A species with very low numbers—or a single concentrated population—is far more vulnerable to extermination from disease, hunting or habitat change than a species with larger numbers or a more widely dispersed population. Despite intensive protection efforts, the California condor and the whooping crane (with remnant populations of a few tens of individuals), the Laysan Hawaiian duck (with its total population on one small island) and the Devil's Hole pupfish (limited to a single pool in Nevada) are much more vulnerable than the Florida manatee (whose remnant population is spread along parts of the Florida coast) or the grizzly bear (with populations in the hundreds).

The population of a given species that the habitat can support is known as the "carrying capacity." The carrying capacity of a habitat is determined by what amounts to the weakest strand in the habitat web, and this weakest strand is known as the "limiting factor." The usual limiting factors are the amount and distribution of water, food and cover which, in turn, interact with the mobility of the animal involved.

For example, the cottontail rabbit must fulfill all its living requirements within a limited range of a few miles, while a mourning dove can make long daily flights between its feeding and resting area and its source of water. Thus, a single source of water might support a large and scattered population of mourning doves, but only a few rabbits.

Cover too, can be a limiting factor in several ways. Thick evergreens provide survival cover for some northern birds and mammals during winter storms. Some cover facilitates escape from predators or protection of nests. Location and interspersion of cover is also important, and many species need several different types. Sage grouse, for example, require escape cover, areas of sage for feeding and bare open areas for strutting.

Frequently, the factors that limit the carrying capacity of habitat are quite complex, especially so in food. For such animals as seed eaters and some predators the limiting factor is usually an insufficient quantity of food in certain seasons. Wolves may find food plentiful when migratory animals pass through, but at other times—when they must rely on resident prey—the pickings may be sparse. It's usually feast or famine with all seed-eaters, including the endangered Laysan and Nihoa finches, and the quantity available during the lean time of the year is the limiting factor. (This is why backyard bird-feeding trays are so effective in winter and also why, once started, such feeding should be continued until natural seeds are available.)

Quality of food is also important, especially to grazing and browsing animals where the limiting factor is often the availability of plants with the highest nutritional value during the period of greatest stress. With California mule deer in the Sierra Nevada mountains, for instance, the worst period is late winter, when plants are dormant, vegetation is snow-covered and the nutritional value of the available forage is low. Moreover, the protein content of the leaves of one plant may be five times higher than in a different plant species in the same area.

But habitat is not just a particular physical place. It is the sum total of the environmental conditions necessary for a species' health and survival. For many migratory creatures, that covers a lot of territory. Many ocean fishes reproduce in the shallow, nutrient-rich coastal waters, yet spend most of their life in the deeper ocean. It is estimated that a minimum of 60 percent of all commercially valuable ocean fishes rely on the coastal areas for some part of their life cycle, and these areas are most vulnerable to pollution. Anadromous fishes, such as salmon, spawn in cold, swift water high in coastal mountains, then migrate downstream to the ocean, where they grow to maturity and ultimately return up the same river to spawn. Obviously, the survival of both kinds of fish depends upon maintenance of their total habitat web.

Most ducks, geese and swans migrate in the spring to breeding grounds as far north as the shores of the Arctic Ocean, returning in the fall to winter grounds in the United States or farther south. Their habitat, therefore, includes the northern breeding grounds, the southern wintering grounds and all the areas they visit in between. For example, more than 200,000 Canada geese stop at Horicon National Wildlife Refuge in Wisconsin for a month during their fall migration south. If, for some reason, the Horicon Marsh was destroyed or developed, it would totally disrupt behavior of a sizable percentage of the Canada geese in North America.

Yet another habitat dimension is "biotic succession." Forest communities provide a good illustration, although the principles apply equally to grasslands and other communities. When a mature forest is cut or burned, leaving essentially bare ground, there will be a succession of types of vegetation and eventually—perhaps in tens or hundreds of years—there will be a forest again. Each stage in the recovery provides a different set of ecological niches for different animals. A mature forest is not a good habitat for deer, because it lacks small growth which the earlier successional stage has.

Through lumbering, grazing, burning and clearing, man is constantly creating *more* habitat for successional species (deer, elk, grouse, doves and rabbits) and *less* for animals that need a stable wilderness (bighorn sheep, caribou, grizzly bears, wolverines and ivory-billed woodpeckers). Maintaining habitats for these two types of animals calls for two entirely different approaches. The first requires active management, while to maintain habitat for more stable communities requires complete protection from any disturbance.

Currently, the contrasting fortunes of the moose and the barren-ground caribou in Alaska provide a dramatic illustration of how what's good for one animal may be slow death for another. The caribou requires large areas of lichens, and mature lichen growth needs decades to develop. The grazing patterns of the caribou do not damage lichens. But overgrazing by domestic animals and a recent series of severe fires set by man have sharply reduced this growth. Result: caribou have also decreased in numbers. On the other hand, the fires have encouraged the growth of hardwood trees and shrubs, a major source of winter food for moose. Consequently, moose have extended their range into the area.

Throughout history, of course, man has similarly destroyed many other animal habitats all over the world and modified most—if not all—of the rest. Species have been exterminated, forced to migrate elsewhere or to adapt to new conditions. Hardest hit have been those animals requiring large, stable wilderness habitats, such as the buffalo, the grizzly and the wolf. In fact, over half of the mammals exterminated in Africa, Asia, Europe and North America have been large, wide-ranging predators—bears, wolves, foxes and cats. And about 40 percent of the extinct continental mammals have been large, hooved creatures requiring extensive feeding grounds. Roughly, half the species currently threatened are from this group.

The process of habitat modification continues today, accelerated by increasing human populations and new technologies. To make matters worse, pollution from pesticides and a great variety of other substances has added a new and lethal dimension. It is impossible to find an organic sample anywhere in the United States which is free of DDT or dieldrin. Twenty states have closed rivers and lakes to fishing because of mercury levels in the fish. Mercury has been found in waterfowl and DDT in upland game birds. Each year researchers uncover new pollutants and new facts concerning old ones. But chemical wastes, detergents, heavy metals, oil, sewage, exhaust fallout and heat continue to spread across the land and pour into the air and water.

More than 40 species of birds are plagued with the consequences of ingesting pesticide-contaminated foods. Their survival is threatened by progressive shell thinning—their eggs become so fragile the parent birds break them by stepping on them, while turning them during incubation, or even when laying them. Hundreds of pelicans on California's Anacapa Island lay eggs that are little more than yellow splotches on rocks and sticks. Our national symbol, the bald eagle, 13 species of hawks, and many other of our most spectacular birds are declining in number because of shell-thinning. And when a species cannot reproduce, its future is certainly bleak.

Far from being isolated tragedies, such problems are symptomatic of the health of wildlife in general. And that condition is usually a good index of any nation's natural resources. I have found by personal observation in 90 countries where there is a scarcity of wildlife, there also tends to be destructive exploitation of other resources. In part, this situation stems from a country's policies (or lack of them) toward resource management. Beyond that, it also reflects the pervasive impact of land use, and abuse, on wildlife habitat.

All this does not mean wildlife is doomed. Throughout the world, there is a growing appreciation of the values of wildlife in general. In 1972, more than 100 nations assembled at the United Nations Conference on the Human Environment in Stockholm. In 1973, eighty nations met in Washington and agreed to protect endangered species through control of international trade. Perhaps most important of all, though, people are at last beginning to realize that, in the final analysis, habitat protection is wildlife protection.

SENATE—*Tuesday, March 26, 1974*

The Senate met at 11 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, who hast designed us for companionship with Thee, and who hast called us to walk with Thee and be not afraid, be with us in our work that it may be done in the confidence of Thy strength and wisdom. In quiet moments, in dutiful hours, wilt Thou sustain us. Keep ever before us the vision of the better world which is yet to come and give us a worthy part in bringing it about. Give us strength to persevere in the right as Thou dost give us to see the right. Reward us in the knowledge of work well done. Grant us the grace of the Man of Nazareth who went about doing good.

We pray in His name. Amen.

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THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, March 22, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REFERRAL OF S. 2928 TO COMMITTEE ON THE JUDICIARY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the bill S. 2928—entitled "Consumer Controversies Resolution Act"—which was referred to the Committee on Commerce on January 31, 1974, be also referred to the Committee on the Judiciary, provided that should either committee report the bill the remaining committee will have 45 calendar days within which to file the report, after which time the remaining committee will be deemed discharged and the bill will automatically be returned to the calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nomination on the Executive Calendar, under Federal Home Loan Bank Board, will be stated.

FEDERAL HOME LOAN BANK BOARD

The second assistant legislative clerk read the nomination of Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order, at the conclusion of morning business today, that the pending bill be laid aside temporarily and that at that time the Senate proceed to the consideration of Calendar No. 710, S. 2893, to amend the Public Health Service Act.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 715, 716, 718, 720, 721, 722, 723, and 724.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CHARLES WILLIAM THOMAS

The bill (S. 2446) for the relief of Charles William Thomas, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Charles William Thomas, of Orange, Texas, who died in Washington, District of Columbia, shall be held and considered—

(1) to have been appointed as a Foreign Service officer of class 3 under sections 511 and 621 of the Foreign Service Act of 1946, on April 23, 1967;

(2) to have served, during the period from April 23, 1967, through April 12, 1971, as a Foreign Service officer of class 3;

(3) to have died on April 12, 1971, as a Foreign Service officer of class 3; and

(4) to have had in effect for the period from April 23, 1967, through April 12, 1971, that amount of group life insurance, and an equal amount of group accidental death and dismemberment insurance (purchased by the Civil Service Commission) to which he would have been entitled as a Foreign Service officer of class 3 during such period.

(b) The Secretary of State shall determine—

(1) the amount of salary (including increases in salary under section 625 of the Foreign Service Act of 1946) to which the said Charles William Thomas would have been entitled during the period from April 23, 1967, through April 12, 1971, as a Foreign Service officer of class 3, less an amount equal to the difference between the amount actually paid by the said Charles William Thomas in group life and accidental death and dismemberment insurance premiums and the amount of such premiums he would have paid for the coverage of such insurance during that period had he been a Foreign Service officer of class 3;

(2) the amount of any lump sum payment to which the said Charles William Thomas would have been entitled under section 5551 of title 5, United States Code (relating to accumulated and accrued leave), upon his death on April 12, 1971, as a Foreign Service officer of class 3;

(3) the amount of annuity to which the widow of the said Charles William Thomas would have been entitled under section 821 of the Foreign Service Act of 1946 from April 12, 1971, through the day prior to the date of enactment of this Act had such annuity been computed on the basis of the amount of salary referred to in clause (1) of this subsection and the service referred to in subsection (a) of this section;

(4) the amount of any insurance lump sum or other benefit payments to which the widow and children of Charles William Thomas, deceased, would be entitled to pursuant to paragraph (4) above.

(c) Each amount determined by the Secretary under subsection (b) of this section shall be (1) reduced by any amount paid to the said Charles William Thomas as salary during the period referred to in clause (1) of such subsection, as an annuity payable to the widow of the said Charles William Thomas, and (2) as so reduced, paid by the Secretary out of funds available for the payment of salaries of Foreign Service officers, lump sum payments, or annuities to such officers or their survivors, as appropriate.

(d) In the administration of section 832 of the Foreign Service Act of 1946, as amended, the surviving widow of the said Charles William Thomas shall be entitled to be paid an annuity as recomputed on the basis of the provisions of subsection (a) of this section.

SEC. 2. No part of any payment authorized in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM

The Senate proceeded to consider the bill (S. 3052) to amend the act of October 13, 1972.

Mr. HRUSKA. Mr. President, the legislative proposal before us, S. 3052, would extend the final date for the last report of the Commission on Revision of the Federal Court Appellate System by 9 months from September 1974 to June 1975. The bill also increases the authorization from $270,000 to $1,000,000.

The Commission, established by Public Law 92–489, is made up of four members from the Senate, four from the House, four appointed by the President and four appointed by the Chief Justice. It was charged with two major objectives;

Initially, it was to study the geographic boundaries of the several judicial circuits and make recommendations for change. The Commission finished its first phase and issued a report in timely fashion in December 1973. This report set out recommendations for the realinement of the fifth and ninth circuits. Bills which implement these recommendations were introduced last month by Senator BURDICK and are scheduled for hearings beginning March 27.

In its present phase, the Commission is studying the structure and internal procedures of the circuit courts and is preparing recommendations thereon. Briefly the areas being studied include such subjects as:

Assuring the finality of criminal convictions;

Widespread denial of oral argument (in one circuit oral argument is denied in almost 60 percent of the cases);

A more efficient mechanism for avoiding conflicting decisions between circuits;

Widespread decision of cases without opinions;

Substituting "leave to appeal" for the right to appeal;

Jurisdiction of patent appeals;

Optimum size of courts of appeals.

The experience gained by the Commission during its first phase yielded impor-

tant lessons which will apply to the second phase. Specifically, it is apparent that there is great interest in the work of the Commission and many members of the legal community wish to express their point of view regarding the areas under study. With the great diversity of opinion which has been encountered to date it is apparent that more time will be required to evaluate the testimony that the Commission is receiving. During the first phase the Commission held a number of onsite hearings which enabled the various local legal establishments to present their viewpoints.

Because of the nature of the proposals which the Commission may make it would be helpful to provide time for the circulation of a preliminary report. Thereby, comments and criticism can be received and considered before the issuance of a final report. Additional time will be required to follow such a procedure.

Detailed figures would be examined in connection with an appropriation. However, it should be noted briefly that there is need to supplement the Commission staff which presently consists of the Executive Director, his deputy, and a junior full-time attorney. Interest has been shown in the publication of transcripts of the hearings—future hearings will require substantial expenditures—the enabling legislation provides for services both by the Administrative Office of the U.S. Courts and the Federal Judicial Center on a reimbursable basis. Additional funds are needed for this purpose. The total requested ($1,000,000) for the full 2 years is in line with the authorizations for similar undertakings.

In summary, the time schedule required now by the statute is not realistic in view of the profound and massive proposals for change. Because they do deal with long established and fundamental institutions and procedures, there would tend to arise a negative attitude toward change, not because of any lack of merit, but due to inadequate time in which to familiarize one's self with the propositions involved. An extension of time would go far to correct this.

The present final report date is September 1974, which would call for wide circulation of a preliminary report by June. In spite of its diligent efforts this would not be feasible for the Commission to accomplish. Hence, extension of final report date to June 1975; I, therefore, urge that this bill be passed.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be is enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 13, 1972 (86 Stat. 807) is amended as follows:

(a) Section (2) of section 6 of such Act is amended by striking out "fifteen months" and inserting in lieu thereof "twenty-four months".

(b) Section 7 of such Act is amended by striking out "not more than $270,000" and inserting in lieu thereof "not more than $1,000,000".

AMENDMENT OF THE ADMISSION ACT FOR IDAHO

The Senate proceeded to consider the bill (S. 939) to amend the Admission Act for the State of Idaho to permit that State to exchange public lands and to use the proceeds derived from public lands for maintenance of those lands which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That section 5 of the Admission Act for the State of Idaho (26 Stat. 215), as amended, is further amended, as follows:

(a) In the first sentence of such section delete "That" and insert in lieu thereof "(a) Except as provided in subsection (b),".

(b) In the second sentence of such section—

(1) delete "But said" and insert in lieu thereof "Such";

(2) after "hydrocarbon lease," insert "or a geothermal resource and associated byproducts lease,"; and

(3) after "produced" insert "in paying quantities or the lessee in good faith is conducting well drilling or construction operations,".

(c) At the end of such section insert the following new subsection;

"(b) Such lands may be exchanged for other lands, public or private. The values of such lands so exchanged shall be approximately equal or, if they are not approximately equal, they shall be equalized by the payment of money by the appropriate party. If any such lands are exchanged with the United States, such exchange shall be limited to exchange under the laws governing the administration of such lands. All such exchanges heretofore made with the United States are hereby approved."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "An act to amend the Admission Act for the State of Idaho to permit that State to exchange public lands, and for other purposes."

FEDERAL MINE SAFETY AND HEALTH AMENDMENTS OF 1973

The resolution (S. Res. 296) authorizing the printing of additional copies of the committee print entitled "The Federal Mine Safety and Health Amendments of 1973" (S. 2117), was considered and agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Labor and Public Welfare three thousand additional copies of its committee print of the current Congress entitled "The Federal Mine Safety and Health Amendments of 1973 (S. 2117)".

PURCHASE OF CALENDARS

The resolution (S. Res. 299) relating to the purchase of calendars was considered and agreed to, as follows:

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $12,875 for the purchase of twenty-five thousand seven hundred and fifty calendars. The calendars shall be distributed as prescribed by the committee.

NUTRITIONAL INTERVENTION THROUGH SUPPLEMENTAL FEEDING

The concurrent resolution (S. Con. Res. 73) authorizing the printing of additional copies of a committee print of the Senate Select Committee on Nutrition and Human Needs, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Select Committee on Nutrition and Human Needs five thousand additional copies of its committee print entitled "To Save the Children: Nutritional Intervention Through Supplemental Feeding".

VETERANS' BENEFITS CALCULATOR

The concurrent resolution (H. Con. Res. 78) to authorize the printing of a Veterans' Benefits Calculator, was considered and agreed to.

FOREIGN POLICY IMPLICATIONS OF THE ENERGY CRISIS

The concurrent resolution (H. Con. Res. 397) providing for the printing of additional copies of hearings before the Subcommittee on Foreign Economic Policy entitled "Foreign Policy Implications of the Energy Crisis," was considered and agreed to.

PROPOSED STRIKING OF TITLE V OF S. 3044

Mr. MANSFIELD. Mr. President, I ask unanimous consent that title V of S. 3044, which has been temporarily laid aside, be stricken. The chairman of the Finance Committee, the distinguished Senator from Louisiana (Mr. LONG), whose committee has jurisdiction over the subject matter of title V, intends to give highest priority to the proposal on the first available vehicle that originates in the House Ways and Means Committee.

Senator LONG is the originator of this proposal on the tax checkoff for public financing. The action I am proposing now will assure proper treatment of this measure in the House.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Montana?

Mr. ALLEN. Mr. President, reserving the right to object—and I shall not object—as I understand title V, it covers the doubling of the checkoff of $1 and $2, making it $2 and $4; also doubling the amount of the credit and the deduction presently allowed to a taxpayer for the contributions he makes to a political campaign; is that not correct?

Mr. MANSFIELD. The Senator is correct.

Mr. ALLEN. I thank the Senator. I have no objection.

Mr. HUGH SCOTT. Mr. President, reserving the right to object, I note that the ranking minority member on the Committee on Rules, the distinguished Senator from Kentucky (Mr. COOK) is not here and I do not know whether this has been cleared with him.

Mr. MANSFIELD. If the distinguished Republican leader will yield, may I say that it has been cleared with the chairman of the committee, the distinguished Senator from Nevada (Mr. CANNON), who, I think, has discussed it with the Senator from Kentucky (Mr. COOK), although I cannot state that for a fact.

I should like to make this proposition, that the Senator agree to my request at this time and if the Senator from Kentucky (Mr. COOK) has any opposition, we will——

Mr. HUGH SCOTT. That will be satisfactory to me.

