. Notice that in my enumerating of things that the boys have done that I'll mix in some good with the bad because scouts are not angels but typical boys trying hard to become men.

Some of the things our boys did in 1972-1973—

Removed 300 desks from school rooms and replaced them with 300 new ones.

Washed down the first six feet of the walls in 18 classrooms.

Broke a stained glass window \$16.00.

Planted 1,000 trees on a hillside above Minersville.

Convinced me that I should plan a 50 mile hike for them to the turnpike so they could get the 50 miler award.

Placed a ton of limestone along a highly acid creek feeding into the Johnstown Rod and Gun property that was endangering some fingerlings on that property.

Planted some ground cover on the same property to control a drainage problem.

Planted 1500 trees on the hillside above Frankstown Hill.

Got caught smoking (little cigars) at winter camp (32).

Re-catalogued 3000 books at a local library.

Painted over 1000 lineal feet of wrought iron fence and guard rail for local religious institution.

Slept on a foot of snow in 1973 winter camp and went to winter camp in 1974 and

couldn't throw one snowball (a real lousy winter camp) absolutely no snow.

So you can see I've displayed the good with the bad and obviously the good outweighs the bad and, believe me, with scouts it's always that way.

FEDERAL CONTROLS THREATEN U.S. COPPER PRODUCTION

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. CONLAN. Mr. Speaker, as the end of legislative authority for Federal wage and price controls draws closer, several efforts are underfoot in the Congress to extend that authority beyond its April 30 expiration date.

I strongly hope these contradictory bureaucratic controls are not extended.

While they have not provided relief for consumers from inflation, controls have also interfered with production and marketing of goods and services, causing unnecessary shortages and unemployment. And they have stymied competitive forces that keep supplies of products and services in line with public demand, which prevent monopolies that allow high prices and excess profits.

A good example of how Government controls have been contradictory and harmful to production is found in the copper industry, which has 16 of its 25 largest copper-producing mines in Arizona. More than 53 percent of all copper produced in the United States is mined in Arizona.

The Cost of Living Council has frozen the price of domestically produced copper sold by private companies at 68 cents per pound. The current price of copper on the world market is around \$1.13 per pound—45 cents above the fixed U.S. price.

By forcing domestic producers to sell newly mined copper at prices far below prevailing world prices, and even below prices charged for copper scrap, U.S. mining companies have been prevented from generating more investment capital necessary to increase production capacity required by soaring consumer demands for copper.

The Secretary of the Interior recently reported that the United States will be using 85 percent more newly mined copper by 1985 than we used 3 years ago. And about 25 years from now we will need 3 1/2 times more newly mined copper than we needed then.

Unless domestic copper prices are unfrozen and allowed to reach their natural market level, investment capital to increase our own copper mining capacity will remain low. And according to the Interior Secretary, U.S. copper producers will then be able to supply only about 45 percent—less than half—of all newly mined copper we will be using by the year 2000.

This means that, like the situation we allowed to develop with oil, we will then

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have to rely on foreign sources for more than half of all copper needed throughout America.

Mr. Speaker, this impending copper crisis created by arbitrary Government price fixing is reason enough not to extend control authority beyond the April 30 expiration of the Economic Stabilization Act. But other contradictory Government actions are further serving to exaggerate growing problems in the copper industry.

The General Services Administration, ordered by Congress to reduce the Federal Government's 258,000-ton copper stockpile to 7,000 tons, has been unloading its quarter-million-ton surplus to competitive bidders at 90 cents or more a pound. GSA is not bound by Cost of Living Council price rules, and has been turning down all bids below 80 cents a pound.

Adding insult to injury, copper producers have been ordered to give priority to defense-related customers, at the 68-cents-per-pound price level, under the defense priorities system.

While there should be no disagreement with giving defense industries such preference, or with reducing the Federal Government's large copper stockpile at a profit to taxpayers, it seems inequitable and economically counter-productive to require private companies to sell copper at a low fixed price, for defense purposes first, while Government copper is sold to the highest bidder without regard for use priorities.

If Federal officials want to make sure that industries serving national defense interests get first crack at available copper supplies, they could at least require Government stockpiles to be used first for defense-rated orders.

Mr. Speaker, the hard experience of Arizona's copper industry under Federal wage and price controls is only one example among thousands of the contradictions and inequities of this huge, uncontrollable bureaucratic undertaking. The soundest economic decision Congress can make this year would be to end controls and free our private enterprise system to provide goods and services demanded by American citizens, at fair competitive prices they are willing to pay.

DOUBLE STANDARD

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. LANDGREBE. Mr. Speaker, I wish to share with you and with my colleagues on both sides of the aisle this brief statement on double standards as reported in the Mineral County Independent-News, Hawthorne, Nev., on March 6, 1974, by Mr. Jack McCloskey, owner and publisher:

DOUBLE STANDARD

Still on this double-standard kick as exemplified by the news media, we were amused by a Jack Anderson column this past week. Anderson expressed great concern that some highly confidential files on the private lives of several presidents and their families had

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been removed from FBI offices following the death of long-time director J. Edgar Hoover.

Implication in the column was "they had no right to do that to us." What about the number of columns written by Anderson in which he gleefully boasted he had latched onto confidential documents, reports, etc., which no other reporter was smart enough to purloin?

In other words, it is sanctimonious revelation when a columnist or reporter pilfers government files, but unfair competition when a sharp government agent places classified and confidential material out of reach.

HOW OIL COMPANIES AVOID PAYING TAXES

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. VANIK. Mr. Speaker, in the weeks ahead the rhetoric over excess profits in the oil industry will come to a boil once again. Undoubtedly, many elaborate plans will be proposed to tax unjustified windfall profits. The problem with these schemes is that they sacrifice the principles of tax equity and simplification while at the same time they propose only shaky solutions to the essential problem of excess profits.

The answer to this dilemma is simple—treat the oil companies like any other taxpayer and stop trying to carve out special rules, special exemptions, and special tax rates. The following article, which appeared in the Los Angeles Times, presents a clear and concise review of the special tax treatment that we now provide the oil companies. I recommend this article to my colleagues as it points to the tremendous benefits the oil companies now receive from their overseas investments. Under present law, the major oil companies are paying no U.S. income tax on their foreign source income. It is this income that has ballooned the major oil companies' profit figures. Exxon provides a representative example. Last year, Exxon's earnings in the Eastern Hemisphere grew 83 percent over 1972. At the same time, production earnings in the Western Hemisphere grew by 48 percent.

In the coming years this imbalance is likely to grow. Rapidly expanding markets, lower costs, higher prices, and the lure of tax-free holidays all provide strong attractions for foreign investments by the oil companies. Under our existing tax laws, the American taxpayer is subsidizing this expansion. We are paying subsidies for the production of foreign oil which we never see.

The matter of taxation of the oil companies requires the thoughtful consideration of every Member of the House. The Los Angeles Times article reprinted below provides a good perspective from which to view this issue:

How OIL FIRMS AVOID TAXES—LOOHOPES LEAVE UNITED STATES SMALL CUT OF PROFITS

(By Paul E. Steiger)

WASHINGTON.—Contrary to what you may have heard, the big international oil companies do pay a lot of money in taxes.

The only trouble is, they pay very little of it to the United States.

In 1972, by one rough industry estimate, the 19 leading oil companies paid about \$5.8 billion in income taxes around the world. But of that amount, only \$700 million—less than one-eighth—found its way into Uncle Sam's Treasury, even though the companies earned up to half their income in the United States.

In 1970, the last year for which detailed figures are available, the big oil companies paid only 15% of their U.S. income in taxes, a study by two tax economists at the University of Massachusetts showed.

By contrast, the typical American manufacturing concern paid 46% of its domestic profits to the tax man last year.

Moreover, unlike companies in other industries, the international oil giants pay little or no U.S. taxes on the billions of dollars they earn overseas every year.

"We are basically dealing with a major United States industry that operates without payment of significant United States taxes," argues Stanford G. Ross, a prominent Washington tax lawyer.

How do they do it?

By now, everybody has heard of percentage depletion, the classic tax loophole through which have sashayed countless newly crowned millionaires from Texas, Oklahoma and California.

But for many an international oil company, depletion has already been eclipsed by another tax provision—the foreign tax credit—as the most important shield of its profits from U.S. revenue agents.

Meanwhile, other tax benefits are moving rapidly to the fore. They involve Liberian and Panamanian tankers, dummy corporations in places like the Bahamas and Monaco, and the ability of the oil barons to govern the prices at which they buy and sell at all stages of the production chain.

The complex ways in which the oil companies lessen their tax burden create an awesome problem for those industry critics who contend the companies should be paying more.

The oil shortage and the dramatic increase in prices have created a strong climate for tax change.

But first the critics must agree on how much to curtail each of the industry's major tax benefits without so wounding the companies that their capacity to produce is impaired and the oil shortage becomes worse.

Then the critics have to steer a reform package through the tax-writing committees of Congress—Ways and Means in the House, Finance in the Senate—on each of which the oil interests are well represented.

Here are the leading industry tax benefits that the reformers are seeking to overturn:

The foreign tax credit has long been available to any U.S. firm—in any industry—that operates abroad.

Under this provision, the United States levies an income tax, at the regular 48% rate, on all profits earned abroad by a U.S. corporation. But it allows the American company to use any income tax that it pays the foreign country as a "credit" to reduce the company's U.S. tax.

Thus, if the company earns \$100 abroad and it pays foreign taxes of \$35 on that income, it need pay only \$13 to the U.S. Treasury, instead of the \$48 that otherwise would be required. If the foreign tax is \$48 or more, the company need pay nothing to the United States.

Proponents of the foreign tax credit provision argue that it is necessary to prevent companies from being doubly taxed—once abroad and once at home—on the same income.

But proponents and opponents alike agree that the oil industry has used this provision in ways that its originators never imagined.

According to James C. Cox and Arthur W. Wright, the University of Massachusetts economists, various techniques enabled the 18 biggest oil companies to cut \$1.2 billion

from their U.S. income taxes in 1970. The techniques include:

THE "GOLDEN GIMMICK"

This involves the way the oil industry—and the U.S. Internal Revenue Service—now treat most of the money the companies pay to foreign governments for the privilege of extracting crude oil from their lands. It is the most important use of the foreign tax credit for the oil industry.

Before 1950, the companies usually paid just a royalty—a flat fee—for every barrel of oil they produced.

Since then, however, the oil-exporting nations have generally not increased their royalty charges. Instead, they have inaugurated and then enlarged a levy that they and the oil companies insist is an income tax.

The oil industry's critics say this is a sham. To them, the tax is nothing but a royalty in disguise.

The distinction is important.

Unlike taxes, royalties must be treated like any other cost when the companies calculate their U.S. tax liability. Like the cost of labor, equipment and expense-account lunches, they are deducted from the total revenue the companies obtain for selling the foreign crude oil.

Under this method, even the huge payments the companies now have to make for their crude oil would still leave billions of dollars in profits subject to U.S. income taxes.

But by calling the payments to the oil-exporting nations taxes, the companies are able to ring up more than enough foreign tax credits to wipe out any U.S. tax on their profits from selling foreign crude oil.

To Sen. William Proxmire (D-Wis.), who dubbed this device the "golden gimmick," treating these payments as taxes is an outrage and should be abolished. Even some industry executives believe it should be curtailed.

The present pro-industry treatment was approved by the Treasury and Internal Revenue Service—without any congressional review—first in private rulings in the early 1950s and then in a published decision in 1955.

Some sources say the Truman and Eisenhower administrations permitted the decision to go in the companies' favor as a way of discreetly funneling foreign aid to then-friendly Middle Eastern nations.

A confidential report on this subject, done for the Senate Finance Committee in 1958, has never been made public.

EXCESS CREDITS

Once a U.S. company pays foreign income taxes equal to 48% of the money it has earned in a foreign country, it is exempt from any U.S. taxes on the income. Foreign taxes above that rate create "excess" tax credits.

The soaring payments demanded by oil-producing nations are creating spectacular amounts of these excess credits in the oil industry—\$4 billion this year, by one private government estimate.

Although these credits cannot be used to shelter from taxes any income earned in the United States, they can be very useful in other ways, reports Glenn Jenkins, a Harvard economist.

For one thing, the credits can be used to shield foreign earnings from U.S. taxes for up to five years after they are acquired.

For another, the excess foreign tax credits give the oil industry an opportunity to shift some of its profits from highly taxed jurisdictions—such as Europe—to the Middle East, and thereby reduce its overall tax burden.

This is done by increasing the price an oil company's Middle East subsidiary charges the European subsidiary for crude oil. Because common management controls both subsidiaries, the price change is easily accomplished.

Of course, under U.S. law, if the Internal

EXTENSIONS OF REMARKS

Revenue Service can show that income has been artificially shifted to avoid tax, the agency is permitted to reallocate income from one subsidiary to another. But because the companies control so much of the pricing in the international oil market, such artificial shifting can be difficult to prove.

THE "OVERALL" METHOD

In the early 1960s, U.S. tax law was changed to permit American companies to use foreign tax credits accumulated in one country to shield from U.S. taxes profits earned in another country.

The result has been to give companies much greater opportunity to use their excess foreign tax credits.

For example, noted Thomas F. Field, a Washington public interest lawyer who for years was a tax attorney in the Justice Department, many oil companies now reap significant tax advantages through their tanker feets.

By basing many of their tankers in such countries as Liberia and Panama, which levy almost no taxes on shipping, the companies can trim their tax bill on the tanker earnings down close to zero. The profits are exempted from U.S. tax by means of excess tax credits accumulated in the Persian Gulf.

Moreover, by charging artificially high shipping rates, the tankers subsidiaries can siphon away profits from other parts of the companies' operation and thereby shield them from tax.

Efforts of U.S. officials in investigating suspected instances of this practice can be difficult because many of the countries whose tax laws favor the shipping industry shield the records of maritime companies from subpoena by foreign governments.

DEDUCTING FOREIGN LOSSES

Despite the advantages of the overall method of calculating U.S. tax liability on income earned abroad, many oil companies continue to use the per country method.

One reason is that this allows them to employ another tax convenience; using the costs of drilling for oil in some foreign countries as a tax shield for profits earned in the United States.

Here is how it works. An oil company spends \$50 million searching and drilling for oil in Ecuador. It has not found any oil there yet, so it has no income from Ecuador. It has a \$50 million loss. This loss, like any loss, can be deducted from profits elsewhere, saving the company 48 cents in tax for every dollar of deduction, or a total of \$24 million.

Later, if the company finds oil in Ecuador, it will earn profits on it. But then it will be paying income tax on the profits to Ecuador, and the resulting tax credits will shield the income from U.S. tax.

As a result, the U.S. government pays 4% of the company's cost of finding oil, but then does not even get to recoup that amount in taxes on the profits when the oil is found.

Losses in exploring for oil abroad usually provide no tax gain to a company using the overall method of calculating U.S. tax on foreign income, because with the overall method the losses are mingled with profits earned in the countries where the company has found oil. Of course, the net profit may already be completely shielded from U.S. tax by the foreign tax credit.

While the foreign tax credit has emerged to challenge the depletion allowance as the oil industry's favorite tax benefit, percentage depletion is still of critical importance. In 1970, it saved the industry's 19 biggest companies \$1.1 billion in U.S. taxes.

Under this provision, 22% of the revenue from sale of crude oil is deductible from profits before U.S. income tax is calculated.

But not even the industry's severest critics would deny it the right to some form of compensation for the cost of acquiring the crude oil it sells.