Mr. GRIFFIN. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard.

OIL IN THE MIDEAST

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting article published in the New York Times Magazine section, March 24, 1974, entitled "Unradical Sheiks Who Shake the World."

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

[From the New York Times Magazine, Mar 24, 1974]

UNRADICAL SHEIKS WHO SHAKE THE WORLD

(By Edward R. F. Sheehan)

We were flying at 15,000 feet, in a Royal Saudi Air Force jet, over the Persian Gulf and the Arabian peninsula. Once or twice as we conversed I glanced out of the window and glimpsed the saffron glare of blazing gas below, those man-made torches that garnish the great oilfields of the Middle East. Seated opposite me in flowing robes, now fingering his worry beads, now fondling his tiny Pomeranian dog, Tina, was the mastermind of Arab oil strategy—Saudi Arabia's Minister of Petroleum and Mineral Resources, Sheik Ahmed Zaki al-Yamani.

It was early winter. We were returning to Jidda from Teheran, where the petroleum ministers of the world had just increased the posted price of oil. The flight was a family party; Sheik Zaki's two adolescent daughters and his 12-year-old son, Hani, were on holiday from school in Lausanne, and they romped with Tina as the minister and I pursued posted prices and other, more congenial topics. Yamani is brilliant when he talks shop, even better when he discusses Freud, Bernard Shaw, his own boyhood as a student in the Holy Mosque of Mecca, his days at Harvard Law School, astrology, anthropology, ESP, Arabic poetry and Mozart. But inevitably we returned to the high price of oil. "What price would you consider reasonable?" I asked.

"We can get any price we want," Sheik Zaki said with a sigh. "There were proposals at Teheran that we raise the posted price to $23 a barrel. If we made it that high, we'd earn $100-billion in a year. The world would soon run out of Eurdollars. . . ." In fact, I learned from other sources later, Yamani clashed in Teheran with the Shah of Iran, who announced the present posted price of $11.65 a barrel before Yamani had acquiesced. The Shah was cashing in on the shortages the Arabs had created by their embargo, and though he can use the money, he condemned the Saudis to much more wealth than they can cope with. Yamani went to Teheran with strict instructions from his King to keep the prices down; Iran and other petroleum producers overruled him. So Saudi Arabia will earn at least $20-billion this year, and by 1980 may possess $200-billion in foreign investments and currency reserves.

My five days as Sheik Zaki's guest were among the most illuminating of a two-month tour I recently completed of Saudi Arabia, Kuwait, Abu Dhabi and other petroleum principalities of the Persian Gulf. I met King Faisal and several other rulers and their ministers, as well as a multitude of common people, American oil executives, Western diplomats and financiers. I aspired to assess the regimes that reign on the peninsula, to discover how they are spending their riches at present and how they plan to dispose of them in the future. The wealth of the Gulf has progressively attracted a host of African and Asian paupers and astute merchants from the West, and now that migration is beginning to resemble the California gold rush. Already the Gulf is emerging as a major source of world capital, and inevitably the Arabs—in their collectivity—will join America, Russia, China, Western Europe and Japan in the fellowship of global powers. What desert soothsayer at the dawn of this century, what omniscient New York pundit on the morrow of Araby's ignominious defeat by Israel not seven year ago, would have dared prophesy such ironies?

SAUDI ARABIA: PRESERVING THE WAHABITE WAY

The ironies were sown in 1901, when a penurious Bedouin warrior called Abdul Aziz ibn Saud galloped out of Kuwait with 40 companions mounted on camels and conquered the Nejd, that sandy wasteland in the heart of the Arabian peninsula. Ibn Saud was more than a desert warlord; he was a religious reformer—the apostle of Wahabism, a puritanical movement which preached a revival of Koranic simplicity and forbade all terrestrial pleasures save those of the marriage bed. He brandished the Book, the sword and his conjugal prowess with such tenacity that within 25 years he united most of the peninsula under his rule and created a kingdom more than twice the size of Texas. He bound the tribes to his person by marrying their maidens, and is said to have wed 300 times; he sired scores of sons. But Ibn Saud remained poor until the Americans discovered oil, at Dhahran on the Gulf, in 1938. Fifteen years later he died, the second richest man in the world, heartbroken by what wealth had done to the Wahabite austerity of his house.

He was succeeded by his son Saud, who soon made the monarchy a marvel of grotesque extravagance—immense concrete palaces, glittering with gold and neon, which housed his hundred successive wives. The swindlers of the Levant descended on Riyadh and ensnared the royal family in a web of fraud. Saudi princes ventured ever more to the fleshpots of the West, where they squandered fortunes on women, whisky and games of chance. By 1958, the monarchy was bankrupt, and to restore the kingdom's finances Saud was constrained to install his half-brother, Faisal, as Prime Minister.

Faisal was Saud turned inside out—frugal, intellectual, laboriously patient, and he lived monogamously in a villa, not a palace. (He has been wed to the same woman, Queen Iffat, for 50 years.) As a youth he had led a royal mission to the Court of St. James's, commanded an army which subdued rebellious tribes, ruled holy Mecca as Viceroy of the Hejas. Immediately as Prime Minister he embarked upon reform; in 1964, the royal family deposed Saud and proclaimed him King.

Since then, Faisal has pursued an extraordinary vision. As ardently religious as his father, he was determined to prove that moral rectitude and fantastic wealth could flourish together. He was determined to avoid an irreparable collision of Western materialism with his own Wahabite code, to lead his people to universal prosperity while insulating them from the mischief of socialism, the godlessness of Communism and the decadence of the liberal democracies. He would bestow upon his kingdom all the blessings of technology, while retaining the Koran as the law of the land.

During the decade of Faisal's reign, the Government has scattered thousands of miles of asphalt roads across the desert to connect the major towns, but that was only an initial step in the creation of the kingdom's "infrastructure." The Government has erected seaports, airports, refineries, hospitals, clinics, schools, with increasing speed—and not only in the cities. Even remote corners of the kingdom, where the populace is still wretchedly poor, are beginning to be redeemed.

Education is Faisal's first priority. To glimpse what is being done, visit the primary school in the dusty Bedouin village of Dar Alria, 40 miles south of Mecca. Paved roads have not yet reached that place, but the farmers have American tractors and they are eager for the advancement of their sons. A hundred boys squeeze into a mud-brick schoolhouse painted white; they are taught by Palestinians, since Saudi teachers are still in short supply. Each boy will stay in school till he is 15, and a boy with any brains can count on a university education, with a salary while he studies. Illiteracy, rampant during the reign of Saud, is being steadily abolished. Why, even girls are being educated.

Or visit the King Abdul Aziz University near Jidda, the commercial capital on the Red Sea. The university recently found its endowment multiplied overnight by 2,500 per cent. Handsome new buildings are blooming there, and microscopes, X-ray machines, stuffed exotic fish for the new Department of Marine Biology await unpacking. The American credit system has been introduced; all students are required to learn English, and soon they progress from a simplified version of "Oliver Twist" to an unadulterated "Pride and Prejudice." More and more, the kingdom is being run by what a British businessman calls "a California Mafia"—young Saudi technocrats who have been trained at U.S.C., U.C.L.A., Berkeley and Menlo Park. This is overstated; the technocrats have also studied at Harvard, in Texas, in Indiana, and King Faisal's sons have attended not only Menlo Park but Princeton, Oxford and Sandhurst. Nevertheless, California pragmatism seems to suit the Saudis well, and hundreds have returned from the U.S. eager to adapt it to the problems of the kingdom. Perhaps nowhere in the world is the American method of free enterprise imitated with such devotion.

The Saudi economy has been carefully planned for the last five years. The Government has assumed responsibility for the huge tasks of national education, creating infrastructure, marketing petroleum, erecting steel mills and the like. Otherwise, the economy is consigned to the private sector; Saudi and foreign businessmen are free to pursue whatever profit the marketplace will countenance.

Today, Jidda and Riyadh, little more than mudbrick townships 15 or 20 years ago, glint with villas and apartment houses, skyscrapers and supermarkets. Shacks of wood and rusty tin still blemish the open spaces, but even the proletariat who inhabit them seem destined to be engulfed, not far in the future, by the torrent of plenty. Factories for consumers' goods—Pepsi-Cola, ice cream, tiles, towels, toilet paper, fiberglass, Venetian blinds already flourish—and hundreds more are planned. I.B.M. machines

have begun to keep the Government's books; soon computers will be commonplace in ministries and commerce. During Nasser's day, capital fled the country for fear of revolution. But, with stability, it has all returned and banks in Jidda, overflowing with cash, are refusing new accounts.

The kingdom's possibilities bewitch the mind. Saudi Arabia is the world's largest producer of oil after the United States; it is the world's greatest exporter; its 150 billion barrels of proven reserves exceed any other nation's; its probable reserves are much higher—perhaps more than half of the petroleum potential of all the non-Communist countries together. Moreover, its subsoil teems with other resources that have hardly been tapped—natural gas, tin, copper, zinc, aluminum, iron ore, silver, gold and uranium. The U.S. Geological Survey is scouring the peninsula in quest of it all, and when roads and transport reach remote regions, a new embarrassment of riches will begin to flow.

What of Faisal's vision—to sustain Wahabite theocracy as steadfastly as he has filled the kingdom's coffers? Nine years ago when Saudi television was launched, the authorities banned Minnie Mouse because she was a girl. Today, copies of Playboy are confiscated at the airport, but foreign women appear on television so long as they are chastely clad. Girls are educated separately but equally, though when they grow up they cannot drive cars or work in offices. Women rarely venture into the street, and when they do they are shadows, shrouded from head to foot.

The role of women is crucial to the kind of society that Faisal, who will soon be 70, is struggling to preserve. There is freedom and hypocrisy to be found behind closed doors. Wealthy, Westernized families revel at night with pop records and contraband Johnnie Walker; the sexes mingle; even stag films are not unknown. But in public Wahabite decorum is meticulously maintained. There are no theaters, no cinemas, no dancing halls, not even milk bars where boys and girls can gather. For drunkenness a man may still be flogged before the great mosque of Riyadh; the *Mataw'ah*, the religious police, may thrash the hapless merchant who fails to observe the Sabbath or forgets to say his prayers. Rare is the adulteress who is still stoned, and a thief is sent to prison twice before he has a hand chopped off for his third transgression. Drug peddlers are beheaded. There are no bank robberies and no drug problem in Saudi Arabia.

Nor are there elections, save on the municipal level—no parliament, no political parties, no uncensored press, no trade unions, no Constitution save the Koran and the *Shari'ah*, Islamic law. The society is still tribal, a vast extension of the Saud family; if a poor man cannot acquire equity by pulling strings with richer relatives, he can exercise his hallowed right by knocking on the doors of the mighty and demanding his due. Even the King is accessible to the lowest of his subjects. On Thursday mornings he holds his *majlis*, his open court, when any citizen may protest to him in person. The Saudis call this "direct democracy."

There is robust debate within the committees of the Government; even the myriad princes of the royal family are of divided counsel about the political evolution of the kingdom. One faction, composed of several of the King's own sons and brothers and some younger Cabinet ministers, covets not only Kuwait's womb-to-tomb welfare system but its parliamentary checks and balances. Tribal democracy has worked in the past, since before the birth of Islam, but can it function in a state which aspires to be technological? Can it reduce the corruption in the ministries that so many complain of? It is one thing for the Government to deny the middle class the right to read Playboy, quite another to promise a parliament and a civil constitution only for the misty future. And yet, there has been surprisingly little agitation for Western forms of democracy, largely because so many lucrative jobs are waiting to be filled by educated Saudis. Once they get the jobs, the Saudis tend to become so absorbed in self-advancement and making money that they have little leisure left for politics.

Perhaps Faisal foresaw this. Perhaps he perceives better than his critics how quickly his kingdom can assimilate change. Gradualism seems to be his solution to practically every problem. He can be cruel; he may crush a corrupt or incompetent official to set an example, but more often he bides his time and allows the man to destroy himself. Usually he speaks in silences.

I got a glimpse of that great reserve when I was received by Faisal ibn Abdul Aziz ibn Abdul Rahman al-Faisal al-Saud at the Royal Palace at Riyadh, in an immense room with a yellow carpet and painted green walls. The room was thronged with retainers, petitioners, soldiers; but when the King motioned me into an armchair beside his own, all of that entourage, in a magical migration of whispering robes, vanished from our presence, leaving only an aide and a servant who served us glasses of sweet tea. As I sipped, I regarded the hawkish profile of the King, his draped head surmounted by a band of woven gold, and it occurred to me that the caprice of geology had made him the mightiest Arab of a millennium. He exuded an exquisite sadness. His face was deeply furrowed, perhaps from his bad stomach. Most remarkable was his mouth, frozen as though with permanent disdain for the burden of his kingdom's fortune and the follies of the human race.

When he spoke, his language was poetic, his voice high-pitched, like a lamentation. At the end, he fixed his exceptional eyes upon my own and said, "We beg you not to quote us." I was privileged he spoke to me at all, for the favorite game in Riyadh is fathoming his mind. Sheik Zaki Yamani is a master of that, and he told me afterward, "His Majesty dislikes talking, but he loves to give hints. He's terribly intelligent, and has the ability to hide it. Some people say he reasons like a Bedouin, but that's not really true because the Bedu live from day to day and His Majesty excels in foresight." Frank Jungers, the Chairman of Aramco, also knows Faisal well. "He never breaks his word," Jungers says. "He never tells you anything unless he means it."

Should this be so—I have no reason to be skeptical—it is astonishing that the American Government refused for so long to believe Faisal's warnings that he would wield his "oil weapon." When the definitive history of the Arab oil embargo is written, it will perforce reproach the Nixon Administration for an inexcusable display of blindness and deception.

Faisal has always assailed Washington's support of Zionism. But equally he admired America as the arsenal of anti-Communism, and he needed our technology to exploit his oil. (To this day he refuses relations with the Kremlin.) He progressed from friendship with us to a quasi-alliance, accepted American arms and seemed impervious to accusations of radical Arabs that he was a reactionary and a stooge.

In the spring of 1972, Washington suggested to Faisal that if he would help persuade President Anwar Sadat to reduce the Russian presence in Egypt, America would press Israel to withdraw from conquered Arab territory. Faisal exhorted Sadat accordingly; for this and other reasons Sadat expelled the Russians in July of that year. But Nixon ignored this epochal event. Faisal felt betrayed.

He had long resisted pressure from other Arab governments to withhold oil from the United States, invoking the maxim that "petroleum and politics do not mix." Finally, in April of last year, despairing of a response from Nixon to the expulsion of the Russians—and aware that Sadat was preparing to resume war—the King dispatched Minister Yamani on a special mission to Washington. Yamani was intercepted there by some American oil experts, who urged him to warn the Administration in blunt language of what he had already intimated in private—that Saudi Arabia would not increase production to meet America's needs unless Washington began working for Israeli withdrawal. Yamani agreed, and subsequently saw Dr. Henry Kissinger, Secretary of the Treasury George Shultz, the then Secretary of State William Rogers and his assistant, Joseph Sisco. It was, Lamani later told friends, "a dialogue of the deaf." The State Department, Saudi sources insist, spread rumors that Yamani did not speak for the King.

There ensued throughout the summer a caravan of private and public warnings by Faisal, two of his sons, Yamani and other ministers, that Saudi Arabia would ration its oil unless Washington adopted "a more evenhanded and just policy" in the Middle East. But the line in Washington continued to be that Faisal was bluffing. Secretary Shultz spoke of Arab "swaggering"; in a press conference, Nixon ominously evoked the C.I.A.'s overthrow of Premier Mossadegh in Iran two decades ago.

When the fourth Arab-Israeli war erupted on Oct. 6, Faisal was partly financing Egypt, but still he hesitated to impose a boycott. He sent Yamani to a meeting of Arab oil ministers in Kuwait with instructions to resist radical reprisals against the United States. Faisal was in secret communication with Nixon. He anticipated that Nixon would replenish Israeli arms to compensate for the Soviet deliveries to Egypt and Syria, but he warned the President that a massive public bequest to Israel would make Saudi forbearance untenable before Arab opinion. On Oct. 17, Nixon asked Congress for $2.2-billion in military aid to Israel.

This was, by every account, the breaking point. Faisal decreed a severe slash of production and an immediate embargo of all oil shipments to the United States. Assistant Secretary Sisco thereupon declared that America depended on the Arabs for only 2 or 3 per cent of its oil—an outright misstatement of the nation's true need.

Dr. Kissinger flew to Riyadh on Nov. 8, and again five weeks later, to confer with the King. Their first meeting was a courteous confrontation. It is no secret that Faisal has a phobia of Jews. Kissinger, though aware of that, was serene. The King was terse. At one point, Kissinger told the King, "I arranged détente with Russia. I opened the door to China. I brought peace to Vietnam. I want to bring peace to the Middle East. I don't like failure. I have not failed. I shall not fail." The King remained totally impassive. Kissinger brought up the embargo. The King replied, politely but adamantly, that the embargo would not be ended until all of the Arab territories, and the rights of the Palestinians, were restored.

The second meeting, in mid-December, was more friendly. Kissinger spoke of his hopes for the imminent negotiations. "Your Majesty must trust me," he said, according to Saudi sources. "I cannot deceive you. If I did, you would know within two months. Lift

the embargo now—reimpose it later if I achieve no results with the Israelis." The King had experienced more than his share of empty American promises, but he implied that he did trust Kissinger. He did not undertake to suspend the embargo, but for the first time he hinted he might modify it in proportion to the progress that Kissinger achieved toward Israeli withdrawal.

Yamani feared that the embargo might backfire if it caused a recession in America, and he kept urging this view on Faisal. Kissinger's exhortations were echoed by Sadat once the Israelis began to retreat in Sinai. This month the Arabs have decided to relax the embargo, though Faisal will probably desist from substantially increasing production beyond September levels until East Jerusalem is returned to the dominion of his people. How paradoxical that the embargo, and the October war, might never have happened had Nixon embraced last summer Kissinger's present policy of nudging the Israelis out of Arab territory.

In the meanwhile, the Saudis must worry about what to do with all their money. They seem to find the prospect frightening. They favored moderate increases of the old posted prices, but they are fiscal conservatives who dread world inflation, and they neither need nor want the astronomical sums that will soon be theirs. Yamani made this clear to me, and now he is openly struggling to persuade the other producers to lower the price of oil.

Even if he succeeds, it will not help much. Saudi Arabia's population hardly surpasses five million, and last year the Government barely managed to spend two-thirds of its budget. Imagine the problem as it contemplates accumulating, over the next several years, half of the holdings on the Eurocurrency market and a third of the whole world's central bank reserves.

The Saudis plan to spend as much as they can creating a welfare state that will rival Kuwait's for opulence. "We're experimenting with a new kind of welfare state," says Hisham Nazer, the brilliant young minister for planning. "If we succeed, we'll serve as a model for the entire Middle East. We'll have little to fear from the Arab leftists, for we will influence *them*."