For example, if it costs a company \$150,000

to find and drill a certain oil well, and the wells produce oil for 10 years, the company presumably should be setting aside \$15,000 a year out of the income it gets from selling that oil. Otherwise, it will not have enough money to buy or drill a new well when the present one runs dry.

The money set aside in this fashion should be deductible from the company's income, because it is part of the cost of staying in business.

Percentage depletion, however, lets oil companies deduct an average of 16 times the original cost of acquiring new oil wells, according to an estimate in testimony last year before a congressional committee by economist J. Reid Hambrick.

This occurs because oil companies are allowed to deduct from their income every year 22% of the gross revenue from the sale of crude oil pumped by their wells—regardless of the original cost of the wells.

The only major limitation on using the deduction is that the amount deducted in any one year cannot exceed half the net profit from crude oil sales.

Percentage depletion is defended as an incentive both to find oil and, once found, to pump it as fast as possible. The more oil found and the more pumped and sold, the greater the total tax deduction.

Percentage depletion applies to wells U.S. oil companies drill abroad. Because the production from these wells is more often shipped to Europe or Japan than it is to the United States, President Nixon and some members of Congress have suggested recently that foreign depletion be eliminated.

Industry resistance to such a move has been mild, perhaps because, at present, foreign tax credits already shield from U.S. tax the income they get from pumping oil abroad.

If use of the foreign tax credit is curtailed, however, the foreign depletion benefit would regain its attractions.

In most industries, the money paid for designing and constructing a new factory or office building must be capitalized. That is, the company may deduct only a part of the cost each year, until the total cost has been deducted.

In the oil industry, however, comparable expenses—the cost of labor, materials, supplies and repairs needed to bring a well into production—are called "intangible" drilling expenses and can be deducted in full immediately.

By thus postponing taxes, the effect of this provision is to give oil companies an interest-free loan from the U.S. Treasury.

The immediate writeoff of intangible drilling expenses provided the 19 biggest oil companies with \$162 million worth of such benefits in 1970.

PITTSBURGH'S NEIGHBORHOOD HOUSING SERVICE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, building on a determined community effort, strong local leadership at the neighborhood level and in city hall, and a local financial industry willing to lend money in the central city, Neighborhood Housing Services of Pittsburgh has shown that Federal dollars are not a necessity in rehabilitating an older community.

This 5-year-old organization has turned a small grant from a local foundation into a revolving loan fund which makes low interest rehab loans to residents who

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cannot be served by traditional lending sources.

The Pittsburgh experience has attracted much attention because of its success.

For the information of my colleagues, I would like to introduce into the RECORD at this time an extract from the Federal Home Loan Bank Board Journal which discusses Pittsburgh Neighborhood Services.

In a recent speech to 1,200 mayors and city officials, I called their attention to the Pittsburgh program as evidence of what kinds of local efforts are possible while the Congress tries to write new national housing and community development legislation.

The extract follows:

NEIGHBORHOOD HOUSING SERVICES

(By James A. McNeirney)

During 1972, the Center for Executive Development, created by the Board to stimulate the involvement of the savings and loan industry in urban areas, began assisting S&L leaders in several cities in establishing neighborhood housing service agencies.

The programs are not a theoretical or drawing board approach to urban lending. They are modeled on a successful effort begun in Pittsburgh, Pa., in 1968. The Pittsburgh program, aptly titled Neighborhood Housing Services, has demonstrated that private financial institutions can lend safely in inner city neighborhoods by using a careful reinvestment program.

The Pittsburgh program is unique. It was co-founded by a number of Pittsburgh-based financial institutions and a group of community residents of the central Northside section of that city.

Included on the board of directors of this hybrid organization are Harold L. Tweedy, chairman of the board of First Federal Savings and Loan of Pittsburgh; Francis B. Nimick, president of Dollar Savings Bank of the same city; and John D. Beswarick, vice president of Pittsburgh National Bank.

The specific objective of NHS is to arrest housing decline in the neighborhood by providing financing for home improvement efforts. This coalition of community residents and financial institution representatives has created a neighborhood environment in which conventional loans are now being made in which property values are rising and in which there is a growing sense of community pride and achievement.

Such was not the case 4 years ago. The real estate editor of one of the major Pittsburgh newspapers had this to say in a recent feature article on NHS: "This area is not a ghetto or a slum. Nor is it all Black or White. If anything, it is an area that is on its way back."

Recognizing the impact that this coalition of community residents and financial institutions has had in Pittsburgh, the Board's Center for Executive Development, working through the District Federal Home Loan Banks, has set out to duplicate this effort in other cities. NHS programs have now been established in Oakland, Calif.; Cincinnati; Plainfield; and Washington, D.C. Similar efforts are now underway in Dallas and Boston.

William A. Whiteside, Director of the Center for Executive Development, explains the role of the Center in creating the NHS programs.

"Our role," he says, "is to be the catalyst to bring all the parts of neighborhood housing services together."

"We studied Pittsburgh, with its successful 5-year track record, and we have tried to reproduce all the elements—neighborhood, industry and city support, foundation money, and a small, but effective, NHS staff—that

have made it work. We don't have all the answers to inner city lending, but we know this one will succeed for one slice of the city's housing market."

Speaking recently to a Dallas group that was visiting in Pittsburgh to learn how to undertake an NHS program, Harold Tweedy presented another viewpoint.

"If you want to do something about housing deterioration," Mr. Tweedy said, "fixing up one house on this side of town and one on the other isn't going to do it. Sure, it helps, but you have more impact if you try to affect a certain area."

"Using the NHS approach provides the opportunity to make loans in the central city with the aid of some supporting elements. In this program, we have lenders involved, the city government involved, and the residents of the community involved. This is the way that our industry can make a greater contribution to the central city."

Based on the Center for Executive Development's achievements to date, many savings and loan associations agree with this basic philosophy, as do the governments of the respective cities and residents of the particular neighborhoods where the program is being initiated.

THE WORKSHOP APPROACH

More than 50 savings and loans have sent representatives to the Board's Urban Housing Workshops during the last few years and all are either engaged in putting together an NHS agency or backing a newly created one.

The group visiting Pittsburgh from Dallas was composed of members of the Federal Home Loan Bank of Little Rock's Urban Housing Workshop. The Workshop is the convening vehicle used by the Center in creating an NHS. Participants in the Workshop usually include savings and loan managing officers, or their official designees, examiners, Federal Home Loan Bank executives, and community representatives. Representatives of Federal, State, and local governments and of private agencies concerned with housing also have participated.

"The purpose of the Workshop is twofold," Mr. Whiteside explains. "First, everyone needs a common frame of reference. Second, for this program to work, the different groups represented have to learn to work together with trust and mutual respect."

During a typical Workshop, the NHS concept is presented. Thomas A. Jones, executive director of the Pittsburgh NHS who has served as a speaker in all the Workshops is modest about the success of his organization over the last 4 years.

"We have been able to achieve some measure of success because we have the necessary tools," Mr. Jones told the Dallas group. "We also have a group of dedicated people who believe in the program."

Mr. Jones stresses community involvement in the program, but he also is quick to point out that this is only a part of the entire NHS package.

"The involvement of the private financial community cannot be overstated," he adds. "This is essential if any program of this nature is to succeed. We have the high risk loan fund to deal with the residents who can't qualify at the regular financial institutions, but that can't begin to provide the kind of money that is needed for a total neighborhood housing rehabilitation effort."

THE DALLAS PROGRAM

The Dallas program that finally evolved from the recent meeting of Dallas citizens with Pittsburgh NHS leaders is different when it comes to financial institution participation. It is different not in size, commitment, or purpose, but in the makeup of the institutions involved. It is the first Workshop in which commercial banks, savings and loans, and the insurance industry have linked arms

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to create an NHS. In all previous Workshops, participation by lending institutions was limited to the savings and loan industry.

"It seemed appropriate to both the Board and James A. Coles, President of the Federal Home Loan Bank of Little Rock, that we initiate a joint effort in the Dallas program," Mr. Whiteside said. "In previous Workshops the S&Ls involved have invited the commercial banks to join them after the initial Workshop."

"Philip E. Caldwell, president of the Federal Reserve Bank of Dallas, was open to the idea of bringing in the banks at the beginning and agreed to co-host the opening luncheon. He, of course, encouraged his institutions to participate and it has worked out very well."

This spirit of cooperation was particularly evident during the Pittsburgh visit of the Dallas representatives. For example, Sam Holmes, senior vice president of First National Bank, Dallas, who was selected as chairman of the group, could not be present for the second day in Pittsburgh. Cullen Rogers of Dallas Federal Savings and Loan took over and NHS of Dallas just kept rolling along. The incident was typical of the way the sessions proceeded.

Before their meeting, members of the Dallas Workshop group toured the Pittsburgh NHS neighborhood. They rode and they walked. On the bus—off the bus. They went up and down the narrow, hilly streets aghast at certain parts of the neighborhood and delighted at the rehabilitation efforts in others.

"If they can do it in this neighborhood, I'm sure we can do it in Dallas," said one visitor. "Why, Dallas was hardly even thought of when some of these homes were built."

James G. Cook, associate director of NHS, stressed the necessity of the city government's cooperation in the program. Pointing to recently paved streets, Mr. Cook told the Dallas group that this kind of work by the city was a great aid in revitalizing the community. The Dallas people replied that they had already received a strong commitment from the Dallas city government and had the participation of the director of the City Planning Department and the new Department of Housing and Urban Rehabilitation.

George Allen, Dallas City Councilman, the keynote speaker at the opening Workshop luncheon put it this way: "The city will support the program in any way possible."

GETTING STARTED IN PITTSBURGH

Mrs. Dorothy Richardson, president of Neighborhood Housing Services of Pittsburgh, who spearheaded the creation of NHS in that city, explains how the Pittsburgh program began 5 years ago.

"We didn't trust the bankers or the city when our program got started," she says, "but we did know one thing. We had to do something about the housing in our neighborhood and those two groups could help us."

The neighborhood was up for a federally assisted code enforcement program back in 1968. However, it was passed over for another neighborhood.

"They said it would be a few years before we would get any assistance in our area and we just couldn't wait," Mrs. Richardson explained.

Mrs. Richardson and her group didn't wait. They got together a proposal to the Sarah Mellon Scaife Foundation in that city and convinced the organization that the NHS idea had merit. The foundation responded initially with a \$125,000 grant. Over a 4-year span the foundation has put up an additional \$375,000 for the fund.

Mrs. Richardson's feelings about the bankers and the city seem to have changed somewhat over the years. She is now working for the city as supervisor of the city's housing clinic—the probation arm of the city's housing court. "We had a lot of problems communicating in the beginning," Mrs. Richardson said, "but we closed that communication

gap by attacking the problem instead of each other."

"The most moving thing to me," Mrs. Richardson continued, "is that we have been able to sit down at the table and iron out our differences. That's quite a feat when you consider how far apart we were when we started."

John D. Beswarick of Pittsburgh National Bank agrees. Mr. Beswarick's office is located in the Northside neighborhood and he works closely with the NHS staff. He is highly enthusiastic about the NHS program, but he also is realistic. "To make this program work, you have to have people and financial institutions that sincerely believe in it," he says. "This program requires time and effort. If the institutions involved don't care, and I mean at the highest levels, then you may as well forget about it."

In Pittsburgh, 16 savings and loans, five commercial banks, and two savings banks support the program. Mr. Tweedy is adamant when he speaks about this aspect of the program.

"It's most important that everyone know that this program is supported by a large portion of the financial industry here in Pittsburgh," he says. "It's not just one or two. It's everyone who contributes to the costs of the program or takes loans generated by it. The support of all these institutions is important for without them there would be no NHS program."

Mrs. Billie Richards, the coordinator of the Dallas program, reported that financial institutions there have already committed the administrative budget and are in the process, along with other participants, of securing local philanthropic dollars for the high risk revolving loan fund.

Mrs. Richards is one of the three urban program coordinators who has assisted at the local level. The others are Mrs. Lary Lee Widener, Oakland, and Mrs. Carol Braddock, Cincinnati.

Mrs. Braddock, coordinator of the Cincinnati program, has already begun the research required for the same effort in other cities in that District. She recently joined the staff of the Federal Home Loan Bank of Cincinnati to coordinate this activity as a Bank function. The Cincinnati Bank is the first Federal Home Loan Bank to commit itself to developing other NHS programs.

"Our original idea was to create a model in several Bank Districts," says Director Whiteside. "Naturally, it multiplies our effectiveness when a Bank takes it on as a Bank function as Cincinnati has."

CONGRATULATIONS TO D.C. NATIONAL GUARD

Hon. G. V. (SONNY) MONTGOMERY OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. MONTGOMERY. Mr. Speaker, on previous occasions I have risen to pay tribute to various National Guard units for their outstanding accomplishments. I am extremely proud today to be able to congratulate the District of Columbia National Guard for three recent awards it has received. The first is the George Washington Honor Medal from the Freedoms Foundation. I might note that this is the sixth consecutive year the D.C. Guard has won this award for its sponsorship of the D.C. Youth Leaders' Camp. They have also received the Gen. Keith L.

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Ware Award from the Department of the Army for first place in the special broadcast achievement category and the Thomas Jefferson Award from the Department of Defense for the same reason. The D.C. Guard is the first Reserve component unit to receive this latter award. I commend the officers and men of the D.C. Guard for their achievements and include in the RECORD an article in the First U.S. Army newspaper, "The Voice" which goes into greater detail on the accomplishments:

THE D.C. NATIONAL GUARD

A District of Columbia National Guard recruiting film has won first place in the Special Broadcast Achievement category of the Department of Defense's Thomas Jefferson and the Department of the Army's Keith L. Ware awards competition.

"Do Your Thing in the DC National Guard" is the title of the four minute, 20 second "mod" film which captured one of the top awards in the annual DOD and DA competition.

With its winning, the D.C. Guard, commanded by Maj. Gen. Charles L. Southward, becomes the first National Guard unit to capture a first place award in either competition. It was also the only First Army winner in this year's contest.

In the Army competition, the D.C. Guard competed against Active and Reserve Army units. In the DOD race, the Guard was the Army's representative in that particular phase of the competition against the Navy, Air Force and Marines.

Comin' down the street; Look at who you meet;
Look at what is all around you;
Open up your eyes; Time to realize;
You have a whole life to go through;
You've got a life no one has ever lived before;
Who knows what life will bring, what does it have in store.
Do your thing!

Both the awards are part of the DOD's and DA's annual competition for best newspapers, radio programs, journalistic achievement, television programs, photo features and radio spot announcements. The Special Broadcast Achievement Category is considered the toughest of all categories since there are many different entries considered in that competition.

CWO Richard L. Pratt, bandmaster of the D.C. Guard's 257th Army Band, was the prime contributor of the film which features shots of the Nation's Capitol, the D.C. Guard in earlier years and men of today's Guard at work, at play and on duty. Complementing the film is a song, "Do Your Thing," the score and lyrics written by the bandmaster. The shooting was done over an 18-day period last year by the Army Audio Visual Agency.

The idea for the film came to Pratt, a Bachelor of Arts magna cum laude graduate from American University in Washington, as he was walking down the halls of the Pentagon and spotted a similar film in progress at the Air Force Recruiting Office.

Borrowing the film, Pratt showed it to General Southward who was impressed and told him to "pursue it further."

Don't you cop out now; Let us show you how;
You can have the best of both ways;
You know the place to look; Our number's in your book;
We can help the rest of your days;
Don't waste the time you have now that you have found out;
You've seen the light and now you know what it's about;
Do your thing! Do your thing!