As of today, Saudi society is far from equalitarian. Most of the wealth goes straight to the state treasury; the King has progressively reduced subsidies to the 2,000 princes of the realm, but the royal family is entrepreneurial and seems to be growing richer. The mercantile middle class—it is expanding rapidly—also benefits from the new wealth as the Government dispenses huge contracts and private business proliferates. The Bedouin population, now less than a fifth of all Saudis continues to diminish as nomads cluster more and around settlements with schoolhouses or migrate to the towns. These poor of the myriad tribes—the Utaybah, the Anaza, the Shammar—do not receive direct handouts, though free education, medical care and universal social security will probably be followed within the next few years by subsidized housing, guaranteed incomes and similar benefactions. The Government hopes to infuse the populace with a work ethic by dangling incentives and exalting individual initiative. This may not be easy. Yemenites, Hadramautis, Sudanese perform the menial labor the Saudis disdain to do themselves, and Egyptians and Palestinians abound in services and crafts because so many bright young Saudis aspire to be ensconced in offices.

The Government is resolved to erect a vast industrial superstructure that will sustain future generations when eventually the oil dwindles—steel mills, a tanker fleet and plants that liquefy gas, produce petrochemicals and assemble automobiles. Thus it is seeking to conclude immense bilateral agreements with various capitalist governments to establish industrial complexes in exchange for steady supplies of oil. At the Ministry of Petroleum I witnessed a procession of emissaries file into the chambers of Yamani and his deputies, their portfolios bulging with projects; the Japanese have promised the Saudis every contraption under the sun, and the French are the busiest beavers of all.

King Faisal, Yamani and other ministers would prefer to industrialize with the U.S. as their major partner, but they hesitate so long as Israel keeps its conquests. Nevertheless, though the role of the American Government remains in doubt, private American firms are scrambling to negotiate *ad hoc* transactions with Riyadh. Uncertain of fuel at home, some will build factories at the source. Marcona Corporation of San Francisco, for example, has assembled a consortium to build a $500-million steel mill in a joint venture with the Saudi Government, and it expects to sell the steel, at competitive prices, in Japan and California. But it will take more than money to industralize Saudi Arabia. The kingdom is drastically short of skilled manpower, and to fill those factories it may have to import hundreds of thousands of foreign workers who might unsettle the symmetry of Faisal's theocracy.

Yamani assured me that, provided the Israelis withdraw and the West assists the kingdom to industrialize, Saudi Arabia will increase production from about 8 million to 20 million barrels of oil a day by 1980. Other ministers, arguing that oil in the earth is far more valuable than depreciating dollars in the bank, are reluctant to deplete their treasure at anywhere near that speed. I doubt that this debate has been resolved. In either case, the Saudis intend to control their natural resources and have decided to assume 100 per cent ownership of Aramco, the world's largest oil-producing company—very soon. "But that's nationalization," I protested to Yamani. "If nationalization means divorce," he said, "then this will not be nationalization. It will be another form of marriage we're trying to invent." In truth, total Saudi ownership will not involve confiscation or expulsion, and the company's executives are resigned to it. Aramco, with its American management, will remain intact as a profit-making corporation that produces and refines the kingdom's oil. Nor will it sever completely its ties to Texaco, Exxon, Mobil and Standard Oil of California; it will, however, be responsible to Riyadh rather than to them. A unique new arrangement is being negotiated, though neither Americans nor Saudis expect the bargaining—over compensation and future profits, for instance—to be easy.

The Government hopes to spend at least $60-billion over the next six years on welfare infrastructure, internal development, defense and industrialization. That will still leave a surplus that may amount to scores of billions and must find a home outside of Saudi Arabia. The Saudis have contributed more than $1-billion to the Egyptian and Syrian war effort, and they send generous subsidies to Jordan and the Palestinians, but their future undertakings are expected to dwarf those. Saudi capital should logically become the great exchequer of development throughout Araby and Islam.

Egypt, with its teeming population and tremendous poverty, will be the obvious place to start. Already, with Kuwait and other Gulf states, the Saudis are helping to finance the $400-million oil pipeline that the American Bechtel Corporation will build between Suez and Alexandria—and the Egyptians hope that this foreshadows a torrent of Saudi investment. Recent Saudi aid to Somalia, Niger, Uganda and Oman has graduated from gifts to erect new mosques to schemes that will feed the hungry; similar benefactions have begun to flow to North Yemen and the Sudan. The Saudis, however, prefer bilateral transactions, and the harvest of their largess may be haphazard unless it is coordinated through multinational development banks.

Western economists say that not all the poor Arab countries together have the capacity to absorb the Saudi surplus. Inevitably, much of it will be invested in the West, particularly in those nations which assist the kingdom to industrialize. Today, several billion Saudi dollars are sitting in the Chase Manhattan, Morgan Guaranty and First National City banks, on short-term deposit drawing low interest. They are overripe for judicious long-term investments. The Government may one day buy "downstream" oil refineries and filling stations in the West, but it does not yet possess a coherent foreign investment policy.

In recent months a committee composed of royal princes and senior ministers has been formed to contemplate investment, and the number of eminent Western bankers offering them expertise is approaching mob proportions. They will need all the good advice they can get. The Saudis are the past masters of the oil business, of alchemizing petroleum into gold, but they lag years behind the Kuwaitis in investment skills—and in institutions that can channel their surfeit to the orphans and the needy of the earth.

KUWAIT: NO ONE GETS FIRED

Thirty-seven years ago an English gentleman, Lieut. Col. H. R. P. Dickson, dreamed a dream. Colonel Dickson was the British Political Agent and real ruler of Kuwait. One day, a violent sandstorm carved a hole by a palm tree in his compound, and that night he approached the hole and found a sarcophagus. Upon touching the shroud within, a beautiful maiden rose to life. Then he heard the shouts of some strangers in the desert who seized the sobbing girl and tried to bury her alive. Colonel Dickson chased the men away, then woke up.

Perplexed by his vision, he consulted a Bedouin woman renowned for her power of prophecy, who told him that the girl in the sarcophagus was the harbinger of riches beneath the sand of Kuwait and that the men were strangers from across the sea who wished to prevent its discovery. The Colonel should go to the diggers at Bahrah, tell them to abandon that place and proceed instead to the desert of Burgan. There, by a lonely palm tree, they would find a great treasure.

For two years, a British team had been drilling dry wells at Bahrah on Kuwait Bay, but they laughed at Colonel Dickson when he told them of his dream and urged them to try Burgan, about 30 miles south. Undaunted, he sailed to London and recounted his dream to the company's executives. One of them, a believer in dreams and prophecies, cabled Kuwait and transfered the team to Burgan. There, in May of 1938, by a lonely palm tree, they struck oil.

When the soothsayer's prophecy came to pass, the immense majority of Kuwaitis were Bedouins grazing goats on camel's-thorn, fishermen, seafarers, smugglers, struggling to survive. Today, Kuwait is in many ways the most advanced welfare state in the world; after Abu Dhabi, it is the richest in per capita income. Saudi Arabia produces more than twice as much oil, but Kuwait is smaller than Massachusetts and its population does not exceed 800,000. Of these, half are foreigners—Arabs of every clime, Indians, Persians, Pakistanis—and half the foreigners are Palestinians.

Kuwait possesses $3-billion in cash re-

serves, and may earn $7-billion from oil in 1974; by 1980 its holdings in external reserves and investments, depending on increased production, could amount to $100-billion. There are no income taxes in Kuwait; telephones are free; it grows spinach in glass houses without using soil, and draws its drinking water from the ocean through bizarre machinery that can purify 50 million gallons a day.

Kuwait City has become a patchwork quilt of air-conditioners, television antennas, modern hospitals, marble banks, broad boulevards, public parks, private palaces, neon-lit mosques, office buildings cocooned by concrete grilles. It is a money city, like Beirut, and no prettier, though Kuwaiti taste has improved with time and Hollywood modern is making way for futuristic arabesque. In the suburbs and the desert, Bedouins by the tens of thousands inhabit neat stone houses the Government has given them for almost nothing. The Government buys a patch of sand from one Bedouin for—say—$10,000; it sells the land for less than that to some other Bedouin, then buys it back a second time for $50,000 simply to keep the money circulating in every sector of society.

Education is free and compulsory for boys and girls. Wage scales for Kuwaiti workers, observes a local American entrepreneur, "are unbelievable." Not only is every Kuwaiti guaranteed a job; to get a man fired, an employer must appeal directly to the Crown Prince. "And since you can't fire him," continues the entrepreneur, "you can't make him work. The Government here is not only benevolent—it's too benevolent. It's made the gap between effort and reward so narrow that it's killed incentive. If you work, you are rewarded. If you don't work, you are rewarded." Small wonder that, on the level below the top portfolios, it is the Palestinians—most of them not citizens and therefore less pampered—who practically run the bureaucracy.

Kuwait is a compound of state capitalism and private enterprise, of tribal oligarchy and Westminster democracy. Its Ruler, Sheik Sabah al-Salim al-Sabah, is a hereditary figurehead. Real power reposes in his cousin, Crown Prince and Prime Minister Sheik Jaber al-Ahmed al-Jaber, whose power in turn is tempered by a fragile balance of Bedu tribes, merchant families, an enlightened Constitution, a bumptious parliament, an obstreperous press and insatiable trade unions.

The National Assembly cannot summon the Crown Prince, but his ministers must abide all manner of brickbats before that body, which is the only independent parliament in the Arab world save for Lebanon's. It is based on a small electorate—male Kuwaitis over 21—and political parties are prohibited. But it abounds in factions and the most vociferous of these are leftists. The press is more Palestinian than the Palestinians, as though aspiring through the various violence of words to spare Kuwait from further outrages by the *fedayeen*. (Kuwait airport has become, to everybody's embarrassment, the favorite destination of Palestinian hijackers.) The establishment is straitlaced about women, but women work in Kuwait and boast of a burgeoning liberation movement. Inevitably, they will win the right to vote and to sit in the Assembly, for the sheikdom's predominant mood is tolerance. Alcohol is banned, but you can get a good drink anywhere; Islam is the state religion, but Christian churches flourish. Infrastructure projects are approaching the saturation point, so more and more in coming years Kuwait must build its marvels in the world beyond—through wise investment.

There is an explosion of ideas about that, in Government, in the university, in the oil councils and the investment companies. At the moment, most of Kuwait's dollars are deposited in the First National City and other New York banks at low interest—a fiscal curiosity, since they could collect high interest on certificates of deposit and industrial bonds. The Government also maintains immense sterling reserves; with other Arab holdings, they amount to tens of billions of pounds; if they were massively withdrawn, the British economy would collapse.

The Kuwait Investment Company, (K.I.C.), half owned by the Government and half by private citizens, is the paragon of how Arab entrepreneurs will function in the future. Housed in a luxurious downtown suite, it is managed by Abdel Latif al-Hamad, a Harvard graduate who is perhaps the Middle East's most ingenious financier. The company loans money and floats bonds all over the world: Brazil, Province of Quebec, Mexican Petroleum Company, Industrialization Fund of Finland. In the fine print of "tombstone ads," alongside such firms as Lehman Brothers, N. M. Rothschild & Sons, the Nederlandsche Middenstandsbank, one finds Alahli Bank of Kuwait, the Union de Banques Arabes et Françaises and the Kuwait Investment Company. "The international money boys," observes a local American economist, "aren't fighting the Arabs—they're joining them. Kuwait is becoming one of the great capitals of world finance."

Led by K.I.C., Kuwaiti and other Arab money will be invested more and more in American real estate. Last year, K.I.C. concluded a joint venture with Trammell, Crow & Associates of Dallas to construct and own a 29-story office building, a 1,250-room hotel, a 1,500-car parking garage and a retail shopping mall in the heart of downtown Atlanta—the Atlanta Hilton Center. Trammell, Crow will provide the expertise—architects, contractors, management—the Kuwaitis will put up half the money and help to raise the rest.

This kind of cooperative venture will unquestionably become the pattern for further Arab acquisitions in the United States, where the laws do not inhibit the purchase of land by foreign firms. The Kuwaitis insist they do not aspire to control any sector of American commerce—even if they did, they lack the expertise. They will concentrate on passive financial partnerships with established American corporations, and will progressively buy into distinguished investment houses. They were burned two years ago in industrial issues on the New York Stock Exchange, but inevitably they will fatten their present portfolios and invest more and more in publicly held companies such as General Motors.

And they will repeat these patterns all over Western Europe. They are as conservative as Irish bishops, and as fascinated by bricks and mortar. Already Kuwaiti investors own nearly three acres along the Champs Elysées; with French partners, they will erect a high-rise hotel or an office building. Even in Uruguay, K.I.C. has financed apartment houses and a resort area; now its eye is roving the globe in quest of industrial projects and other tangible assets. Nor has it neglected development of the poor Arab nations or the rest of the Third World; K.I.C. marshaled more than $500-million from Kuwaiti banks, insurance and investment companies to make Kuwait the fourth biggest underwriter of the World Bank, and probably that subscription will increase.

In the same honeycombed building as the Kuwait Investment Company sits another braintrust of the local war on poverty, the Arab Fund for Economic and Social Development. The fund was established by the Arab League and most of the Arab states are members, though Saudi Arabia has yet to subscribe. Officials of the fund are quiet, pipe-smoking technocrats—Egyptians, Kuwaitis, Tunisians, Iraqis—who wear tweeds, not turbans. Their president is Saeb Jaroudi, an elegant financier who once worked for the United Nations and then was Lebanon's Minister of Economy. "We're the regional bank for Arab countries," Jaroudi explains, "analogous to the Inter-American Development Bank in Washington. Our authorized capital equals $350-million, but we can borrow up to twice that. We intend to pool our resources with those of other funds, private investors, Arab Governments—and in two or three years we could be operating in the billions."

The fund has been operating for less than a year, but already it has focused on 30 development proposals throughout the needy Arab nations, ranging from infrastructure to shipping to the care and feeding of livestock. In South Yemen, for example, the fund will construct a factory to process fish, a port at Mukalla, a power station, and road and water systems.

For solid achievement so far, however, we must look to the Kuwait Fund for Arab Economic Development, a separate state agency headed by K.I.C.'s tireless Abdel Latif al-Hamad, which has been aiding kindred countries since 1962—financing phosphates in Jordan, cement in Iraq, silos in Syria, an irrigation scheme in the Sudan which will reclaim a million acres of desert. "Unlike the World Bank, we don't make a profit," a Kuwait Fund official will tell you, "and some of our loans are almost gifts. But we scrutinize how our money is spent, and we will not tolerate waste and corruption. Take tractors, for instance. We pay for them through banks, and we audit every bill. We believe in development, not boondoggles."

And yet, when you add all of these praiseworthy projects up, they do not equal what Kuwait will earn from oil in six months. The Kuwaitis know this better than anybody, and that is why so much of their money will flow back to the West—into bank accounts, Eurobonds and the stock markets of Paris, London and New York.

ABU DHABI: INSTANT DEVELOPMENT

On to Abu Dhabi, near the mouth of the Gulf, capital of the United Arab Emirates. I hastened straightaway to Mana al-Otaiba, who—at 27—must be the world's youngest Minister of Petroleum. He was late for the hunt, but he delayed his departure to offer me the hospitality of his house. His salon had damask walls and was filled with falcons and Bedouins in their bare feet. "So many problems, Mr. Edward," he said. "So many heaps of paper money . . . ." Otaiba is a disciple of Zaki Yamani, soft-spoken, humorous, not as sophisticated perhaps, though like Sheik Zaki possessed of charm to throw away. Won't all those heaps of paper, I wondered, corrupt the Bedouin character?

"I don't like money," the Minister mused. "I like to live in the desert, far from complications. We can try to keep our good traditions, but I can't promise we'll succeed." He laughed again, gathered up his falcons and drove off with his hunting companions to the desert, as carefree as a schoolboy.

His insouciance was understandable, for God giveth manifold to whom He will. Abu Dhabi may earn $4-billion from oil this year. That is $40,000 per person for a population of 100,000, if you count foreigners; if you count only the 30,000 Abu Dhabians, per capita revenue exceeds $100,000. The wealth, of course, is not evenly distributed, but such is not astonishing; 15 years ago, Abu Dhabi was a fishing village.

It is part of the old Pirate Coast, that eastern horn of the peninsula where Arab and other freebooters once infested the shore, harassing British vessels and trafficking in slaves. The British put a stop to that, forced a treaty on the warring sheiks and changed the name to the Trucial Coast during the reign of Queen Victoria. Britain did almost nothing to develop the protectorate,

and the Trucial sheikdoms remained destitute until 1958 when oil was discovered in Abu Dhabi. Thereupon, the Ruler, Sheik Shakhbut, a wary old despot famous for his frugality, insisted on royalties of solid gold, which he kept in chests beneath his bed. Abu Dhabi town remained mostly a place of palm-frond houses, of tin-roofed shops on crooked streets which led to the residence of Shakhbut, a white palace with toothy turrets like a "Beau Geste" fort. So it might be still, had not the Sheik's brother, Zayed ibn Sultan, deposed Shakhbut in 1966 and succeeded him as Ruler.

Today, Abu Dhabi must be seen to be believed. Doctoral dissertations and heroic rhyme should be composed about it as a paradigm of instant development. The whole town is a vast construction site. Boulevards of Parisian scope and a *corniche* that rivals Alexandria's crisscross sand as white as moonlight; cranes and scaffolds are more numerous than trees. Here is a salt flat, there a city dump; blink and see a bank, a school, a hospital, a Hilton hotel. The Guest Palace on the periphery has golden ceilings and marble coffee tables, and when it is filled with soldiers with silver daggers and notables in their robes, it resembles the fantasies of Scheherazade.

Not all of the new buildings are as solidly constructed. In fact, much of the city may have to be rebuilt. Foreign contractors have been wont to mix their cement with sea water, and no sooner were their creations finished than they began to crumble. The streets murmur with Omanis and Iranians, with Indians and Baluchis; they are the labor force, and many of them live in hovels. Corruption, by common account, prospers in high places. These are, however, predictable growing pains in a country struggling to digest manna it never dreamed of.

Religious tolerance thrives, as do the basic public amusements of the West. Tribal democracy may evolve into a parliament like Kuwait's. Sheik Zayed rather resembles a falcon, and is said to be as purposeful. He has surrounded himself with foreign advisers, technocrats from Arab nations to the north, whom he pays fabulous salaries. He, too, wants a pervasive welfare state, one that will banish poverty even for his alien laborers, and his counselors promise to complete it soon. What Abu Dhabi will do with its remaining billions is a problem they have not resolved, though the Sheik has created a modest development fund for poor Islamic countries, and his philanthropy seems predestined to increase. God loveth the beneficent.

THE NEW ARAB: DO WE RESENT HIM?

Is the world balance of power shifting away from the United States and the industrial West toward the producers of raw materials? I asked the Sheik Zaki Yamani that during our flight over the oilfields of the Gulf. "No," he answered. "Raw materials are not the main source of power—technology is. However, the shortage in energy supply has reduced to some extent the power of the industrial nations, and is creating a new relationship between them and the owners of energy resources. The result depends on how both sides will react to this new reality."