Pratt then contacted the Army Audio Visual Agency where officials there estimated that if such a film was to be made by commercially professional agencies, it would cost about \$25,000. National Guard Bureau officials had estimated \$50,000 to produce the film commercially.

However, with the use of Army cameramen filming it as a training assignment and Pratt working on it, both on and off-duty, the film was made at a cost much less than the estimates.

Music for the film was recorded during a two-day period by Pratt and the Army Band at Ft. Myer, Va. Twenty-five musicians and two recording engineers were involved. The vocalist is Frank Hooker of The Young Senators, a rock and roll group from the D.C. area, which backs up Soul Singer Eddie Kendricks.

Personnel of the Army Audio Visual Agency involved in the project were Col. Warren R. Colville, commander; Lt. Col. Herbert H. Ballinger, director of special photo and initiator; Maj. Peter K. Friend, director of technical operations; Capt. Dennis H. Reader, chief, pictorial division.

*If you will be free; Guide your destiny;
To be or not is still the question;
Let's define your quest; Out-work all the rest;
Do your thing and be the best one;
Bring out the best you have, give all you got to give;
Who cares what others have, you've just one life to live;
Do your thing! Do your thing! Do your thing!*

Ms. Edith S. Devereaux, editor; and SFC J. D. Devan, Staff Sgt. William B. Purdy, Sp5 Walter F. Deinzer and Robert F. Fromm, Sp4 Joseph G. Snyder, and PFC Gary M. Corrara, photographers.

The Guard intends to use the film for showing to large audiences, such as school assemblies or classes when recruiters schedule demonstrations; before private or small groups; in booths at fairs and shopping centers; and also make it available in 35mm prints for showing in D.C. movie theaters and drive-ins.

*Comin' down the street; Look at who you meet;
To be or not is still the question;
You know the place to look; Our number's in your book;
Do your thing and be the best one;
Don't waste the time you have now that you have found out;
You've seen the light and now you know what it's about;
Do your thing! Do your thing! Do your thing!*

HOPE CHAMBERLIN

HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mrs. GRIFFITHS. Mr. Speaker, the death of Hope Chamberlin in Washington on March 11 was a loss to all persons who are interested in the history of women in America and the many contributions they have made to our Nation. In recent years, Ms. Chamberlin had used her talents to chronicle the achievements of American women. At the time of her death, she was engaged in research for a Business and Professional Women's Foundation project on women who had

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made significant contributions to the various professions.

At this time, I would like to extend my sympathy to her family and insert in the RECORD the obituary carried in the Washington Post describing Ms. Chamberlin's achievements as an author and journalist:

[From the Washington Post, Mar. 13, 1974]

M. HOPE CHAMBERLIN, 52, AUTHOR, FORMER INFORMATION SPECIALIST

M. Hope Chamberlin, 52, an author and former information specialist, died Monday of cancer at the Veterans Administration Hospital here.

Her book, "Minority of Members: Women in the U.S. Congress," published last year, has won a Christopher Award, presented annually by the Christophers, a cultural promotion organization.

At the time of her death, Miss Chamberlin was working on a new book on women in the professions for the National Business and Professional Women's Foundation.

Born in Portland, Ore., she was a graduate of Oregon State University and received a master's degree from Northwestern University.

She then worked for several years as a reporter-photographer for the Portland Oregonian and later became a member of the WACs.

After World War II, Miss Chamberlin served as information and editorial specialist with the U.S. military government in Germany and Austria.

For a number of years, she was director of information for Continental Classroom, an NBC-TV program originating in New York. She also taught English at Montclair College in New Jersey.

Miss Chamberlin came to Washington about 10 years ago and did free-lance writing for a number of periodicals. She worked last year for the Office of Economic Opportunity on the start of a history of the OEO. She lived at 1884 Columbia Rd. NW.

She was a member of the Overseas Press Club and Women in Communications and was an active worker in Republican party affairs at the precinct level.

She is survived by her mother, Mrs. W. J. Chamberlin, and a sister, M. Jo Tuttle, of San Diego, and two brothers, W. J. Chamberlin, of Tucson, and Roy M. Chamberlin, of Albany, Ore.

FAMILY LIFE TODAY

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. HELSTOSKI. Mr. Speaker, today we live in a society confronted by a vast number of complexities and dominated by change. As a result, raising children, as many of us know, can be a perplexing, frustrating experience. Though we all strive to be good parents and raise happy, well-adjusted children, such an achievement is often difficult.

Rabbi Gerald Lerer, of Temple Israel Community Center in Cliffside Park recently addressed himself to this problem, in a letter published in the Record, a Bergen County daily newspaper. Rabbi Lerer, one of the most well-respected members of the religious community of the 9th District, was kind enough to forward his remarks to me.

Because of the relevance of his remarks to those of us who have families, I would like to take this opportunity to

share the text of Rabbi Lerer's letter with my colleagues. I am sure that they will agree that Rabbi Lerer raises some interesting points certainly worth considering. Mr. Speaker, his remarks follow:

A COSTLY ERROR ADMITTED

EDITOR, THE RECORD: In Redbook magazine (February issue), Dr. Benjamin Spock, world-renowned baby specialist, stated that parents are not firm enough with their children for fear of losing their love or incurring their resentment. He further blames teachers, psychologists, social workers, and physicians—including himself—for fostering loss of self-assurance on the part of parents in dealing with their children.

"Parents have been persuaded that only trained persons know how children should be reared . . ." Dr. Spock said, "We didn't realize until it was too late how our [professional] know-it-all attitude was undermining the self-assurance of parents."

While I certainly respect and admire the courage of Dr. Spock to publicly admit that he and others in related professions have made a terrible mistake in their approach to child-rearing, even at this late date, I cannot help but be saddened by the irreparable harm that has been caused thus far precisely because of the overwhelming influence which the writings of people like Dr. Spock have exerted over millions of people throughout the world.

Who knows, and who can accurately estimate, how many crimes have been committed; how many lives have been ruined; how many families have been disrupted as a result of the permissive attitudes expressed by acknowledged authorities in the fields of child rearing and education? We may very well have lost at least two generations because of this type of thinking. We surely cannot afford to lose another generation.

If we are to reverse this very serious trend, we must restore the family unit to its original and traditional position of strength. Practically speaking, both the father and mother must, as in prior years, become the symbol of authority and respect in the home, while children must be given more meaningful responsibilities and obligations than they currently are, helping them avoid boredom, which usually leads youth to destructive paths.

We cannot help but conclude that the methods used by prior generations in the process of child training provided a much stronger and firmer foundation than the methods of today's family. This is probably why the family of bygone generations was able to cope with the many complex problems confronting it in the past.

Furthermore, if today's family unit is to be spared from destruction and disintegration, religious tradition must truly become the guiding force and factor in its daily relations. Our young people must be made aware of the fact that without ethical and moral values, as well as traditions, of religion, there can be no future for either the family or humanity as a whole. Let us, therefore, do everything we possibly can to restore religious discipline and training in our homes and families—assuring our survival in a free and democratic society.

RABBI GERALD LERER,
Temple Israel Community Center.

AMENDMENTS TO H.R. 69

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. PEYSER. Mr. Speaker, pursuant to the rule adopted for the consideration

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of H.R. 69, I am submitting three more amendments which I may offer when the House considers this bill:

AMENDMENT NO. 15 TO H.R. 69, AS REPORTED,
OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot for such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the

United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3) (A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 80 per centum of (1) the average per pupil expenditure in Puerto Rico

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or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be \$3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the

Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

AMENDMENT NO. 16 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, p. 36, and insert in lieu thereof the following:

Sec. 102. Section 103 of Title I of the Act is amended to read as follows:

Sec. 103. (a) (1) (A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) other than payments under such section to jurisdictions excluded from the term "State" by this subsection. The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B) and

(ii) the amount necessary to make payments pursuant to subparagraph (C). The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated

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for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 3(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 3(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which

is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3) (A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(D) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be \$3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive,

of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

AMENDMENT NO. 17 TO H.R. 69, AS REPORTED,
OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a) (1) (A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134 (a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the

Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(1) the amount necessary to make payments pursuant to subparagraph (B); and

(2) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 13(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under title IV of the Social Security Act, or (C) living

in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B) or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3) (A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part in the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in

paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 40 per centum and the "low-income factor" shall be \$3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income of less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfac-

tory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

MULTIMILLION-DOLLAR SCULPTURE GIFT TO CALIFORNIA MUSEUMS

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. REES. Mr. Speaker, last month, a very distinguished constituent of mine, Mr. B. Gerald Cantor, donated a magnificent collection of 29 sculptures by Auguste Rodin to the Los Angeles County Museum of Art and 88 Rodin sculptures to Stanford University. Mr. Cantor, a well-known investment banker in Beverly Hills, has the world's largest privately owned Rodin collection.

I would like to include in the RECORD an article from the Los Angeles Times by Art Critic Henry Seldis and also an editorial from the Palo Alto Times.

Californians have benefited greatly from Mr. Cantor's many civic activities, and we are extremely fortunate now that he has chosen to donate most of his Rodin collection to California museums.

The article and editorial follow:

[From the Palo Alto (Calif.) Times, Feb. 11, 1974]

RODIN COLLECTION DONATED TO STANFORD

Stanford University will receive a major portion of the world's largest privately owned collection of Rodin sculpture.

The majority of a multi-million dollar collection belonging to investment banker B. Gerald Cantor will be divided between Stanford, the Los Angeles County Museum of Art and the Museum of Modern Art in New York. Stanford will receive 88 Rodin pieces, Los Angeles, 29, and the Museum of Modern Art, 10.

Auguste Rodin, who worked most of his life in or near Paris, is considered by many to have been the foremost sculptor of his time. Rodin did not begin to seriously exhibit work under his own name until he was 37 and did not achieve financial success until after 50. When he died in 1917, he was the best known sculptor in the world.

According to Albert Elsen, Stanford art professor and internationally known Rodin scholar, "the Stanford donation must rank with the most valuable sculpture additions ever made to an American university art museum. It shows Mr. Cantor's confidence in what a university art museum can do with such an impressive quantity of works by one of the world's greatest sculptors."

Besides the sculptures, Cantor's gift to the university includes books, prints, preliminary studies for major projects, several portraits of Rodin by other artists and memorabilia. Also, through the B. G. Cantor Art Foundation, Rodin research will continue to be sponsored for the next 10 years at Stanford, according to Elsen.

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Among the most notable works to be given to the university are "The Kiss," studies for the "Balzac" and "Burghers of Calais" projects, and the larger than life-size "Walking Man."

Cantor was born in New York, but now lives in Los Angeles where he is chairman and president of Cantor, Fitzgerald & Co. He is a member of the Business Committee for the Arts, a trustee of the Los Angeles County Museum and a benefactor of numerous museums. He collects in a variety of fields, but specializes in late 19th and early 20th century painting and sculpture.

He acquired his first Rodin sculpture in 1946, called "The Hand of God" or "The Beginning." Twenty years later his collection of Rodin works was termed "the largest and most important in private hands," by Madame Cecile Goldscheider, then director of the Rodin Museum in Paris.

Although it is difficult to put an exact value on Cantor's gift to the three institutions, experts agree that altogether it would be worth \$3 million.

Cantor's gifts come from three sources—his private collection, his company, Cantor, Fitzgerald & Co., and the non-profit B. G. Cantor Art Foundation he established to display sculptures by Rodin and encourage research on him. About 90% of the works in the present gift come from the foundation, eliminating any tax advantages from the donation, Cantor said.

[From the Los Angeles Times, Feb. 12, 1974]
FINANCIER GIVES SCULPTURES—ART MUSEUM TO RECEIVE 29 RODINS

(By Henry J. Seldis)

Next to Paris, Los Angeles will soon be able to display the largest number of outdoor Rodin sculptures anywhere, thanks to a large share of a gift of 127 Rodins by Beverly Hills financier B. Gerald Cantor.

Topped by Rodin's gigantic "Monument to Balzac," the county Museum of Art's share of the unprecedented gift includes 29 major works by Auguste Rodin (1840-1917), 10 sculptures by the German artist Georg Kolbe and one bronze by Antoine Bourdelle, entitled "Monument to Rodin."

Stanford University and New York's Museum of Modern Art are the other recipients of Cantor's multimillion-dollar Rodin gift as announced at a press conference at the county Museum of Art Monday.

With the violent fluctuations of the international money market and the sharp rise of art prices, expert estimates of the gift's worth range from \$3 million to better than \$5 million. There is little doubt that just the county Museum of Art's share of the gift exceeds \$2 million.

"This gift is the most important gift of sculpture ever made to the museum," said its president, Dr. Franklin D. Murphy. "Not only are we happy to have these great pieces of sculpture, but—more importantly—it permits the museum to realize its long-standing dream of creating a beautiful sculpture garden."

The proposed sculpture garden which will replace the outdoor water areas, formerly surrounding the Hancock Park museum building, is slated for completion this fall. Along with other monumental examples of sculpture it will contain as many as 10 of the largest Rodins from the Cantor gift. But the museum plans to install the "Monument to Balzac" in the center of its lower plaza, dominating its main entrance facing Wilshire Boulevard.

"The B. G. Cantor gifts to Stanford University and the Los Angeles County Museum of Art, along with the Spreckels Rodin Collection at the Palace of the Legion of Honor in San Francisco, will make California the center for Rodin experience and study for the Western part of the United States," said county museum Director Kenneth Donahue.

Also participating in the press conference were Stanford University art history profes-

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sor Albert R. Elsen, world famous Rodin authority; Stanford University Vice President Kenneth Cuthbertson; Dr. Lorenz Eltner, Stanford art department chairman; Dr. Peter Bing, Los Angeles philanthropist and Stanford trustee, and Supervisor Ernest E. Debs.

The gift of Rodin sculptures, together with many earlier works given to the museum by Cantor, comprise a total of 43 sculptures forming a collection representative of Rodin's entire productive life, according to curator Charles Millard.

Among the most famous works included in the gift are "The Shade" and "Eve," originally created for Rodin's famous "Gates of Hell"; the monumental figure of Jean D'Aire from the "Burghers of Calais"; the "Crouching Woman," and "Iris, Messenger of the Gods," along with the imposing Balzac monument.

Cantor, New York born president and board chairman of Cantor, Fitzgerald & Co. Inc., of Beverly Hills, is an active member of the Business Committee for the Arts. He has long demonstrated his commitment to corporate support of the arts through his company's programs of extensive loans and gifts to major museums throughout the United States.

As part of Cantor's art loan program coordinated by curator Vera Green, his collections of Rodin sculptures have been exhibited in 52 cities of 23 states and abroad in 17 cities in 11 countries. Prior to the gift just announced, 136 works of art have been donated by him to cultural institutions here and abroad.

All of his Rodin gifts will be reunited in 1977 when they, together with Rodins still in Cantor's private collection, will form a major exhibition which will open the new wing of the National Gallery of Art in Washington, D.C.

Cantor, 57, acquired his first small Rodin bronze in 1947, only a year and a half after he formed his own Wall Street firm in 1946 at the age of 29.