Other specialists are more categorical than Sheik Zaki. "There's a definite shift of power taking place," says a prominent American economist in Kuwait. "The center of financial gravity is moving from London and Paris to Riyadh and the Gulf. Why have David Rockefeller and Dr. Kissinger and Michel Jobert been dashing about the Middle East? Will you be surprised when Nixon shows up? By 1980 the five great oil producers of the Gulf, including Iran, after spending all they can on internal needs, may possess foreign assets of nearly $300 billion—three-quarters of the world's reserves. Not since World War II and the resurgence of Germany and Japan have we witnessed such an obvious migration of power.

"That's what bothers everybody. The international financial community is facing up to it, but most Americans still fear the Arabs. We don't understand them, and we resent them for becoming as rich as we are. We never worried about India and Brazil because they had no power—and besides, *we* were taking care of them. The challenge now is to help the Arabs to harness their wealth to world development. *They* will have the money, and henceforth *they* will take care of the impoverished nations."

Or will they? That is the great question. Evidently, the rich Arabs intend to aid the poor Arabs first and foremost, but to do that effectively they must increase the capital of existing funds and create other funds of vaster scope. This presupposes a grand development strategy for the whole Arab world—exactly what some Arab technocrats are urging their Governments to conceive in concert.

The next natural beneficiaries of Arab aid are the Islamic nations of black Africa. "There is no earthly reason," an Arab economist told me in Kuwait, "why people should die of hunger in Africa's 'dry belt.' Most of those countries are Moslem, and we must feed them from now on." Next, there is the Islamic world at large—wretched, overpopulated nations like Pakistan and Bangladesh which deserve a share of Arab opulence. An Islamic Bank has already been created in Jidda, underwritten by the Saudis and other oil states, with capital of $1-billion; in keeping with the Koran, it will charge no interest.

Dr. Hassan Abbas Zaki, a former Minister of Economy in Egypt who is now head of the Abu Dhabi foreign-aid fund, has reflected deeply on the problems of oil wealth. "The oil nations should be paid a fifth of their earnings in certificates issued by the World Bank and the International Monetary Fund," he told me, explaining some of solutions he is urging on Arab leaders. "We would be lending that money at reasonable rates, and they would channel it directly to poor countries everywhere—balancing deficits, hastening development, reassuring the rest of us with global stability."

However it is done, some technocrats in the Gulf predict the creation of an "Arab Marshall Plan"—one that would match every development dollar spent by the recipient nations in Asia and Africa with another dollar from the Arabs. No serious scheme of that or lesser scope could be conceived without major reliance on Western expertise, and this is precisely what many Arab planners have in mind. They foresee a fusion of Arab capital and Western technology, particularly American technology, as the locomotive of future world development.

Already, some tentative steps have been taken toward that union. Already, the United States and Kuwait confer about development schemes in poor Arab countries. In the Sudan, for example, the World Bank, the U.S. Aid mission and the Kuwait Fund have pledged equal shares to finance the enormous Rahad agricultural project; in North Yemen, the U.S. is furnishing the expertise to develop salt mining, and the Kuwaitis are paying for it. For the reconstruction of Egypt, most of the money is expected to come from Kuwait and Riyadh, and much of the technology may be American.

The opulence of oil may produce major political changes in the Arab world. Arab socialism may be doomed. King Faisal has made it clear that he does not intend to finance regimes that mingle Mohammed with Karl Marx. Thus, President Sadat is busy diminishing Nasserism in Egypt, reopening nationalized companies to the private sector, assuring foreign capital that it need not fear expropriation. This, in turn, may beget a trend throughout the Middle East; military regimes may begin to fade away as an increasingly sophisticated middle class perceives that revolution is no longer necessary to achieve social transformation.

But over all of this hovers a terrible incertitude. Little may be accomplished unless peace prevails. And peace will not prevail unless Dr. Kissinger fulfills his promise to Sadat and Faisal to coax the Israelis to give up the remainder of their conquests. I saw Sadat during his recent visit to Abu Dhabi, and I asked him flatly whether he had clear assurances from Kissinger to that effect. "I have," he answered.

There is no reason to doubt him, for Kissinger has stated to numerous American diplomats and journalists his intention to press for substantial Israeli withdrawal combined with strong guarantees for that nation's security. His policy corresponds to the overwhelming wish of Western Europe, Africa, Asia and Japan, who fear for their oil, money and development unless a settlement is achieved soon. Put in the baldest terms of power politics, Israel (by its own Finance Minister's account) will run a $2.5-billion deficit this year, and can offer other countries little; the Arabs can offer them much. For a settlement, no further changes in American policy are essential; Dr. Kissinger has only to keep his promises, the quicker the better.

There is, of course, a body of opinion in America which believes that the United States should invade the Arab oilfields, not only to insure the flow of energy but to nullify the oil weapon in any future war—Defense Secretary James Schlesinger alluded darkly to it in January. That option is dormant now that the Arabs are relaxing the embargo, but it would be lunatic under any circumstance.

Both the Saudi and Kuwaiti Governments have threatened to blow up their oilfields if the U.S. ever mounts an invasion. "And they will," says an American oil executive in the Gulf. "Have you ever seen an oil well burning? It can take a year or more to extinguish a single well. Can you conceive of 300 wells on fire? It would cost billions to rebuild the fields, and we'd have years of no oil. The industrial nations would collapse."

Traditional regimes rule the Gulf today, but though the danger is farfetched, they could conceivably be overthrown by insurgent forces less easy to reason with. For the last decade, a rebellion has raged in the Dhofar region of Oman, nurtured now by the Chinese, now by the Russians; the Sultan is crushing it with British help, but there are cells elsewhere on the peninsula. They call themselves the People's Front for the Liberation of the Arab Gulf, and if they ever came to power in Kuwait or Abu Dhabi they might be tempted to wage economic warfare on the West that would make the October embargo seem salubrious by comparison.

All of these perils are interlinked; the foremost way to intercept them is by hastening an Arab-Israeli peace. The price of the "minimalists" like Sadat is not unreasonable, and the benefits for everybody—including Israel—would be immense. Shortly after I returned to Paris, an erudite American woman asked me, "How can we depend on those dirty savages to behave decently?" I was amused by this curious outburst. Are the Arabs innately less capable of compassion than that cultivated lady? Has Islam been any more brutal than the imperialism of the Christian powers? Or than a nation

whose elected Government dumped millions of bombs upon the populace of Indochina?

I am more serene than that lady. I have more faith in the dynamic which is arousing the Arabs to develop themselves—and the poor world—with their wealth. I want to believe that the technologist, not the terrorist, is the Arab of the future. I want to believe, with Shiek Zaki Yamani, that "the new Arab will re-enter history, contribute to civilization, not with his oil but with his brains."

ENERGY LEGISLATION

Mr. HUGH SCOTT. Mr. President, I have nothing special to note this morning except to continue to express the hope that we can dispose of the pending energy legislation as soon as possible. I would be very anxious that this be done because until it is done, certain powers and authorities contained in it are not available to the executive and it is essential that we move this energy legislation on.

Thus, this is just one more word on my part to urge early action on all pending energy legislation proposals by the committees and by the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3228) to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 8747. An act to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students;

H.R. 12109. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils; and

H.R. 12832. An act to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 3228. An act to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes; and

H.R. 13025. An act to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act, and for other purposes.

The enrolled bills were subsequently signed by the Vice President.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H.R. 8747. An act to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students;

H.R. 12109. An act to amend the District of Columbia Self-Government and Government Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils; and

H.R. 12832. An act to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer (Mr. CLARK) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

INTERPARLIAMENTARY UNION MEETING—APPOINTMENT BY VICE PRESIDENT

The PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 85–474, appoints the distinguished Senator from Nebraska (Mr. HRUSKA) to attend the Interparliamentary Union Meeting to be held at Bucharest, Romania, on April 15–20, 1974.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I yield to the majority whip.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Wisconsin.

ORDER FOR RECOGNITION OF SENATOR PASTORE VACATED

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order which was entered for the recognition of Mr. PASTORE today be vacated and that I be given control of the time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PASTORE ON FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Friday, after the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Rhode Island (Mr. PASTORE) be recognized for not to exceed 15 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

WHAT IS RIGHT WITH THE FEDERAL GOVERNMENT—THE EDUCATION REVOLUTION

Mr. PROXMIRE. Mr. President, this morning I intend to give the first in what I think will be a series of speeches on what is right with the Federal Government.

Over the past few months we have been inundated with forecasts of disaster. The prophets of doom and gloom are abroad in the land. And for good reason.

To start with, it is human nature to look at problems—not solutions; to dwell on what we do not have—not what we do have.

This tendency has fed on the bad news that seems to be accelerating as the months go by—inflation, political corruption, shortages, unemployment.

The typical American has been hit square in the face over the past year with a 20-percent increase in the price of food. He has had to wait in line to buy gasoline; and when he gets to the pump, he pays 50 percent more than he did last year.

Material shortages plague every sector of the economy from plastics and fertilizers to copper and baling twine. And these shortages can be expected to create further upward pressures on prices. For example, the fertilizer shortage may cut per acre yields on farms across the country, which in turn will decrease the supply and increase the price of foodstuffs.

People are beginning to feel that something is terribly wrong. "Watergate," with all that word implies, has become a focal point for our national anxieties.

One need only look at the polls to realize how deep the sense of disenchantment with our Federal Government runs. The most recent Gallup and Harris polls indicate that a scant one-quarter of the American people approve of the way President Nixon is doing his job. His standing in the Gallup poll is only 2 percent above the lowest rating any President has received since the poll started during Roosevelt's second term.

Lest we in Congress start to preen our feathers at these sorry estimates of the executive branch's performance, let us remind ourselves that over the past year, public approval of congressional efforts has plummeted by 17 percent—from 38 percent positive in February of 1973 to 21 percent in February of 1974—this according to another Harris poll.

It seems to me that we need a recognition that our Federal Government is not doing everything wrong, which I think we are not. I believe we have done a number of things right; and, as I have said, I expect to point them out.

Consumer investment behavior also

points to the fact that this has truly been the winter of our discontent. The prestigious Michigan Consumer Survey indicates that consumer confidence in the economy, as judged by intentions to purchase a car, a house, or other goods, is at its lowest ebb since the poll began 25 years ago. The stock market sits dead in the water despite a dramatic profit upswing, making price-earning ratios in prestigious blue chip companies such as General Motors absurdly low.

It would be foolish to try to change this cloud-drenched landscape into a rosy sunset. Pollyanna would probably strike out given a similar task. On the other hand it is just as dangerous to lose our national will by underestimating our virtues as it is to lull ourselves into a collective nirvana by making light of our serious problems.

We live in desperate times, but the truth of the matter is that in the last 15 years we have, without noticing it, made more impressive progress than at any time in our history. That is why I have decided to give a series of speeches on the Senate floor over the next few weeks on what is right with the Federal Government.

I intend to dwell on a wide spectrum of achievements in the weeks ahead in my effort to show that we have no reason to lose confidence in the ability of this Federal Government to continue in our quest for a better life. These will include consumer protection, the environment, civil rights, and many others. Today the focus is on education—the giant strides the Nation has made in educating its citizens since I came to the Senate over 16 years ago.

Today we have far more competent teachers, a great deal better facilities providing a higher quality of education during a longer period of the life of our students than ever before. Today American young people are far and away the best educated in our history.

Let us take a look at the hard statistical evidence for these statements. From 1960 to 1970 the number of students being educated in this country leaped by 13 million. About 1 million new teachers entered the system. In fact, by 1970 over 62 million Americans were engaged full time as students, teachers, and administrators in the educational establishment.

In April of 1960 11.1 percent of those in the 25- to 29-age bracket had completed 4 or more years of college. By March of 1972 the percentage had almost doubled—leaping to 19 percent—just about one out of every five.

In 1957—when I came to the Congress—we were spending 4.8 percent of our Gross National Product on education. The estimate for 1971 is 8 percent of our greatly increased Gross National Product—again almost a doubling—this time a doubling of effort. That statistic alone means this country can be proud of its changing priorities. Federal funding over this period has skyrocketed in a number of areas. For example, in 1958 the Federal Government was spending $38.7 million on vocational education. Now it is spending more than 10 times as much—$396.4 million in 1971. In fact, vocational enrollment in federally aided vocational classes grew like Topsy over the decade of the sixties—from 3.7 million in 1960 to 10.5 million in 1971.

What does this mean? I challenge any skeptic to visit a vocational school day. You will find a remarkable improvement in facilities, training, and teachers and in the competence of the students. We are sharply improving the skill of our work force.

It is tough to get into a good college today. That is a problem. But why is it a problem? One reason is that the number of enrollments has more than doubled in the 10 years between 1960 and 1970—from 3.4 million to 7.4 million. One-third of the college age population attends college. So the problem has been created by a vast increase in the number of American boys and girls getting a college degree. Consider what that means for a wiser more sensitive, more literate—better country.

Many young people who simply could not have afforded college when I came to the Senate 16 years ago can do so now because of a variety of Federal aids—the national defense student loan program, the work-study program, educational opportunity grants, federally guaranteed loans, and Federal scholarships in graduate education—all programs put into effect over the past 15 years.

When people decry Congress and the President of the United States as they do, I think they should recognize if they think about it at any length, that the area in which most people have placed the highest priority is in education. This Government of ours has done a good job—not a poor job or a weak job, but a very strong job.

How about the early years—the grade school years? In 1959, 2.2 percent of our citizens over the age of 14 were illiterate. Today that figure has dropped to 1 percent. Why? Because of a vast improvement in teaching at the elementary and secondary level, and in large part because of substantial Federal assistance.

There is Head Start for preschoolers. There is also that marvelous television program, "Sesame Street," a positive contribution by the communications media to the quality of American life.

When we get those preschoolers into the first grade, they start to benefit from the Elementary and Secondary Education Act that channels money to the poorer school districts that really need it. There is better nutrition under a new school breakfast program and a greatly expanded school lunch program.

Now, for the first time, there are special programs for the handicapped and those who speak another language. There are greatly expanded vocational education programs.

The Federal Government now helps local schools to buy educational equipment, and books for their libraries. This is something new, something the Federal Government did not do until a very short time ago. All of these programs did not exist when I came to Congress.

Minority groups have been particular beneficiaries of the education explosion. Three years before I came to the Congress separate but equal was the order of the day in many parts of the country. Then the Supreme Court ruled. Now that outdated doctrine has all but disappeared.

Upward Bound, another federally supported program, has helped thousands of deserving young men and women from minority groups by giving them that extra educational boost they needed to get into college. Without it they never would have gone.

In 1 year alone—1971—enrollment of black students in colleges and universities went up by 17.2 percent and that of Spanish-surnamed students by 19.1 percent. In graduate studies those gains in 1971 alone were 38.1 percent and 30.7 percent for the two groups. These figures compare with an average increase for all groups of about 4.5 percent.

So, Mr. President, you can see the very great progress made by minorities in our educational system, far out of proportion to their numbers and, of course, their need is much greater.

Of course difficulties—serious ones—still remain. Those statistics I quoted earlier can tell us other—not so pleasant—things about the state of education. For example the average teacher salary in the highest paying State is nearly double that in the lowest paying State. The variance among the States in per pupil expenditures is also distressingly large. The highest expenditure per pupil in average daily attendance is $1,584—2½ times the $590 spent in the lowest ranking State.

But we must also recognize that there is no assurance that we can buy the best educational system in this country just by pushing dollars into our schools. Recent attempts to evaluate the impact of the billions of dollars we have poured into school districts through the Elementary and Secondary Education Act indicate that the benefits have been far less than we might have hoped for when we passed the legislation. This only goes to show that the influence of the home on the child still is a dominant factor and will probably always remain so. And this means that we must continue to work for an approach to education that reaches the home as well as the classroom—that helps the parents, the adult, as well as the child.

Just last Thursday in the course of chairing a hearing on appropriations for the Veterans' Administration I was struck at how problems often are inseparable from progress. One of the problems we had to deal with was a supplemental request for $750 million for GI bill benefits. This is a great deal of money. It should have been reflected in the original fiscal 1974 budget request. But the money was needed because almost 600,000 more veterans applied for educational benefits than had been originally anticipated. And, of course, this

represents real progress—making the benefits of additional education available to 600,000 more of our citizens.

We still have a long, long way to travel before we achieve the American dream of true equality of educational opportunities for all Americans. In many cases educational progress has exacerbated our problems. Today's more highly trained Americans just would not be satisfied with the undemanding jobs that would have satisfied them 20 or 30 years ago. A more highly educated electorate expects more out of their Government—and rightly so.

But in criticizing, demonstrating against, and solving the problems let us not forget the progress that helped us to see, or even have, the problems. Above all let us not lose faith in the remarkable ability that this Federal Government is showing today in greatly helping to triumph over the difficulties that beset this Nation.

All of us applaud the young woman or man who persists in improving his education. We recognize what a great thing it is when a hard-working family, sacrifices to give every child a solid vocational or college education. It is easy to agree that such a family is a good family—an asset to the community and the country.

We cheer on the community that makes improved educational facilities available to their young people. We take pride in our State's educational efforts.

And when we reflect on it for a few minutes we know there is nothing that a person or a family or a community or a state or nation can do that will more surely strengthen the country than to improve its education.

What has made this country the greatest in the world? Of course, many things have helped: our vast and rich territories, our abundance of natural resources, our large population, our efficient factories and farms, our highly efficient distribution system. All of these are important. But other lesser countries have these advantages, too.

But there is one fundamental, basic element that has made America great. What is it? It is our people: the character, the skill, training, understanding—in a word the education of our people.

And I submit that in the past 15 years this country has done a remarkable job of improving and extending that education. The Federal Government has played a new and probably the biggest role in this process. It is one of a number of achievements in this period of discontent, disillusion, despair of which we can and should be proud.

But this is only one of our achievements. I will talk of the others later.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—PRIVILEGE OF THE FLOOR

Mr. GRIFFIN. Mr. President, I ask unanimous consent that James Medill, of the staff of the Committee on Rules and Administration, and Daniel Brier, of my staff, be accorded privileges of the floor during the consideration of S. 3044, including votes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that during debate on S. 3044 Joe O'Leary and Karleen Millnick, of the staff of the Committee on Rules and Administration, and Larry Smith, of Senator HATFIELD's office, be granted the privilege of the floor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and I ask the time be charged against the time allotted to me.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with speeches by Senators limited to 5 minutes each.

The Chair recognizes the Senator from Washington (Mr. JACKSON).

OIL

Mr. JACKSON. Mr. President, the American people are entitled to some plain talk about the administration's response to the announced lifting of the Arab oil embargo.

In discussing the lifting of the embargo Tuesday night, the President promised no rationing and an end to Sunday closings of service stations. He announced a policy of increased allocations to industry and agriculture and an increase in gasoline allocations for "the purpose of diminishing the lines—and eventually eliminating them."

The President's policy for eliminating gas lines and increasing gasoline supplies will be accomplished by drawing down on inventories until such time as shipments of oil from the Middle East arrive in the United States. This policy has already been implemented to some extent, since, in February and in March, Secretary Simon made available additional supplies of gasoline to stations that had exhausted their original monthly allocation. These additional supplies—some 352.7 million gallons of gasoline—came from stocks. Furthermore, in March, State allocations were adjusted using inventories, which were thereby depleted by another 285 million gallons.