AMENDMENT TO H.R. 69

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. TREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following corrected amendment intended to be offered by me to H.R. 69:

AMENDMENT TO H.R. 69, AS REPORTED, TO BE OFFERED BY MR. TREEN OF LOUISIANA

On page 131, immediately after line 15, insert the following new section:

Amendment to title X of the Elementary and Secondary Education Act of 1965:

SEC. 906. Title X of the Act, as redesignated by section 201(a) of this Act, is amended by adding at the end thereof the following new section:

"CONTINUITY OF INSTRUCTION GUARANTEE"

SEC. 1010. No local educational agency shall receive funds under this Act or under Title I of the Elementary and Secondary Education Act except that it has received individual pledges from each of its classroom personnel against strikes, work stoppages, or slowdowns or, alternatively, such a provision is included in any contract it may make with any organization representing such personnel.

(1) As used in this section, "local educational agency" shall include any unit receiving such funds and employing teachers.

(2) Any local education agency which is prevented from complying with this section because of the application of State law shall

not be required to be in compliance with this section until 60 days following the close of the next regular session of the State legislature which commences after the effective date of this act.

CINCINNATI ENQUIRER OPPOSES PUBLIC FINANCING OF POLITICAL CAMPAIGNS

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. JAMES V. STANTON. Mr. Speaker, in a lengthy presentation to the House on February 27, as reported in the CONGRESSIONAL RECORD of that day, I outlined what I consider to be "The Case Against Public Financing of Political Campaigns." I am pleased to note that the Cincinnati Enquirer, one of this Nation's most thoughtful newspapers, shares the viewpoint held by me and a growing number of other Americans who, nonetheless, do favor reform of the political process in other ways. I would like to insert in the RECORD, Mr. Speaker, for the information of our colleagues, several editorials that have appeared in the Enquirer on this important topic. The editorials follow:

[From the Cincinnati Enquirer, Jan. 27, 1974]

PUBLIC FINANCING: A CALAMITY TO AVOID

The 93d Congress is closer than any of its predecessors to taking a step from which there is apt to be no easy retreat—the public financing of political campaigns.

The allure to public financing is, perhaps, understandable. For like all other easy answers, public financing would seem to eliminate most, if not all, of what is wrong with American politics.

To consider the long-range consequences of using public funds to finance political campaigns, however, is to see that the perils far outweigh the advantages, that the inequities far outweigh the assets, that the potential abuses far outweigh the probable benefits.

It is ironic to find among the supporters of public funding a number of organizations and individuals who, in general, have advocated "opening up" the political process and making both government and the party structure more responsible to popular tastes and aspirations.

Public funding, it seems to us, would have precisely the opposite effect. The citizen, after all, has only two unfailing devices to influence the political process—his vote and his financial contribution. To deny him his right to contribute, to insulate the parties from the pressures of opinion, would not, in any accepted sense of the word, make American political parties more responsible. Indeed, it would invite them to become even less dependent on the people whose convictions and aspirations they were created to reflect.

There are, in addition, some grave questions about the constitutionality of outlawing individual financial contributions to the political parties. For is not the financial contribution, at bottom, simply an extension of the individual's right to freedom of speech, a right asserted in the First Amendment?

Quite apart from the philosophical and constitutional aspects, there are some significant practical questions that none of the sponsors of public funding has answered satisfactorily to date.

EXTENSIONS OF REMARKS

Certainly the most apparent is how to offset the inherent advantage of the incumbent in any political contest. Sen. Robert Taft Jr. has suggested that an incumbent congressman seeking re-election has, by the very fact of his incumbency, a \$150,000 advantage over any possible challenger. He is saying, in short, that the incumbent's opponent would need to spend \$150,000 simply to meet the incumbent on an equal footing. Some observers regard Senator Taft's estimate as conservative. The fact remains that an incumbent congressman, senator or President has an immense built-in advantage—the ability to shape events, the ability to command newspaper headlines and television and radio exposure, the ability to blanket his constituency with franked (free) mail. Any method of using tax revenue to finance political campaigns that fails to offset the incumbents' natural advantage is, by its very nature, legislation to help insure the re-election of incumbents.

Even more troublesome problems are posed by the allocation of funds between the two major parties. What should the yardstick be? If the answer is treating the two parties exactly alike, aren't voter preferences being ignored? If the answer is using the last election to establish a distribution formula, isn't there a danger of overlooking the possibility of significant shifts in popular preferences?

The fact of the matter is that the political pendulum in the United States has a habit of swinging far and frequently. The same Republican Party that mustered only 38.5% of the popular vote in 1964 went on to win the presidency narrowly with 43.4% of the vote in 1968 and to swamp its opposition with 61% of the vote in 1972. And the same Democratic Party that could muster only 40.8% of the vote in 1928 went on to win the White House with a 57.4% landslide four years later.

Clearly, any distribution formula that had been based on, say, the 1928 election or the 1964 election or the 1968 election would have been patently unfair—so unfair, in fact, as to run the risk of distorting or frustrating what popular preferences actually turned out to be.

Quite another problem is posed by the third party that makes an occasional intrusion into U.S. political life. What yardstick is there for determining its share of public funding? In 1968, Gov. George C. Wallace's American Independent Party, which hadn't even existed in the previous presidential election, garnered 13.63% of the popular vote. Four years later, what purported to be the same party saw its support dwindle to less than 1%. What distribution formula in 1968 could possibly have assured the American Independent Party the financial support to which it was entitled? And what distribution formula could have avoided overfinancing in 1972 a political movement that had manifestly run out of steam?

Supporters of public financing appear to assume that the two major parties that exist today will always exist. In fact, of course, there is the distinct possibility that one or the other may cease to exist—as the Whig Party ceased to exist in the 1850s. Public financing emerges, accordingly, as a means of freezing the present party structure for all times.

To point out the flaws of public financing of political campaigns is not, of course, to suggest that the existing system for financing the political process is ideal. Clearly, it is not.

The challenge to the nation, and in particular to Congress, is to find a series of remedies that will not prove more hurtful than the perpetuation of the existing system.

Certainly one crucial goal should be encouraging truly mass participation in the process by which political campaigns are financed.

Congress took one timid step in that direction through the checkoff plan introduced into last year's federal income-tax returns—

a plan that allowed each taxpayer to earmark \$1 of his tax payment for the party of his choice. In the tax returns for the year just ended, Congress took a regrettable step backward: the checkoff system is still possible, but the taxpayer is no longer able to designate the party to receive his \$1; it goes instead into a common fund to be divided by one means or another between the two parties.

The fact is that neither party has ever undertaken a sustained effort to attract \$2, \$5, \$10, \$20 contributions from rank-and-file Americans—largely because it has never had to. Yet it is precisely this kind of giving that is most likely to insulate the parties against undue influence by favor-seekers.

There is a similar need for the full disclosure of political giving—a disclosure system that will permit the voters to judge a candidate as much by the kind of financial contributions he receives as by the other qualifications on which he bases his campaign.

The ability to attract financial contributions is closely akin to the ability to attract votes. To move, as many suggest we do, toward saying that a candidate or a party need not concern itself with attracting dollars, accordingly, is akin to saying that it need not concern itself with attracting votes. It is difficult to see how the cause of responsible, representative government is thereby served.

Americans do not want to see public office become the exclusive preserve of those personally wealthy enough to finance their own campaigns. Neither do they want to see candidates so beholden to narrow, special interests as to be unrepresentative of those they are sworn to serve.

But neither, we think, do they want to see the political contributor shrouded in suspicion. And neither do they want a political process that is immune from the public attitudes and pressures that have been the historic shapers of public policy in the United States.

[From the Cincinnati Enquirer, Feb. 1, 1974]

THE LEAGUE AND POLITICAL REFORM

Not surprisingly, the 160,000-member League of Women Voters has chosen to make reformation of the U.S. political system its principal goal for 1974.

But the league's members across the country have chosen to part company with many reform-minded students of the American political scene: the league is opposed to "100% public financing" of political campaigns because it "would remove an important element of citizens' involvement and have the effect of virtually automating a key part of the campaign process."

The league believes further that "the new foundations that will be built must . . . be geared toward expanding, not contracting, citizen participation."

It is far more important, the league believes, that campaign contributions and expenditures be reported in a full and timely fashion and that each candidate be required to designate one central committee to coordinate, control and report all financial transactions.

The league similarly favors limiting the size and type of political contributions, imposing stringent limits on the use of cash, restricting total expenditures in a fashion consistent with the fullest possible discussion of the issues and adequate exposure of the candidates, and creating an independent agency for monitoring and enforcing a new set of campaign-finance laws.

The league, finally, is supporting efforts to shorten the campaign period as a means of reducing the need for excessive expenditures, modifying the equal-time rules to facilitate debates and discussions of issues by major candidates, and equalizing the use of government services—such as franking—for challengers and incumbents.

The League of Women Voters has been re-

markably perceptive, we think, in recognizing that a problem exists with respect to the officeholder seeking re-election and the non-incumbent challenging him. Legislation that would treat incumbent and challenger alike actually would wind up helping to insure the re-election of the incumbent. The league is similarly farsighted in recognizing that limits on campaign spending should not be allowed to restrict the full discussion of campaign issues and candidates.

The league, in short, has done its homework and discovered, in the process, that the problem of reforming the methods by which political campaigns are financed is fearfully complex—too complex for easy, unthinking answers.

We have suggested before in this space that the most appealing feature of proposals for the public financing of political campaigns is that they eliminate the necessity of thinking through all the problems. One simple answer, the public-financing proponents seem to be saying, will solve all—or nearly all—the problems.

The League of Women Voters is to be commended for reminding us that complex problems rarely have easy answers.

[From the Cincinnati Enquirer, Feb. 6, 1974]

STILL ANOTHER PITFALL

One of the political facts of life in the United States to which proponents of public financing of political campaigns have paid little or no attention is that, despite the hoopla, the biennial battle for control of the U.S. House of Representatives takes place in roughly 50 of the House districts—districts evenly enough divided to go either way. These 50 districts constitute 20% of the House. In the other 80% of the districts, congressional candidates are either not opposed at all or are opposed so feebly that no real contest is involved.

The advocates of using money from the federal Treasury to finance congressional, as well as presidential, elections seem not to have taken that circumstance into account. They would make federal funds available to challengers even in districts in which, in normal circumstance, the incumbent would be unopposed for re-election.

Most, but by no means all, of such districts are in the Deep South, where, for all practical purposes, Republican candidates for Congress rarely have a chance. Hence, in 1970, there were no Republican congressional candidates in seven of Louisiana's eight congressional districts, in two of Kentucky's seven, in three of Arkansas' four, in three of Florida's 12, in five of Georgia's 10, in three of Massachusetts' 12. In the same year, there were no Democratic candidates in one of Ohio's 24, in one of New York's 41, in one of Texas' 23.

Candidates run unopposed in such districts not as the result of some diabolic scheme, but because practical politicians have calculated, on the basis of long experience, that there is no chance of unseating the incumbent or that one party's registration is so much larger than the other that an election's outcome is foreordained.

Yet any of the various plans for financing political campaigns out of the public-revenue would make funding available to both parties on an equal basis.

It is difficult to see what principle of equity would thereby be served.

[From the Cincinnati Enquirer, Feb. 14, 1974]

THE HEADLONG RUSH

One of the ironies of Congress' consideration of campaign reform is the seeming unwillingness of key congressional leaders to wait until the facts are in. The abuses that campaign reform is aimed at correcting have been around, in one form or another, for at least a century. Yet the spirit in Congress appears to be one of demanding an instant answer—or what at least passes as an instant answer.

Only last week, as an illustration, the Senate Rules Committee gave its assent to a proposal for financing presidential and congressional campaigns out of the federal Treasury and to offer matching funds for candidates in primary campaigns. The Rules Committee's action, which puts the measure a long step closer to approval by the full Senate, came before the Senate Select Committee on Presidential Campaign Activities (the so-called Watergate committee) had even started to work assembling its final report. Yet campaign financing was one of three major areas in which the Senate asked the committee to delve. It needs to be remembered, of course, that the prolonged Watergate inquiry was undertaken in the first place for the purpose of recommending new legislation. But the Senate seems determined to act on a proposal to transform the face of political life in America without waiting for even a hint of the committee's recommendations.

Public financing of political campaigns is, in our judgment, a drastic, wholly unwarranted device to remedy what many have seen as the shortcomings of the status quo. Perhaps its appeal lies in its very simplicity. But therein also lies its principal failing.

No measure that would go so far to changing the system by which Americans elect their leaders should be undertaken without extensive, exhaustive inquiry. But it appears to be precisely that kind of inquiry that the Senate leadership appears determined to avoid.

SKYLAB MAY HELP FOOD INDUSTRY GROW

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 20, 1974

Mr. TEAGUE. Mr. Speaker, the Detroit News in a recent article by Mr. Leroy Pope, UPI business writer, outlines the number of contributions to the food industry derived from the Skylab program. Mr. Pope discusses hospital feeding,

fortified foods, and a number of other significant discoveries that will find direct applications in our daily lives. I commend Mr. Pope's article to your reading. The article follows:

SKYLAB MAY HELP FOOD INDUSTRY GROW

(By Leroy Pope)

NEW YORK.—Lessons learned in feeding astronauts aboard the various Apollo spacecraft and the Skylab may have significant applications in the food industry.

Hospital feeding is one area. Lessons learned in space eventually may be important in preparing foods for campers and vacationers, for boaters, for people engaged in scientific and other explorations in remote areas and to some extent the military.

This is the conclusion of Dr. Robert Pavey, a Cornell University-educated nutritionist who has had overall direction at Swift & Co., Oak Brook, Ill., of preparing foods and menus for the astronauts in the Apollo and Skylab ventures.

Whirlpool Corp. of Benton Harbor, Mich., was the prime contractor on both programs, and Swift obtained the subcontract to supply all the meat and meat-related foods and some vegetables and fruits.

"Companies that were drawn into the program," Dr. Pavey said, "include Pillsbury for bakery products; Oregon Freeze, dried products; General Foods, Kraft, special clinical nutritional foods."

It was a big jump from the pouched, liquefied foods sucked through straws by the astronauts on the early space trips to the varied stock of 70 virtually fresh foods enjoyed by the crew of Skylab. In the process, much was learned, Dr. Pavey said.

Not all that was learned concerned the food itself. For example, work with official of the National Aeronautics and Space Administration (NASA) helped Dr. Pavey develop a compact, insulated combination stove and table that can hold unmelted ice cream next to a steaming main course.

Another mechanical development was an improved warmer tray that could have a revolutionary effect on the preparation of meals for airliner passengers and in schools and other institutions.

Dr. Pavey said the program developed more variety in five kinds of foods that have special clinical nutritional applications. These are:

Formula foods—used for "nutrification" of patients and convalescents who refuse most regular foods. They can correct deficiencies quickly.

Fortified foods—adding potassium to orange juice for example or adding some other mineral or vitamin designed to combat a specific medical problem.

Bite size foods—prepared to enable very ill patients to feed themselves and thus lift their morale.

Adjustment foods—those with few or no calories.

Intermediate moisture foods—also used to tempt very ill patients to feed themselves.

Dr. Pavey developed the Skylab menu with a staff of about 20 in a laboratory at Oak Brook. The 70 items included such delicacies as filet mignon and lobster newburg.

HOUSE OF REPRESENTATIVES—Thursday, March 21, 1974

The House met at 12 o'clock noon. The Reverend Joel W. Pugh, Episcopal Church, Falls Church, Va., offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Representatives in Congress here assembled; that Thou wouldst be pleased to direct and prosper all their consulta-

tions to the safety, honor, and welfare of Thy people. Fill them with the love of truth and righteousness; and make them ever mindful of their calling to serve this people in Thy fear. Grant that all things may be so ordered and settled by their endeavors that peace, truth, and justice may be established among us for all generations; through Jesus Christ, our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.