The President has, in effect, told the American people that the lifting of the embargo means the end of energy shortages. He has, in effect, invited them to return to the wasteful consumption of preembargo days, restrained only by lower speed limits and greater use of carpools.

This policy, whatever its immediate appeal, can only be described as unrealistic and irresponsible. It is unrealistic, because it ignores the plain fact that the country was enmeshed in serious fuel shortages even before the embargo was imposed. It is irresponsible because it rests on a series of dangerous assumptions about our reliance on Arab oil:

First. It is dangerous to assume that the Arabs will not reimpose the embargo in some form.

Second. It is dangerous to assume that the Arabs will produce—either for economic or political reasons—all the oil we would like.

Third. It is dangerous to assume that we can afford, economically, to use ever increasing amounts of cartel-priced foreign oil.

While the lifting of the Arab embargo promises to ease the acute petroleum shortages which the Nation has experienced in recent months, chronic shortages will persist. It is imperative that the energy policies of Federal, State, and local governments respond to this fact. In particular, there are two goals which must be achieved if we are to minimize the adverse impacts of our not being self-sufficient in energy. First, we must restrain demand to levels which can be met by available supplies of reasonably priced fuels. Failure to do so will result in the persistence of the social and economic disruptions which we have encountered not just since the embargo was imposed in October, but throughout the past year.

Our second goal must be the maintenance of our petroleum stocks at such a level as to minimize our vulnerability to the efforts of those who would again attempt to use the so-called "oil weapon" against us. We must continue to conserve. We must not draw down our stocks of crude oil and refined petroleum products until the means for their replacement are not only promised, but are on hand.

I fear that the public pronouncements and stated intentions of the administration guarantee that we will attain neither of these goals. Indeed, this represents the irresponsible choice of an energy policy for short-term political gain at the expense of the public interest.

From the President down, the heaviest emphasis of the administration in informing the American people of our energy posture has been on: First, the end of the embargo, and second, our not needing to ration. The impact of this misplaced emphasis is already apparent.

On February 14, the President in his state of the Union message declared that the embargo would soon be lifted and that the back of the energy crisis

had mysteriously been broken. In the following weeks, energy savings—conservation—plummeted from 4 million barrels a day to 2.3 million barrels a day.

On February 25, the President implied that the energy crisis had been reduced to a problem. In the following week, gasoline consumption increased by 1 million barrels a day.

Tuesday night the President announced an end to the Sunday closings which have effectively reduced gasoline consumption by more than 650,000 barrels a day.

According to the Oil Daily, the ban "was considered one of the most effective curbs on gasoline consumption," and petroleum marketers feel its lifting to be premature. One major marketer expressed the fear that Sunday gasoline sales, coupled with news of the lifting of the embargo, "will inspire motorists to return to old wasteful habits."

We cannot afford such relaxation of self-restraint at this time. Even with a total relaxation of the Arab embargo, Secretary Simon has testified that a 60- to 90-day period will pass before there is a return to near normalcy. He has estimated that the first Arab shipments will not arrive until May 1. The National Petroleum Council study, "Short-Term U.S. Petroleum Outlook, a Reappraisal," notes that—

The end of the embargo, assuming it is accompanied by an increase in Arab oil production, will not be transmitted into an immediate increase in supply levels in the United States for two main reasons. First, oil shipped from the Persian Gulf will require over 30 days to reach the United States, and the time required to move ships to the Persian Gulf, load and discharge vessels may almost double this time. Second, product imports to the United States derived from embargoed crude require additional time for refining and associated intermediate discharge, processing, loading and shipment on the way to the United States. All stocks reaching the United States must be handled one or more times before reaching the consumer. Consequently, the embargo's effect will last substantially beyond its lifting date.

Given this delay, given the increased consumption that will inevitably result from the President's stated policy, how will the shortage be covered? The answer to that question is clear: the President of the United States has committed the Nation to a policy of inventory draw-down, regardless of the consequences.

To make up this shortfall by drawing down inventories is a disastrous policy. Current inventories of crule oil and refined products are as follows:

	Million barrels
Crude oil and condensate	240.4
Gasoline	244
Distillates	145.7
Residual	44.3

Of these, a certain minimum cannot be used, since they are working stocks, that is, must be kept in refineries and pipelines to make the distribution system work. Estimated minimum working stocks are as follows:

	Million barrels
Crude Oil	220
Gasoline	204
Distillates	101
Residual	40

The only stock actually available for use, therefore, are the seasonal and buffer stocks, represented by the difference between total and working inventories. Given current levels of demand, these represent but a few days' supply. Assuming a postembargo shortage of 1.2 million barrels per day, gasoline stocks, for example, can provide but a 17-day supply. Even if we were to make as much gasoline as possible from crude stocks and distillate, this supply could only be stretched to last 34 days.

The National Petroleum Council has also recommended against the option of drawing down stocks. A Council report forwarded to the Secretary of the Interior on February 26, 1974, emphasized that—

It is not at all certain that it would be in the national interest to follow this course of action. These inventories at present levels provide us with a modest cushion against unforeseeable but potential additional reductions in energy supplies or greater than expected requirements. A renewal of hostilities in the Middle East or other political events which could threaten our supplies from that part of the world is an ever present possibility. Moreover, there is no assurance that we will continue to receive current import volumes from traditional Western Hemisphere suppliers . . .

In short, rational U.S. energy policies might well dictate the maintenance of more than a bare minimum working level of inventories.

Because of the Arab embargo in the first quarter of 1974, the gap between supplies and unconstrained demand; that is, with no voluntary conservation measures—was estimated by FEO to be 2.7 million barrels a day. Yet, even with a total restoration of Mideast shipments to the United States, unrestrained demand in the second quarter of 1974 still cannot be satisfied. The President has acknowledged that our postembargo shortage for the second quarter will be about 5 to 8 percent. Since estimated normal demand for petroleum for the second quarter of 1974 is 17.5 million barrels a day, our expected postembargo shortfall will be somewhere between 0.875 and 1.4 million barrels a day.

The President has called for the continuation of "our voluntary program of carpooling and also of slower driving" as the means of filling that shortage. Yet, by leading the public to believe the crisis is past, the President has consciously or unconsciously destroyed the incentive for voluntary conservation. A trend toward increased consumption has already been observed by the Federal Energy Office, which observed in its weekly Petroleum Situation Report of March 15:

Drivers may be reluctant to conserve gasoline if it is readily available.

By encouraging the depletion of inventories in anticipation of an unlimited influx of Arab oil, the President is taking a significant and unacceptable risk. The extent of our inventories affects our future bargaining power with oil producers, particularly the Arab oil producers. The "oil weapon" proved to be an ineffective tool against the United States precisely because we had a conservation and allocation program that insured we would not run out of oil, though we might run short. Now the President proposes to turn from conservation to consumption at the expense of our vital reserves, thereby assuring that in 60 to 90 days, we will be even more vulnerable to the impact of an oil cutoff than we were at the time of the October war.

We ought not to place ourselves in this damaging position on the basis of vague assurances and delphic pronouncements from the Arab oil ministers. The American people do not want long lines at the gas pump; but they want even less to mortgage the Nation's freedom of action to the whim of a handful of oil ministers. By increasing our dependence on the flow of Arab oil, the President not only diminishes our ability to withstand the pressures of a renewed embargo, but by so doing invites its reimposition.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HUMPHREY. Mr. President, I was not in the Chamber for all of the remarks of the Senator from Washington, but I would not want to have missed this opportunity to commend him for the extraordinarily fine leadership he has given the Senate of the United States in this energy field, and also to ask the administration to heed carefully the remarks of the Senator from Washington.

Nothing would be more disastrous to this country than to get into a euphoric feeling that all is well, or that we are not really in too serious difficulty, because the Arabs have lifted the oil embargo.

We all hope that they will continue to maintain the end of the embargo, but we cannot be sure of that. They have made it clear that it is a political weapon, and if things should go amiss in the Middle East—and there are many reasons to believe this could happen, though we hope and pray it will not—again we will face the embargo, our inventories will be drawn down, and things will be worse than they were in January and February of this year.

So once again the Senator from Washington, characteristically, in terms of his fine leadership, is serving warning that all is not well, and that the administration should be concentrating in every possible way to fulfill what was declared to be its desire for our relative independence and self-sufficiency in the energy field. The Senator is going to have my help, as he has on every measure he has brought before this body. The Joint Economic Committee has made a study of this matter, and in its recent report to Congress has emphasized the very point the Senator from Washington is making: that the problem is still with us, and that the need for long-term research, development, and exploration continues to be a major item on the national agenda.

Mr. JACKSON. Mr. President, may I just observe that the distinguished Senator from Minnesota has been a tower of strength in the long and hectic battle, especially over the last year, that we have had on this whole question of energy. I am most grateful to him for his solid support and his keen understanding of the true facts as they have existed and as the problem faces us in the future.

I must say that what disturbs me at the present moment is that we are, indeed, skating on thin ice, as one is reminded that a year ago at this time, with the oil still coming in, we were facing a crunch.

Mr. HUMPHREY. Exactly.

Mr. JACKSON. And that last summer, with the oil still coming in, people had to wait in lines for gasoline.

In sum, then, what is going on here at the moment is drawing down our reserves, actually, to a point where, by early summer, they will be less than they were a year ago, so that if something happens—and the temptation could be great if our reserves are very low—that would cut off our supply, we would be worse off than we have been heretofore.

I again thank the Senator from Minnesota for his most effective help in this big problem.

The PRESIDING OFFICER (Mr. ALLEN). The time of the Senator from Washington has expired. Is there further morning business?

THE DEATH OF WILLIAMSBURG'S KENNETH CHORLEY

Mr. HARRY F. BYRD, JR. Mr. President, Kenneth Chorley, the president of Colonial Williamsburg for 23 years, died last week.

Mr. Chorley was a preservationist and a conservationist. He was for many years a close associate of John D. Rockefeller, Jr., who started the restoration of Williamsburg.

Mr. Chorley once said that America's thirst for the inspiration of Williamsburg was greater than anyone knew.

Indeed, America's thirst for Williamsburg has been very great.

I think America needs today very much the inspiration of Williamsburg and the spirit of Williamsburg. I do not know of anything that our country really needs more than for the American people, in this grave time in our history, to look back on the events which took place in Williamsburg, Va., nearly 200 years ago.

It was at that time that those men who brought about the American Revolution dedicated themselves, their lives, their fortunes, and their sacred honor to bring about liberty and free government to this country.

Colonial Williamsburg, I feel, has been an inspiration to this country, and Kenneth Chorley, together with the late John D. Rockefeller, Jr., deserves special tribute for the restoration of Williamsburg.

Mr. Chorley retired as president in 1958. He was succeeded by a very able person, Mr. Carlyle Humelsine, who now has the chief executive responsibility for Colonial Williamsburg.

Mr. President, I yield the floor.

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until the hour of 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Subsequently, this order was modified to provide for the Senate to convene at 12 noon tomorrow.)

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, 1974, FOR FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES (S. DOC. NO. 93-67)

A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1974, in the amount of $100,000,000 for Flood Control, Mississippi River and Tributaries (with an accompanying paper). Referred to the Committee on Appropriations and ordered to be printed.

REPORT ON APPROVAL OF LOAN TO CHUGACH ELECTRIC ASSOCIATION, INC., ANCHORAGE, ALASKA

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, on the approval of a loan to the Chugach Electric Association, Inc., of Anchorage, Alaska, to be used for the financing of certain generation and transmission facilities (with accompanying papers). Referred to the Committee on Appropriations.

LISTING OF CONTRACT AWARD DATES

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a listing of contract award dates, for the period March 15 to June 14, 1974 (with an accompanying report). Referred to the Committee on Armed Services.

REPORT ON MILITARY MANPOWER TRAINING

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, the Military Manpower Training Report, for fiscal year 1974 (with an accompanying report). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION FROM GENERAL SERVICES ADMINISTRATION

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Defense Production Act of 1950, as amended (with an accompanying paper). Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION FROM SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to conserve energy by providing temporary relief from restrictions on sizes and weights of motor vehicle using the Interstate System (with an accompanying paper). Referred to the Committee on Public Works.

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Railroad Safety Act of 1970, and other related acts to authorize additional appropriations, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

PROPOSED LEGISLATION FROM DEPARTMENT OF THE INTERIOR

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to protect Federal mine inspectors in the performance of their official responsibilities (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

REPORT ON SUWANEE RIVER, GEORGIA AND FLORIDA

A letter from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the Suwanee River, in the States of Georgia and Florida (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

REPORT ON EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report on Extraordinary Contractual Actions To Facilitate the National Defense, for the calendar year 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

REPORT OF CONSUMER PRODUCT SAFETY COMMISSION

A letter from the Chairman, Consumer Product Safety Commission, transmitting, pursuant to law, a report of that Commission, for the period May 14, 1973 to June 30, 1973 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION FROM ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator, United States Environmental Protection Agency, transmitting a draft of proposed legislation to be cited as the "Clean Air Amendments of 1974" (with accompanying papers). Referred to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint memorial of the Legislature of the State of Idaho. Referred to the Committee on Labor and Public Welfare:

"HOUSE JOINT MEMORIAL NO. 25

"A joint memorial to the Honorable Senate and House of Representatives of the United States in Congress assembled, and the Senators and Representatives representing the State of Idaho in the Congress

"We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the Second Regular Session of the Forty-second Idaho Legislature, do hereby respectfully represent that:

"Whereas, the Congress of the United States is now considering amendments to the program which provides impact aid intended originally to compensate school districts for children of federal employees in their areas; and

"Whereas, the original concept of the impact aid funds is no longer consistent with state funding policies because these policies now recognize local efforts and resources and include these factors in the state support formula; and

"Whereas, the provisions of P.L. 874 preclude consideration of federal impact aid in the equalization formula for school funding,

with the consequence that such aid provides an unwarranted bonus to certain school districts by increasing their funding capacity far above the equalized level provided by state aid for all other school districts; and

"Whereas, the present impact aid criteria, mandated by federal law, makes it impossible for the states to implement an equalized state aid formula recognizing the legitimate local resource base.

Now, therefore, be it resolved by the Second Regular Session of the Forty-second Legislature of the State of Idaho, the House of Representatives and the Senate concurring, that we urge the Congress of the United States to adopt legislation now pending which would remove the prohibition to inclusion of impact aid in the calculation of state equalizing school aid.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress and the Senators and Representatives representing the State of Idaho in the Congress."

A joint resolution of the Congress of Micronesia. Referred to the Committee on Appropriations:

"HOUSE JOINT RESOLUTION No. 87, S.D. 1

"A house joint resolution requesting the Congress of the United States of America to enact legislation appropriating additional funds to cover certain deficiencies and capital improvement programs during fiscal year 1974

"Whereas, by Public Law 93–111, the Congress of the United States of America authorized the Trust Territory of the Pacific Islands an appropriation ceiling of $60 million (excluding the Economic Development Loan Fund) and 'such sums as are necessary, but not to exceed' $10 million for each of Fiscal Years 1974 and 1975 'to offset reductions in, or the termination of, Federal grant-in-aid programs or other funds made available to the Trust Territory of the Pacific Islands by other Federal agencies'; and

"Whereas, the amount of $56,886,000, excluding funds for the Economic Development Loan Fund, which has been approved for the Trust Territory for Fiscal Year 1974 is well below the $60 million ceiling authorized and does not offset reductions in, or the termination of, Federal grant-in-aid programs or other funds that will be lost to the Trust Territory during the same fiscal year, despite the fact that the Trust Territory is authorized a further amount of $10 million to compensate for these categorical assistance funds being phased out; and

"Whereas, the world-wide energy crisis, and general increase in the cost of construction materials and supplies and public works will prove detrimental to the accomplishment of many operations, programs, and objectives by slowing down and in some instances completely halting capital improvement construction, unless additional funds become available with which to continue these programs; now, therefore,

"Be it resolved by the House of Representatives of the Fifth Congress of Micronesia, Second Regular Session, 1974, the Senate concurring, that the Congress of the United States of America be and is hereby respectfully requested and urged to enact legislation appropriating $3,114,000, which combined with $56,886,000, excluding the funds for the Economic Development Loan Fund, previously approved, equals the regular authorized ceiling of $60 million and further appropriating the sum of $938,000 of the additional $10 million categorical assistance authorization 'to offset reductions in, or the termination of, Federal grant-in-aid programs or other funds made available by other Federal agencies'; and

"Be it further resolved that certified copies of this Joint Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States Congress, the Chairman of the Committee on Interior and Insular Affairs of the said Senate, the Chairman of the Committee on Interior and Insular Affairs of the said House, Chairman of the Senate Committee on Appropriations of the United States Senate, and Chairman of the House Committee on Appropriations of the United States Congress, the Secretary of the United States Department of the Interior, and to the High Commissioner."

REPORTS OF COMMITTEE

The following reports of committees were submitted:

By Mr. ALLEN, from the Committee on Agriculture and Forestry, with amendments:

H.R. 11873. An act to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research (Rept. No. 93–751).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. EASTLAND (for himself, Mr. STENNIS, Mr. ALLEN, Mr. SPARKMAN, Mr. ERVIN, Mr. HELMS, and Mr. FULBRIGHT):

S. 3231. A bill to provide indemnity payment to poultry and egg producers and processors. Referred to the Committee on Agriculture and Forestry.

By Mr. PROXMIRE:

S. 3232. A bill to be cited as the "Real Estate Settlement Costs Act of 1974". Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUMPHREY:

S. 3233. A bill for the relief of certain individuals formerly employed by Nationwide Food Service in the U.S. Senate Restaurant. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. JACKSON, Mr. FANNIN, Mr. METCALF, Mr. BIBLE, Mr. HATFIELD, Mr. CHURCH, Mr. HASKELL, Mr. NELSON, Mr. JOHNSTON, and Mr. COOK):

S. 3234. A bill to authorize a vigorous Federal program or research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government. Referred to the Committee on Interior and Insular Affairs, by unanimous consent.

By Mr. YOUNG:

S. 3235. A bill to amend the Food Stamp Act of 1964 to provide for the administration of food stamp programs on Indian reservations, and for other purposes. Referred to the Committee on Agriculture and Forestry.

S. 3236. A bill for the relief of Ghalam Reza Padash and his wife, Homa Ghasemshahi Padash. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 3237. A bill to amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system. Referred to the Committee on Commerce.

By Mr. BENTSEN:

S. 3238. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes. Referred to the Committee on Finance.

By Mr. McGOVERN (for himself and Mr. CLARK):

S. 3239. A bill to amend the National School Lunch and Child Nutrition Acts in order to authorize the use of certain funds to purchase agricultural commodities for distribution to schools and other eligible outlets, to increase the appropriation authorization for nonfood assistance funds, and to provide additional financial assistance to the special milk program. Referred to the Committee on Agriculture and Forestry.

By Mr. COOK (for himself and Mr. BAKER):

S. 3240. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EASTLAND (for himself, Mr. STENNIS, Mr. ALLEN, Mr. SPARKMAN, Mr. ERVIN, Mr. HELMS, and Mr. FULBRIGHT):

S. 3231. A bill to provide indemnity payment to poultry and egg producers and processors. Referred to the Committee on Agriculture and Forestry.

Mr. EASTLAND. Mr. President, I introduce a bill for myself, Mr. STENNIS, Mr. ALLEN, Mr. SPARKMAN, Mr. ERVIN, Mr. HELMS, and Mr. FULBRIGHT, the bill would indemnify poultry and egg producers and processors who must remove their products from commercial markets because the products contain residues of chemicals registered and approved for use by the Federal Government. The innocent producer and processor would be indemnified, but not those who willfully fail to follow procedures prescribed by the Federal Government.

We are all aware of the discovery of dieldren in chickens in two broiler operations in Mississippi this past week. I want to commend the personnel of our Poultry Inspection Service in the U.S. Department of Agriculture for their immediate discovery of this banned chemical. It insured the protection of our consumers' health and will reduce the financial losses to our broiler producers and processors. I further commend the Department for intensifying the inspection procedures nationwide to insure that this is only a local problem. Their efforts will assure the consumer that all poultry in the meat counter is wholesome and healthful. We can buy and eat poultry with confidence.

It is tragic that this incident occurred, and I hope it is only an in-

cident. I am proud of the response of the producers and processors involved. They and our Mississippi secretary of agriculture and commerce came immediately to Washington to appeal for help to contain the problem, to determine its origin and to eliminate it.

I want to thank the officials in the Environmental Protection Agency and the Department of Agriculture for their cooperation and consideration. They not only met with our people on Friday to understand the problem, but worked Saturday and Sunday to determine a solution. EPA officials are on the ground to approve methods of destroying and disposing of the contaminated carcasses. EPA and USDA laboratories and personnel have been made available to expedite the testing of the flock samples to see that wholesome birds go to market and contaminated birds are destroyed. This is as it should be.

They are also cooperating to assure that current supplies of feed are pure. Our people can rest assured that they have the purest and freshest food supply in the world because of these dedicated public servants and concerned and responsible producers.

Mr. President, what we are asking in this bill is not new. We have a history of helping those who are the victims of circumstances beyond their contol. We have been generous with those who have suffered loss from natural disasters. We have assisted individual homeowners who have suffered loss from floods, tornadoes, and other natural forces. We have assisted our foreign neighbors under similar circumstances, including drought and famine. We indemnify farmers for animal disease losses such as bangs in cattle, cholera in hogs, and Newcastle disease in poultry where the animal must be destroyed.

We also indemnify our beekeepers when their colonies are killed or depleted by insecticides. We have indemnified our dairymen when insecticides infected the milk through their feed, and cows. All of these things are done in the spirit of American concern for the unfortunate, and to keep its food supply abundant.

Mr. President, the poultry industry is important to our Nation. It might surprise you that the week of March 16 this year over 63.5 million chicks were placed in broiler houses across our country. Over 5 million, or about 8 percent of these, were in Mississippi. The broiler industry will provide over 8 billion pounds of nutritious, delicious, high-protein meat to our consumers this year, and at reasonable prices during this period of inflation. Any substantial injury to the poultry industry could adversely affect our meat supply and exert tremendous pressure on meat prices.

Mr. President, what we are proposing in this bill is nothing new—rather it is a continuation of established policy. It would cover only the losses sustained while operating under normal and accepted procedures with confidence in the purity of supplies in the marketplace. It will protect against losses from the unusual, unexpected residues of chemicals regulated by the Federal Government. It will not pay for willful failure to follow Government requirements.

The passage of this bill will encourage poultry producers over the Nation to produce a higher quality product—it will encourage them to report quickly any unusual circumstance or condition that might be a threat to the purity of our food chain.

The provisions of the bill would terminate with the present farm bill, including the bee indemnity program, and be reviewed along with all other farm programs as to future need.

Mr. President, the sponsors of this bill are simply asking for equal treatment of this important segment of our food supply. I urge its early consideration and passage.

By Mr. PROXMIRE:

S. 3232. A bill to be cited as the "Real Estate Settlement Costs Act of 1974." Referred to the Committee on Banking, Housing and Urban Affairs.

CLOSING COST REFORM

Mr. PROXMIRE. Mr. President, the bill I am introducing today, will accomplish several needed reforms on behalf of the family which is purchasing or hopes to purchase a home. First of all, it provides an alternative approach to the problem of exorbitant costs charged to consumers incident to the purchase of a home. It also attempts to simplify the mathematical problem which confronts the borrower in shopping for a mortgage loan, by limiting the number and kinds of charges which can be imposed by a lender. By forbidding the charging of points and fees, it also lowers the barriers to homeownership for many families who have the steady income needed to meet monthly mortgage payments but who lack the accumulated cash to pay large front end fees at the time of purchase.

The facts about consumer exploitation in the area of closing costs have been known to this Congress for some time. The costs of many services in connection with the purchase and financing of a home are grossly inflated, and frequently the home buyer is required to purchase services which are totally unnecessary. Competition is carried out between service providers not by offering the consumer a better service or a better price but by means of referrals from other providers. To encourage referrals, competitors depend on a system of commissions, free meals and entertainment, and sometimes just plain kickbacks. The costs of this referral system are inevitably added to the home buyer's bill. Price fixing in various forms is facilitated by professional associations and often by State laws designed to protect the incomes of these professions.

Against this array of economic power, the typical home buyer is helpless. As a person who will be in the home buying market only once or a few times in his lifetime, he lacks the sophistication to know which services are exorbitantly priced and which are really unnecessary, and even where he does sense that something is wrong, he usually will lack the bargaining power to do anything about his situation. Faced with a tight housing market and a tight mortgage market, the consumer will generally find that he has no choice but to accept the terms which the industry has imposed on him.

Last session I introduced a bill, S. 2288, to deal with the closing cost problem. The earlier bill would require uniform settlement statements and advance disclosure of settlement costs, and would prohibit kickbacks and other unearned payments to providers of settlement services. Its main thrust, however, is the requirement that the Secretary of Housing and Urban Development establish maximum allowable charges for services provided in connection with all federally related mortgage loans. While the proposed regulation has been criticized as extreme, it may well be that such strong action is necessary to finally solve this recurrent consumer problem.

However, alternative meaningful approaches to the problem also merit discussion and for this reason I have introduced the present bill. The bill would require that in any case involving a federally related mortgage loan, the lender shall pay for all costs involved in the settlement of the loan. I introduced a somewhat similar bill 2½ years ago, but because consumer representatives at that time expressed some doubt as to whether such a law would be adequate to protect the interests of the home buyer, I was persuaded to adopt the regulatory approach exemplified by S. 2288. More recently, however, a number of legal scholars and consumer spokesmen have testified in favor of lender payment of settlement costs as a solution to this serious consumer problem. Because of this change in climate, and because I have always felt that the lender payment approach is preferable, on grounds of simplicity and administrative efficiency, to the regulatory approach, I have introduced the present bill.

The requirement that mortgage lenders pay all closing costs should lead to lower aggregate closing costs for several reasons. Lenders, because of their greater experience and sophistication in the home buying field, are in a better position than the borrower to know when services are really necessary and when economies could be achieved without any danger to the protection of the borrower or lender. Because they will purchase these services in large quantities, lenders will be in a far better position than borrowers to bargain for better terms. The lender is also in a better position than the typical borrower to understand the effect of local law or custom in raising the price of settlement services, and to exert pressure to bring about reforms. However, the ability of the lender to economize on settlement services will be lost if the lender can simply turn around and charge an additional fee to the borrower which represents the costs of the services purchased on the borrower's account. If the lender is to be motivated

to use his knowledge and bargaining power to lower settlement costs, the lender must be required to treat these charges as part of the costs of carrying on his business, and to recover them, if at all, only as part of the overall finance charge which the borrower pays on the loan, in much the same way that the lender recovers its manpower, equipment, and other operating costs. In order to insure motivation on the part of the lender to bargain for better rates on closing related service, the bill forbids the lender to charge any fees or discount points in addition to the interest rate, and thus prevents a direct passing on of costs to the borrower. The elimination of points and fees has other advantages as well. When the price of a loan is expressed as a single fee instead of a morass of points, fees, and rates, the prospective borrower will be much better able to tell which lender is offering the most advantageous terms. Second, the elimination of front-end fees and the amortization of all home buying costs over the term of the mortgage loan will eliminate an important financial barrier to homeownership for many families.

The approach to the closing cost problem which I have proposed today was discussed recently at hearings before the Housing Subcommittee of the House Banking and Currency Committee. At that time, several consumer advocates expressed a preference for the approach favored in the present bill—that is, the payment of closing costs by the mortgage lender. One of these speakers, Alan Morrison of Public Citizen, Inc., suggested that in some States, the result of requiring all costs to be incorporated in the mortgage interest rate may be to bring the interest rate into conflict with interest limits imposed by State usury laws. In such cases it may be necessary for Federal law to override the State limits. As Mr. Morrison pointed out, this result is not as radical as it seems at first blush, since as a matter of fact lenders already routinely ignore State usury limits, with the blessing of the courts, by charging various fees and points in addition to the maximum allowable rate of interest. The whole system, in short, is irrational and deceptive. However, I am not yet ready to say that this matter requires Federal action as part of the closing cost bill, although I think it is a matter which the committee should explore in its deliberations.

The approach of this bill, requiring the payment of closing costs by the mortgage lender, offers an administratively simple and efficient way to meet the problem of exorbitant or unnecessary costs which are now frequently imposed on the helpless homebuying public. I hope the Senate will give it very serious consideration.

By Mr. HUMPHREY:

S. 3233. A bill for the relief of certain individuals formerly employed by Nationwide Food Service in the U.S. Senate Restaurant. Referred to the Committee on the Judiciary.

Mr. HUMPHREY. Mr. President, I introduce and send to the desk a bill relating to the determination of creditable service with respect to civil service retirement, on behalf of certain persons currently or previously employed in the U.S. Senate Restaurant.

Over the past three decades, the management of the Senate restaurants has been passed from the Architect of the Capitol to the Nationwide Food Service and then back to the Architect of the Capitol. In this process, some of the employees of the Senate have been unfairly treated. I hope that this bill will rectify the oversight.

By Mr. HUMPHREY (for himself, Mr. JACKSON, Mr. FANNIN, Mr. METCALF, Mr. BIBLE, Mr. HATFIELD, Mr. CHURCH, Mr. HASKELL, Mr. NELSON, Mr. JOHNSTON, and Mr. COOK):

S. 3234. A bill to authorize a vigorous Federal program of research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government. Referred to the Committee on Interior and Insular Affairs, by unanimous consent.

SOLAR ENERGY RESEARCH ACT OF 1974

Mr. HUMPHREY. Mr. President today I am introducing for myself and several colleagues the Solar Energy Research Act of 1974.

This measure is cosponsored by Senators JACKSON, FANNIN, METCALF, BIBLE, HATFIELD, CHURCH, HASKELL, NELSON, JOHNSTON, and COOK.

This legislation would authorize a 5-year, $600 million Federal research and development effort to harness the tremendous energy potential of the sun for the service of man.

It would provide for the development, in cooperation with industry, of a variety of incentives to encourage the private sector to move aggressively in promoting the utilization of new solar technologies.

This bill would create an organizational focus for all of the solar energy activity undertaken by the Federal Government—the Office of Solar Energy Research.

Before describing the provisions of this legislation in detail, I would like to briefly outline my reasons for offering it.

For many years I have been deeply concerned over our inability to tap the energy potential of the sun. In fact, in the early 1960's I authored legislation to establish an Office of Solar Energy within the Department of Interior. On February 12, 1962, when I introduced this measure, I made a statement that still remains essentially true today:

> The Federal Government has played an active and effective role in the development of hydroelectric power and, more recently, atomic energy.
>
> But in this relatively new but exciting field of solar energy, the Government needs to coordinate and step up its activities for development of solar energy devices and techniques.

Regrettably, the Congress did not enact that program. In fact, the first solar energy legislation ever to pass either branch of Congress, was approved by the House only last month, as a result of a great deal of dedicated effort by Congressman MIKE MCCORMACK. In regard to that important legislation, I hope the Senate will soon approve a parallel solar heating and cooling bill. The time for such a program to be initiated is long overdue.

I still find myself, however, as in the early 1960's, calling for a broad-based solar energy research and development program. This must be a program that can concern itself not only with the heating and cooling of buildings, important as that obviously is, but also with solar thermal and photovoltaic power generation, wind energy conversion, ocean thermal gradient conversion, bioconversion, and the entire range of exciting solar energy possibilities.

But, Mr. President, much more attention is given as I discuss these possibilities today, and for good reason.

The higher prices for gasoline and fuels, the long lines at the filling stations, rapidly rising utility rates, and most of all the growing realization that our Nation's energy independence will depend more on the creative intellectual and technical resources of our people than on the hard resources of our land, have caused this awakening of interest. And with this new interest, the task of selling the Nation on a major investment in solar energy research and development has become easier.

The Arab oil embargo has convinced most Americans that we must develop vast new sources of energy. "Project Independence" is a major commitment to that goal, although domestic self-sufficiency, without an added margin of production to protect the energy independence of our allies, may be too limited a concept in the international political environment of the last quarter of this century. It is particularly within this concept of long-term world energy needs that I believe the potentials of solar energy must be fully explored.

But if we are to realize the great potential of solar energy for cooling and heating of space and water in the next few years, and for the generation of electricity in decades to come, we must substantially increase the focus of this effort and the public and private investment in this potentially tremendous new source of energy.

Many experts are now saying that no source of energy now available will meet our ever-growing demand for clean energy during the next century and beyond except the sun.

The energy generating potential of the sun is awesome. As Mr. V. W. Bearinger of the Honeywell Corp. points out:

> If 1% of the solar energy falling on the Sahara Desert in the year 2000 were converted to electrical power, it would supply all of the world's needs for electrical power for that year, or put another way, the annual amount of solar energy falling on the state of New York is double the energy obtained annually from the entire world's production of coal and oil.

And he is not alone in his claims that the sun could help make America truly self-sufficient, indefinitely. Dr. Alfred J. Eggers Jr. of the National Science Foundation recently wrote, as chairman of the technical panel on solar programs advising the Chairman of the AEC on reason-

able energy research plans for our Government, that—

Through widespread application of these (six specific solar) technologies, it is estimated that 10% to 30% of the Nation's required input BTU's can be provided by solar energy by the year 2000 and as much as 50% by the year 2020.

ADEQUATE FUNDING FOR SOLAR ENERGY RESEARCH ESSENTIAL

While many of us have recognized the potential of this greatest and cleanest of all sources of energy, and for years some of us have called for stepped-up efforts to tap its tremendous potential, the total Federal effort specifically directed toward solar energy research and development has been and remains inadequate. This is particularly true in view of the urgency of our Nation's energy crisis and the important researchable projects that are available for funding.

During the current fiscal year, expenditures by the Federal Government for all types of solar energy research are estimated at approximately $13.2 million. While this is well above the level in any prior year, it still amounts to less than 1.5 percent of the $900 million Federal energy research and development budget and a mere seven one-hundredths of 1 percent of our total R. & D. budget. Certainly, the nature of the energy crisis demands, and the potential for practical uses of solar energy requires, much greater support from the Federal Government.

The following table provides data on alternative solar energy programs that have been suggested:

TABLE I.—SOLAR ENERGY R. & D. BUDGET PROPOSALS

[In millions of dollars]

Fiscal year	AEC (Dec. 4, 1973)	President's proposal	Solar energy panel "Minimum viable"	Solar energy panel "Accelerated orderly"	HHH proposal
1975	$32.5	$50.0	$50.5	$106.4	$56
1976	39.9	NA	67.5	188.9	94
1977	41.4	NA	89.7	237.2	150
1978	42.2	NA	104.8	264.4	150
1979	44.0	NA	97.4	259.8	150
5-year program	200.0	(350.0)	409.9	1,056.7	600

First, this table outlines the Atomic Energy Commission's recommended level of funding for solar energy as announced on December 4, 1973—a $200 million program over 5 years. Second, the President's proposed 5-year solar energy research budget is estimated at $350 million. Third, the "minimum viable" and "accelerated orderly" programs of $409.9 million and $1,056.7 million, respectively, were recommended to the AEC by the Inter-Agency Technical Review Panel in November 1973. Fourth, the 5-year solar energy research and development funding level, which I believe is needed, would total $600 million over 5 years.

Regarding present funding and support, I would like to commend the actions of the Office of Management and Budget in increasing support for solar energy from the $200 million recommended by the AEC to approximately $350 million for the next 5 years.

However, though a step in the right direction, it is still inadequate. This is made sharply clear in the higher funding levels recommended by the Inter-Agency Technical Review Panel, under the chairmanship of Dr. Eggers of the NSF, and noted above.

Mr. President, I ask unanimous consent that the "Section-1-Overview" of this report by the solar energy program subpanel, included in the recommendations of the Technical Review Panel, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, a recent voluminous study by the Mitre Corp. of a logical 5-year solar research and development program arrived at similar minimum and accelerated program figures.

Mr. President, I also ask unanimous consent that the "Summary and Discussion of Alternatives" section of the Mitre Corp. study be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HUMPHREY. Mr. President, in regard to proposed funding levels it is also important to note the conclusion of the staff report on solar energy research prepared by the Committee on Science and Astronautics of the House of Representatives in December of 1972. Based on reports from NASA, the NSF, the NBS, and the CRS, they concluded:

It appears that all the reporting groups concur generally in a future level of funding for solar energy research on the order of $100 million over the next three years and of about $150 million a year thereafter—reaching a total of about $3 billion over the next 15 years.

As is obvious from the above table, my proposal follows very closely on the advice of the technical experts and responsible Federal solar research and development organizations.

Unfortunately, while an improvement over the AEC proposals, the President's recommended funding for solar energy research and development fails to make the level of commitment that is absolutely essential to achieving meaningful progress in this vitally important area. I find the funding level baffling in light of "Project Independence" and the President's promise to move ahead vigorously to make our Nation self-sufficient in energy.

ACCELERATED PROGRAM UNDER SOLAR ENERGY RESEARCH ACT

Mr. President, the bill I am offering today, the Solar Energy Research Act of 1974, would establish an Office of Solar Energy Research. This Office would provide the forward thrust for the expanded solar energy research, private and public, that is desperately needed in our Nation. This effort can be expected to dramatically reduce the period of time needed for the full advantages of solar energy to become available to the American people.

The Office is created within the Federal energy research and development administration or other permanent energy research organization established by Congress. Should such an agency not be in existence when this bill is enacted, the Office will be situated, on an interim basis only, in the Atomic Energy Commission.

It has been estimated by the NSF/NASA Solar Energy Panel, the principal body of solar energy expertise within and outside the U.S. Government, that beginning in the early years of the next century, at the latest, solar energy could economically provide as much as 35 percent of our total building heating and cooking requirements, 30 percent of the Nation's gaseous fuel needs, 10 percent of the demand for liquid fuels, and over 20 percent of the country's total electrical energy requirements.

As far as the near future is concerned, these and other experts agree that, if solar energy development and economic incentives programs are vigorously pursued, building heating from this source could reach substantial segments of the public within 1 or 2 years; building cooling in 5 to 9 years; synthetic fuels in 4 to 7 years; and electric power production in 9 to 14 years.

In other words, beginning now and well into the next century, major solar energy potential can be realized, if a strongly directed, supported, and administered solar energy research and development program is mounted within the Federal Government.

The Office of Solar Energy Research will provide the basic administrative structure and central policy focus for the entire solar energy research and development effort of our Government.

A Solar Energy Research Council is established to coordinate solar R. & D. among the several agencies involved and to assure the broadest possible spectrum of views and talents for the formulation of solar energy policy.

This, I hope, will result in an open solar energy growth policy based on objective scientific and economic review.

The cooperation called for among the various Government agencies in this legislation should not be taken lightly. I believe it is central to rapid success in our solar program and must be closely monitored by the appropriate congressional committees. The tendency to build a new research bureaucracy must not be permitted. There is simply too much talent and experience within the Government—NSF, NASA, AEC, and others—to permit a parallel development of expertise in a separate agency. It would be both time consuming and wasteful to do so.

Besides close cooperation with other agencies, the Office should especially utilize the great talents and capabilities to be found in industry.

It was a Government-industry team that got us to the moon and only with the same partnership of resources and spirit of cooperation can we achieve our national priority of energy self-sufficiency.

A key feature of this legislation is its aggressive program for seeing to it that the results of our solar energy research programs are available for use by the

general public, as quickly as possible. The core of this effort will be a broad range of solar energy utilization incentives.

The authorizations provided in this bill, which have previously been described, are quite close to what the experts cite as the "minimum requirements" for a sound solar energy research and development program and well below what could be done under what the experts call an "accelerated orderly" program. However, they are nearly double the inadequate level of the recent announced administration solar energy research and development funding requests, which totals $350 million for the next 5 years.

If we have not learned the danger of overreliance on a limited number of energy sources from the current energy crisis, and do not act to spread our energy requirements across as wide a spectrum of energy sources as we can, we may be destined to experience an even more serious energy crisis in the decades ahead.

Mr. President, if we are going to seriously attempt to assure sufficient supplies of fuel at reasonable prices to all of our people, every potential source of energy supply must be thoroughly investigated. I am convinced that this is not happening in the solar energy areas. The purpose of this bill is to see that it does happen.

It does not seem unreasonable to me to ask the administration to put a mere 5 percent of its $11 billion energy research and development funds into work on solar energy, particularly when one considers its fantastic potential and the recommendations of the experts.

Mr. President, I ask unanimous consent that the full text of the "Solar Energy Research Act of 1974" be printed at this point in the RECORD. I also ask unanimous consent that "A Focus for Solar Energy," a statement by former Congressman George P. Miller, be printed in the RECORD.

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

S. 3234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That this Act may be cited as the "Solar Energy Research Act of 1974."

DECLARATION OF POLICY

SEC. 2. (a) The Congress hereby finds that—

(1) the needs of a viable society depend on an ample supply of energy; and

(2) the demands on nonrenewable sources of energy pose unacceptable and regressive limits on growth; and

(3) that solar energy offers a nonpolluting, inexhaustible source of energy available for the benefit of all mankind; however

(4) heretofore, research into utilization of solar energy has been extremely limited.

(b) The Congress declares that it is the policy of the Federal Government to pursue a vigorous and viable program of research and development into the utilization of solar energy as a major source for our national energy needs.

ESTABLISHMENT OF AN OFFICE OF SOLAR ENERGY RESEARCH

SEC. 3. (a) There is hereby established an Office of Solar Energy Research (hereinafter referred to as the "Office").

(b) Within sixty days from the date of enactment of legislation establishing a Federal Energy Research and Development Administration, or from the date of enactment of legislation creating any other permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States Government, the Office of Solar Energy Research created in this Act shall be established within that Agency.

(c) If, within sixty days from the date of enactment of this Act, no Agency with jurisdiction over Federal energy research and development has been established, the Office of Solar Energy Research authorized under this Act shall be established, on an interim basis, within the Atomic Energy Commission, under regulations prescribed by the Office of Management and Budget. The Office of Solar Energy Research shall be transferred to the new Federal office of energy research and development, as described in Section 3(b), within sixty days from the date of enactment of legislation authorizing its creation.

SEC. 4. In order to accomplish the purposes of this Act, the Administrator of the energy research and development organization referred to in section 3(b) or, on an interim basis, the Chairman of the Atomic Energy Commission, (hereinafter referred to as the "Administrator or Chairman"), whichever has located within his organization the Office of Solar Energy Research, pursuant to Section 3 of this Act, acting through the Office, shall—

(a) conduct, encourage, promote, and coordinate by means of research grants and contracts, in conjunction with, but not limited to, the National Science Foundation, and the National Aeronautics and Space Administration, fundamental science research to develop economical processes and methods for collecting, converting, transmitting, storing, and otherwise using solar energy and thereby transforming it into energy suitable for public and private use throughout the Nation; and in doing so, fully utilize, where appropriate, the experience and expertise of, but not limited to, the National Science Foundation's Division of Advanced Energy Research and Technology.

(b) fully utilizing the managerial and technical expertise, where appropriate, of such agencies as, but not limited to, the National Aeronautics and Space Administration, the National Science Foundation, the National Bureau of Standards, the Department of Housing and Urban Development, and the Department of Agriculture, among others (hereinafter referred to as "participating agencies"), such utilization developed in conjunction with the Solar Energy Research Council and reported within the annual report called for in Section 8 of this Act, conduct appropriate research and technical development work (1) to determine, by laboratory and pilot project testing, the usable results of all aforesaid fundamental scientific research and all existing research and (2) to develop and fabricate solar energy transformation processes, equipment designs, and components to the point where they can be demonstrated, certified, produced, and operated on a commercially practical scale;

(c) recommend to the Congress, as he deems appropriate, authorizations for the construction and operation, or for participation in the construction and operation, of solar energy conversion facilities or any component thereof for any process or method which he determines has great promise of accomplishing the purposes of this Act, this recommendation to be accompanied by a report, prepared in conjunction with the Solar Energy Research Council, on the location and cost of the proposed facility and the engineering and economic details with respect thereto; and

(d) undertake, through research grants and contracts, studies of possible economic, social and environmental effects which will result from the use of solar energy.

SEC. 5. In carrying out his functions under this Act, the Administrator or the Chairman acting through the Office, shall—

(a) transfer funds, where appropriate, to participating agencies adequate for conducting the research and technical work described in section 4 of this Act and for such other purposes, as he deems appropriate, pursuant to the purposes of this Act;

(b) initiate and participate in national and international conferences relating to solar energy research and development; and

(c) either directly or through participating agencies:

(1) acquire where necessary the services of mathematicians, engineers, economists, chemists, physicists, social scientists, and other personnel by contract, or otherwise;

(2) enter into contracts with private firms, educational institutions, and scientific organizations: Provided, That the expenditure of Federal funds through said contracts shall be apportioned so as to assure that small business concerns will have a realistic and adequate opportunity to participate in the programs under this Act to the maximum extent possible;

(3) make research and training grants;

(4) utilize, whenever deemed appropriate, the resources available, towards accomplishing the purposes stated in Section 2(b) of this Act, in the public and private sectors, including personnel or facilities such as, but not limited to, industry laboratories, Federal scientific laboratories, test sites, and such other resources; and to better enable the utilization of such resources, investigate, from time to time, the availability of the various resources needed to accomplish the purposes of this Act and investigate the feasibility and desirability of utilizing such resources as, but not limited to, the Lewis Research Center, the Los Alamos Scientific Laboratory, the Nuclear Rocket Development Station, and the Marshall Space Flight Center, among others, and to report to the President and the Congress the findings of such investigations; and only then,

(5) when deemed necessary, establish facilities and test sites at which to carry on the continuous research, testing, development, certification, fabrication, and programing, and also, if deemed appropriate, establish national solar energy development sites to serve as the base of operation and location of pilot and/or demonstration plants for solar energy conversion;

(6) utilize military installations where appropriate, to test applicable systems leading to a reduction in use of fuels and to a self-sufficiency of such installations;

(7) acquire inventions, patents, patent applications, licenses, secret processes, technical data, and interests in land, and other property rights by license, lease, donation, or purchase.

SEC. 6. (a) There is hereby established a Solar Energy Research Council to be chaired by the Chairman or Administrator to coordinate policy and programs in solar energy research. The Council shall be comprised of the Chairman or Administrator, the Administrator of the National Aeronautics and Space Administration, the Director of the Office of Technology Assessment, the Director of the National Science Foundation, the Secretary of Housing and Urban Development, the Administrator of the Federal Energy Office, the Secretary of Agriculture, or their representatives, and such others as may be appointed by the President. The Chairman or Administrator may designate as nonvoting members individuals from the private sector of noted expertise in the field of solar energy and/or its commercial application.

(b) It shall be the responsibility of the Council (1) to advise and consult with the

Chairman or Administrator in carrying out the purposes and provisions of this Act; and (2) to recommend to the President and the Congress policies pursuant to the purposes of this Act.

(c) Appointed private sector members of the Council shall receive for each day they are engaged in the performance of the functions of the Council compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(d) The Chairman or Administrator shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities effectively.

SEC. 7. To assure that unnecessary delays are avoided in making available to the public and private sectors the benefits of solar energy research; the Chairman or Administrator shall—

(a) develop, in conjunction with, but not limited to, the National Bureau of Standards' experimental technology incentives program (ETIP), the National Science Foundation's experimental research and development incentives program (ERDIP), the Department of Housing and Urban Development, the National Aeronautics and Space Administration's Office of Technology Utilization, the National Science Foundation's Office of Intergovernmental Science and Research Utilization, the General Services Administration, and appropriate individuals from the private sector of noted expertise in the field of solar energy and/or its commercial application, and others, a program to expedite the increased utilization of solar energy technology by the public and private sector.

(b) establish a solar energy incentives task force comprised of such individuals and organizations as, but not limited to, those listed in the previous subsection to carry out the following functions: (1) report to the President and the Congress within 120 days following enactment, and at least annually thereafter, recommendations for a viable program, of specified, time limited, incentives or modifications to existing and/or proposed incentives programs to accelerate the commercial application of solar energy technology; (2) carry on a program of research and investigation into the barriers to innovation in the field of solar energy, the barriers to the acceleration of the commercial application of solar energy technology, and the programs needed to remove such barriers;

(c) compile on a semiannual basis and make available to the public a listing of all solar energy conversion components, facilities, and equipment, commercially available in the Nation for private or public use;

(d) implement a means of making available to interested parties information which is deemed appropriate for use in solar energy research and solar energy conversion equipment fabrication and development; and

(e) establish a solar energy research advisory commission with broad membership from such categories as, but not limited to, industry, academic institutions, the financial and legal communities, environmental and consumer groups, labor, public interest groups representative of state and local governments, and state and local agencies.

SEC. 8. The Chairman or Administrator in conjunction with the Council, shall report, on an annual basis, to the President and the Congress all actions taken by him under the provisions of this Act, all action planned for the ensuing year, and, to the extent practical, a projection of activities and funding requirements for the ensuing five years. Further, he shall recommend, as he deems appropriate, legislation and/or reorganizations which might further the purposes of this Act.

SEC. 9. For the purposes of this Act, utilization of solar energy shall include such applications of solar energy as, but not limited, to, the solar heating and cooling of buildings, solar crop drying and other agricultural applications of solar energy, solar thermal and photovoltaic power generation for terrestrial applications, whether situated on the ground or in space, wind energy conversion, ocean thermal gradient conversion, solar stimulated bioconversion, solar production of synthetic gases and hydrogren, among other applications.

SEC. 10. The Chairman or Administrator may issue rules and regulations to effectuate the purposes of this Act.

SEC. 11. (a) To carry out the provisions of this Act, there are authorized to be appropriated the following amounts:

(1) for the fiscal year ending June 30, 1975, $56,000,000;

(2) for the fiscal year ending June 30, 1976, $94,000,000;

(3) for the fiscal year ending June 30, 1977, $150,000,000;

(4) for the fiscal year ending June 30, 1978; $150,000,000; and

(5) for the fiscal year ending June 30, 1979; $150,000,000.

(b) Funds appropriated pursuant to subsection (a) of this section shall remain available for obligation, for expenditure, or for obligation and expenditure, for such period or periods as may be specified in Acts making such appropriations.

A FOCUS FOR SOLAR ENERGY

(Remarks by Hon. George P. Miller in the House of Representatives, May 31, 1972)

Mr. Speaker, at the risk of seeming a bit quixotic, I suspect that the time has come for civilized man to stop taking the sun for granted.

This is not to imply that one need worry about the sun not rising tomorrow or exploding into a super-nova next year or collapsing into a white dwarf in a few centuries. What I do assert is the spiraling need for the human race to tap the sun's enormous energy and put it to work as a major power supply—soon.

A lot of people have become involved lately in energy problems—including myself. The record abounds with reports and studies about the so-called energy crisis—and, in my opinion, there *is* such a crisis. There is nothing phony about it.

What I want to emphasize is this. Crisis is a relative word; usually its essence is immediacy—short range or short term—something we must handle right away. On the other hand, what is "immediate?" That depends on what you are and what your environment is. If you are a guppy being chased by a predator in a fish tank, it is one thing. If you are Queen Elizabeth it is something else. And if you are a member of Congress faced with making decisions which will affect not only your country but global civilizations as yet unborn, it is still another thing.

The point is that our energy crisis is both short-term and long-term. It is a continuum. We know we must find substantial new sources of energy to keep us going just for the balance of this century. We are also beginning to suspect that there is nothing now available to us which will serve our needs for clean energy during the next century or the one beyond that—except the sun.

In such context is this not the "immediacy?"

The lifetime of our nation is only 183 years—almost exactly the length of time that passed from the founding of Jamestown until the Constitutional Convention in Philadelphia. Does that period seem long today? Not very. Let me shrink it a little more. The time of real need for solar power may well be only half a century or less away. This is about the same span elapsing between the inauguration of George Washington as President and the death of Davy Crockett at the Alamo. That does not seem very long either.

Observed on this scale perhaps it is not so hard to see why, if we are to be assured of abundant energy in 2020 and beyond, we must get on with adequate and appropriate research *as of now*.

For the short-term crisis, the signs are that we are waking up and moving—toward fossil fuel exploration, nuclear power development, chemical conversion research, geothermal experimentation and the like. We have quite a way to go there, but we are started.

For the long-term crisis—toward significant solar power—we are basically still asleep.

NEEDS AND POSSIBILITIES

Projected figures on American and world energy needs are readily available and can be set forth in massive detail. Many of them are inconsistent. Some are frightening. All are revealing. None is reassuring.

It is not my purpose to document a case for energy research. That has been done many times over. But I *do* want to specify a few facts which seem particularly meaningful here.

(1) *Future Energy Needs.*—One can find almost any kind of estimate on this matter except an estimate that trends downward. All are up. The most reliable, based on an averaging of more than 50 different forecasts, indicates that U.S. total energy needs will double in 25 years, and that electrical energy needs are doubling every 13 years which means an increase of over 400 percent before the year 2000. At the same time, our Committee on Science and Astronautics has testimony from the Interior Department which indicates the possibility of much higher energy demands depending on the accuracy of certain economic growth forecasts.

When we consider that the nation is consuming electric energy close to its present peak capability right now, that is a sobering thing to contemplate.

(2) *Energy Research Now Underway.*—Such research is presently underway in many fields including the fossil fuels, coal, oil and gas; nuclear fuels involving processes of fission, fusion and plasmas; hydraulic, geothermal, solar, wind, chemical, biological and a number of other exotic types.

Reports our committee has issued show that about 4,400 energy research projects are now in the mill in the United States and probably about $1 billion is going to support them. There are 1,162 projects on which we have detailed funding information, with about $441 million supporting them.

This is commendable.

But let me point out that a large part of this research is devoted simply to locating new sources of fuel, such as oil, gas and uranium, and developing new ways of getting at it.

In any case, only about 70 of the 4,400 research projects have any relation to solar energy, and they have available—so far as we can gauge—considerably less than 1 percent of the total funds going into energy research. Moreover, much of the effort that is going into solar energy research—probably half or better—is not being devoted to terrestrial use, but for use in space.

(3) *Supplies of Energy.*—Describing the world's supply of energy is very complex. It depends on many things. However, the engineers who have studied this problem tell us that "fossil fuel reserves are barely equivalent to twice the cumulative demand for energy between 1960 and 2000." (U.S. supplies are less than a fourth of the world total.) They go on to say that even nuclear fuels,

using present reactors, can provide a margin only a little more than twice the capacity of fossil fuels—but that breeder reactors could boost total nuclear capacity about 100 times. (U.S. reserves of nuclear fuels are estimated at 10 percent of the world supply.)

All such supplies are "depletable."

Sources categorized as "continuous" are solar radiation, wood fuel, farm waste, photosynthesis, hydro-power, wind power, tidal, and geothermal. All of these combined, *excluding solar radiation*, are estimated to provide maximum annual energy amounting to about 1.5 percent of the total world supply of fossil fuel energy, about .6 percent of total nuclear energy available using present methods, and about .006 percent of total breeder-reactor energy.

Solar radiation energy falling annually on the world's land surface, however, is estimated at about 28 times the world's total supply of fossil fuel energy, about 9 times the total supply of conventional nuclear energy, and about 11 percent of the total supply of breeder-reactor energy.

(4) *Outlook for Various Energy Systems.*—Again, it is difficult to describe the energy outlook in terms of utilization of the various kinds of fuels. This is mainly because new technologies may provide us with more efficient ways of recovering and using these fuels.

With present technology we have no practical way of recovering a very large part of the world's remaining supplies of oil, coal and gas. And we are even hampered in using present methods in many cases due to public outcries against such methods as strip mining, offshore drilling, surface pipelines, jumbo tankers and the like.

Present nuclear power methods seem to have made reasonable progress with their problem of thermal pollution but very little with long-term radioactive waste disposal. No one in this country has yet succeeded in producing a reliable commercial prototype of breeder-reactor; nor does anyone seem to have a practical solution for handling the small (in quantity) but exceedingly "hot" (radioactively) waste from such plants—a kind of waste which remains highly dangerous for thousands of years. With both types of reactors, there exist wide divergences of opinion with regard to fuel availability, hazards, and the economics of plant construction and operation.

With regard to power from nuclear fusion and plasmas, scientific feasibility has not been demonstrated, and we are lacking in our materials research, among other things. As yet we have no processes or materials to withstand the enormous temperatures and radiation levels which such methods demand.

DECISIONS TO BE MADE

By reciting these circumstances, I do not mean to be negative. I have great faith in our scientists and engineers, and I have no doubt that developing technology will help us find various options to follow in alleviating the energy dilemma.

Nonetheless, in view of the foreging evidence—and I believe that I have been reasonably conservative in my presentation of it—it seems to me that at least two firm conclusions are in order.

First.—We must make a decision, probably during the '70's, on what we want to do with some of the most valuable—but finite—resources on this planet. That is, coal, oil, natural gas, uranium and several other heavy elements.

Do we want to "burn" them? Use them all up for fuel?

Obviously we are going to be forced to do this for a while. There is no alternative. But, as I have tried to point out earlier, a "while" is a relative thing which, if we are complacent, may quickly devour all the time we have left to develop options. Even assuming that we manage to evolve new adequate energy systems by then, what do we use in place of these precious materials which we have so inefficiently consumed?

It took billions of years for Earth to make her fossil fuel material. We cannot manufacture more of it. Yet we have hundreds of needs for it other than energy. The bulk of the petrochemical industry, which is so vital to our well-being, will—for example—be lost. Such loss factors may be extended by orders of magnitude in other fields—for it is clear that important uses of these materials which are undreamed of today will exist tomorrow.

Meanwhile, at present rates of consumption, that priceless product—oil—which we first found in this country in Pennsylvania in 1825—will be gone worldwide by 2125 if not before. An interesting commentary on mankind, is it not? Particularly so in light of some of our efforts to eradicate the effects of burning oil—such as smog-control devices adapted to the internal combustion engine, which thus far, while achieving some progress toward that goal, have also succeeded in increasing auto gasoline consumption by about 20 percent when employed.

To me, the answer to the question of the *indefinite* use of fossil and nuclear materials for energy is clear. Let us look elsewhere.

Second.—If we conclude that we must look elsewhere for major energy sources, where can we turn except to solar radiation?

I am not aware of another likely candidate—at least one with sufficient potential to provide very large amounts of undiminished power over large geographical areas for long periods of time.

Undoubtedly there will be, as there are now, many possible ways and many technologies for transmitting, converting, storing and using solar energy. Each will be important in its contribution to the total energy panorama. But I am convinced that at least one key to the problem lies in some joint space-terrestrial method of generating electric power.

If this is correct, it is going to require a lot of research, development and demonstration beyond contemporary efforts.

NATURE OF PRESENT RESEARCH

So what are these efforts?

At present, those being undertaken privately are mainly concentrated in the short-term payoff area—exploration for sources, extraction techniques, nuclear engineering, coal gasification and the like. Research on solar energy is largely ignored.

What about the Federal effort?

Government-wide budget requests for energy research for fiscal year 1973 come to about $700 million—which is by no means hay but which is around 4 percent of the total Federal R&D budget. The amount contemplated for solar energy research is something like $13 million, or less than 2 percent of the *energy* R&D budget. Almost all of this is funded by the National Aeronautics and Space Administration and the National Science Foundation and not all of it will be obligated.

Let's take the solar energy R&D budget a step further.

Only about $4 or $5 million of it is devoted to research which has terrestrial applications. The rest, including a small amount of Air Force money, is aimed toward applications in space—which I strongly support; it is vital to the total understanding of solar energy potential as well as our space-oriented missions. The point I am making is that our real government financial commitment to solar energy research for terrestrial purposes at present comes to about .0003 or 3/100ths of 1 percent—of our total Federal R&D budget.

To understate the case—this is not much of a commitment.

If the argument I have been making is at all valid, then something is wrong with our priorities.

Last June the President sent a special message to Congress on U.S. energy needs, which has helped create an encouraging environment for energy research. The Federal Council on Science and Technology has set up a Committee on Energy R&D Goals—which includes a Solar Energy Panel co-chaired by officials from NASA and NSF. That Panel has 5 sub-panels devoted to varying systems and about 40 expert consultants involved. An important function of the Panel is to investigate the large-scale use of terrestrial solar energy and recommend to the Energy Committee what research programs are needed. The report is due by July 1, 1972—though when it may be made generally available, if at all, I do not know. Nor does anyone seem to know what happens to the Panel after that.

This is fine as far as it goes.

But is doesn't go very far and, unless somebody really pushes the throttle, it is going to be not merely too little but too late. Moreover, there seems to be no central point of responsibility for making the required effort.

In my view, we are going to need an effort comparable in spirit and commitment to the one we put into the space program in the 60's in order to achieve our solar energy needs. Except this new effort is likely to be more difficult and complex than our space program has been up to now and will cover a longer period. It is not going to be easy.

Perhaps it will take a disaster or a real scare to produce the effort, but when that effort comes it will have to be: (1) Focused; (2) Integrated; (3) Intense, and (4) Continuing.

Nothing else will suffice.

I know there are many who think the whole concept of solar energy is too "far out" and, by current engineering standards, too inefficient. But I would remind my colleagues that today we depend for our existence on many technologies which were completely unknown 25 years ago.

I am sure it is going to cost us more, but this should not be a deterrent. I believe we must accept the fact that in the future our utilities—among the most crucial commodities in our entire scheme of living—are likely to cost what they are worth. For 100 years we in this country have been taking them for granted and paying almost nothing for them. Meditate on that. We think nothing of paying $5 or $6 for a bottle of gin or $2.50 for a lipstick or $1.25 for a can of deodorant spray, yet we gripe if our water bill goes up to 50 cents for 1,000 gallons. Try doing without water for a while—or heat or electricity—and then decide what it is worth.

This is what we are going to have to do.

UNIQUE ROLE OF SCIENCE COMMITTEE

Mr. Speaker, I bring this matter to the attention of the Congress because, as Chairman of the Committee on Science and Astronautics, I believe I have a special and unique responsibility to do so.

Many Congressional committees have a strong and deep involvement with energy matters. However, our committee has a particular duty in the oversight of energy *research* and, whether by chance or otherwise, it turns out that the three executive agencies which fall under our jurisdiction appear to be the best qualified to take the lead in supporting serious R&D on solar energy. These three are the National Aeronautics and Space Administration and the National Science Foundation—which, as I have already mentioned, jointly manage the activities of the Federal Council's panel on solar energy—and the National Bureau of Standards. To give added potential to this triumvirate, it should be noted that NSF and the Bureau share between them responsibility for the Administration's new "technological innovations" programs.

That program is expected to be funded in fiscal '73 at about $40 million. I do not know how it will be used, nor is it my job to dictate that use. But, assuredly, it is my hope that serious consideration will be given to

providing some additional solar energy R&D support through these programs.

Furthermore, I deem it most appropriate to point out that, in addition to its immediate programs on solar energy research, NASA's space shuttle system could have incalculable value for ultimate solar energy use. This system may well be the only one which could assemble and maintain solar energy stations capable of employing microwave transmission to earth to overcome weather interference. I hope that those critics who have long down-graded the U.S. manned spaceflight programs will give this some unbiased thought.

There is a fourth organization which also has a particular contribution to make to our Committee regarding the solar energy endeavor. This is the Congressional Research Service (CRS) of the Library of Congress. Late last year, at the insistence of Rep. John Davis of Georgia, chairman of our Subcommittee on Science, Research and Development, the Science Policy Research Division of CRS began an extensive review of the materials research and materials needs of the U.S. Their study is extensive and will take time—but it is critical, I believe, to the success of many of our research ventures, including solar energy research.

Many of our scientific and technological research personnel are aware of this fact. A number of government and non-government councils with the task of promoting materials research already exist. They are operating on the premise that some of the most urgent public needs facing the nation demand new technologies which can be developed only with the advent of materials possessing properties not yet known to man.

CONTACT WITH EXECUTIVE AGENCIES

Mr. Speaker, my interest in solar energy research—and that of our Committee as a whole—has stemmed in considerable part from the excellent work done over the past 9 months by our Energy Research Task Group.

This group, headed by Rep. Mike McCormack of Washington, as a special unit of Rep. Davis' subcommittee, has been given comprehensive briefings almost weekly. Each meeting has been held in a frank and informal manner with experts from all appropriate energy R&D fields—following extensive planning and consultation with the Congressional Research Service. The briefings culminated this month in two weeks of what I consider to be highly sophisticated hearings by the Davis subcommittee on our national energy research prognosis.

My comments today have been sparked by that work.

Also, as a result, I have recently been in direct contact with the heads of each of the agencies here identified as important contributors to solar energy R&D: Dr. James Fletcher of NASA, Dr. Guy Stever of NSF, Dr. Lawrence Kushner of NBS, and Dr. Lester Jayson of CRS.

Each has agreed to participate with the Committee on Science and Astronautics in considering the formulation of multidisciplinary, integrated programs of solar energy research. Toward this end we will begin exploratory meetings between appropriate personnel of the several agencies and of the Committee within a few weeks.

In addition, it is my plan to request that each of the specified agencies report to the Committee within four months on:

(1) The particular contributions, existing and potential, which the agency involved is capable of giving to solar energy R&D;

(2) The level of effort which the agency feels is best suited to it under present conditions;

(3) The level of effort which is possible under accelerated conditions;

(4) The level of commitment which the agency is willing to recommend to the Administration over the next decade, insofar as this is feasible;

(5) The identification and relative capabilities of other government and non-government organizations or institutions in solar energy research.

NEW TASK FORCE AND POLICY FORMULATION

What do we expect from this beginning?

Eventually, of course, we hope for the creation of an *effective* program of solar energy research. I use the term "effective" here as synonymous with "successful."

As for immediate expectations, we are looking for three things:

First.—The formation of what is perhaps the first task force of its kind—a joint Executive-Legislative-Industry task force which will cross not only the boundaries of executive departments but boundaries of the main branches of government as well.

If executive agencies or legislative offices or committees other than those I have discussed wish to take part, they will be welcomed. In addition, expert representatives from industry should obviously be included if they are willing.

The chief mission of such an integrated task force will be to provide the mechanism for assuring a *consistent, coherent* and *intensive* assault on the enormous research problems inherent in the production and use of solar energy. If any of those three characteristics fails, the effort will fail.

Second.—The promulgation of a statement of solar energy policy (perhaps involving energy generally). Hopefully, such a statement can be put in the form of a Joint Resolution and eventually given the force of public law. In my views, this will be especially important during those interim periods when we have made progress with the more conventional modes of energy and things begin to relax—for the moment. It is human nature then to say "why bother—why keep up the fuss over this solar bit?"

At such times, a national policy faithfully pursued may keep us from succumbing to that deceiving, and possibly fatal, technological lullaby.

Third.—The concentration of attention on the possibilities of solar energy—and the ultimate essential requirements for it—on an international basis. No part of the energy dilemma is the peculiar province of the United States. While we may be the first and the most seriously affected by energy shortages, the problem itself is global. We are all in this thing together, and very likely solutions will have to come from many quarters, domestic and foreign.

One thing is apparent to me. If we do not get on with this job, such matters as the war in Viet Nam, unemployment, crime, overcrowding, trade balances, education and all the other things which preoccupy so many nations today—will not make much difference. If the energy crisis becomes an energy catastrophe, we will find out, rather painfully, how relatively insignificant such contemporary issues have been.

EXHIBIT 1

SECTION 1—OVERVIEW *

1. PROGRAM GOAL

To develop, at the earliest feasible time, those applications of solar energy that can be made economically competitive and environmentally acceptable as alternative energy sources.

2. BACKGROUND AND APPROACH

The sun is an inexhaustible source of an enormous amount of clean energy available nearly everywhere in the world. The technical feasibility of using solar energy for terrestrial applications is well established. On the other hand, solar energy is diffuse (17 watts/ft², twenty-four hour average in the U.S.) and variable (from zero to a maximum and back to zero each twenty-four hours). These two factors of low energy density and variability, combined with the ready availability of inexpensive fossil fuels, have until now, discouraged the development of systems suitable for widespread use. However, a recent study conduct by leading university, industry and government experts [1] concluded that a substantial development program could achieve the technical and economic objectives necessary for practical systems. In certain areas, practical systems are already in operation, e.g., domestic hot water heaters, remotely located buoy power systems, house heating systems, and waste conversion plants.

Solar energy can be used to generate electric power, to heat and cool buildings and to produce renewable supplies of clean hydrocarbon fuels. It is proposed to conduct six, phased subprograms covering the three areas. The six subprograms are:

1. Heating, and Cooling of Buildings (HCB).
2. Solar Thermal Conversion Systems (STC).
3. Wind Electric Power Systems (WEP).
4. Bioconversion to Fuels (BCF).
5. Ocean Thermal Electric Power Systems (OTEP).
6. Photovoltaic Electric Power Systems (PEP).

It is important to recognize that each of the above subprograms can make a substantial contribution without which the full potential of solar energy will not be realized.

Three of the four electric power generation system concepts, STC, WEP, and PEP, may require some form of energy storage for most effective central power station applications in order to compensate for the variable solar insolation. This energy storage requirement can be met by a variety of systems, e.g., pumped hydroelectric concepts, advanced pneumatic and electro-chemical systems or alleviated by utility grid operating procedures. The fourth system concept, OTEP, is unique in that it does not require energy storage or collectors since the ocean provides these functions.

While as many concepts and approaches as appear useful will be investigated in the early research and technology phases of each subprogram, only the most promising will be pursued to the point of demonstration. Special attention will be devoted to assuring that refinement and/or the development of advanced systems will be conducted and funded by industry at a later date. Concurrently with the technology development, an incentive research and development program would be carried out. This program would provide an evaluation of the policy alternatives concerning legal, regulatory, and institutional barriers and issues, and evaluate incentives additional to those intrinsic to the technological program elements. Incentives to be considered and evaluated in this program to overcome any initially unattractive features or startup costs of large scale development include; 1) subsidies on capital investment, 2) subsidies on initial operating costs, 3) guaranteed or low interest rate loans and 4) guaranteed minimum sales on equipment development. A significant portion of the overall program is designed to provide incentives to motivate industry to develop solar energy systems.

Figure 1 lists the resources required for the period FY 75–FY 79 for two program levels; the minimum viable (~$400 million),

*From recommendations of the Technical Review Panel, Sub-Panel IX—Solar Energy Program Report, December 1973, for Dr. Dixie Lee Ray, President's Energy R & D Advisor.

[1] Solar Energy as a National Resource, NSF/NASA Solar Energy Panel, December 1972.

and an accelerated, orderly program (~$1 billion) having a high probability of early success.

3. SIGNIFICANCE AND BENEFITS

At an average energy conversion efficiency of 5%, less than 4% of the U.S. continental land mass could supply 100% of the Nation's current energy needs. Thus, solar energy could contribute significantly to the national goal of permanent energy self-sufficiency while minimizing environmental degradation. In addition, this technology will be an exportable item for use by other energy deficient areas of the world. Although the full impact of solar energy probably won't occur until the turn of the century, the economic viability of several of the applications, e.g., heating and cooling of buildings (HCB), wind electric power (WEP) and bioconversion to fuels (BCF) could be developed and demonstrated in the next five years. Ultimately, practical solar energy systems could easily contribute 15–30% of the Nation's energy requirements.[2]

In most cases, photovoltaics being the primary exception, the development of practical systems will not require high technology. Thus, the research and development costs for solar energy should be very small in relation to the value of the energy saved. Current estimates indicate that the value of the fossil fuel to be saved in one subprogram area alone, i.e., HCB, would equal the cost of the entire accelerated ($1 billion) R&D program seven years after practical systems become commercially available.

Since solar energy systems are capital intensive and practical systems have not yet been developed, federal involvement in the development program is warranted.

FIGURE 1.—SOLAR ENERGY PROGRAM RESOURCES

[In millions of dollars]

Program	1975	1976	1977	1978	1979	Total
Heating and cooling:						
(a) Accelerated	17.8	35.7	50.7	57.5	42.6	204.3
(b) Minimum	8.1	20.0	22.0	19.0	17.8	86.9
Solar thermal:						
(a) Accelerated	31.1	51.5	59.0	60.0	74.0	275.2
(b) Minimum	15.8	16.8	31.5	43.0	38.0	145.1
Wind energy:						
(a) Accelerated	8.5	17.3	23.5	33.9	23.0	106.2
(b) Minimum	3.8	5.4	7.1	6.9	3.7	26.9
Bioconversion:						
(a) Accelerated	12.1	17.3	23.7	30.1	40.6	123.8
(b) Minimum	8.5	10.5	10.5	10.5	12.5	52.5
Ocean-thermal:						
(a) Accelerated	8.6	19.2	16.4	28.8	26.5	99.5
(b) Minimum	4.0	4.5	7.6	12.2	13.0	41.3
Photovoltaic:						
(a) Accelerated	28.3	48.3	63.9	54.1	53.1	247.7
(b) Minimum	10.3	10.3	11.0	13.2	12.4	57.2
Total:						
(a) Accelerated	106.4	188.9	237.2	264.4	259.8	1,056.7
(b) Minimum	50.5	67.5	89.7	104.8	97.4	409.9

4. PROGRAM PLAN SUMMARY

A. Heating and cooling of buildings (HCB)

Approximately 25% of the Nation's current energy consumption is used for HCB purposes. For maximum utilization, solar HCB systems including domestic hot water systems suitable for both new construction and existing buildings must be investigated. Ultimately, 30–50% of the national heating and cooling energy requirement could be furnished by solar energy with the accompanying benefits of fuel savings, reduced pollution, and independence from complex energy transmission and distribution systems.

No major technical barriers exist to prevent the development of practical systems. Most of the technical problems to be solved involve the development of low-cost per unit of energy components. Specifically, the collectors and cooling systems require the most improvement, but appear amenable to a determined development program.

[2] Ibid. p. 10

There are major uncertainties with regard to public acceptance, legal rights to unshaded sun, the establishment of a supporting industry, and methods of marketing and financing high, first cost solar HCB systems. However, it seems probable that the development of economically competitive systems, the benefits associated with solar HCB systems will provide major incentives for solving or accommodating these problems.

Two program levels are projected, (see Figure 1). The accelerated program is aimed at achieving commercial availability by 1979 and requires a budget of $204 million through FY 1979. The minimum viable program, $87M through FY 79 eliminates three out of five demonstration programs, reduces the number of pilot plant experiments from fifteen to ten, reduces component research and technology efforts from $114M to $5M, and for the most part eliminates parallel efforts. The end result is a relatively high risk program with an undesirable lower probability of success.

B. Solar thermal conversion systems (STC)

Approximately 20% of the U.S. current energy consumption is used to generate electric power. Ultimately STC systems could provide 10–20% of the electric power requirement. In addition, the STC solar collection subsystem developed for electric power generation could provide thermal energy for process heat for decentralized (local) and/or centralized applications.

There appear to be no major fundamental barriers requiring basic research. On the other hand, material and equipment development is required to obtain competitive performance and economics. The key technology areas include low cost, high temperature (focusing and tracking) collectors, thermal energy storage and distribution and alternate system concept trade-offs. In addition, there are problems to be defined and resolved arising from the large areas of land required, (10–20 square miles per 1000 Mwe).

The two program levels, with the accelerated program at approximately $275M and the minimum viable at approximately $145M, are shown in Figure 1. The accelerated program includes four different power plant pilot and demonstration projects and a research and technology program aimed at proving technical and economic feasibility by 1985. The minimum viable program eliminates one power plant project, and reduces the research and technology program from $64M to $32M. This program requires 1–2 years longer and lowers the probability of success.

C. Wind electric power (WEP)

The maximum electric energy that can be practically extracted from the winds available to the U.S. has not been determined. However, areas of the continental U.S., the Aleutian arc and off the eastern seaboard have been identified for which it is estimated that $1–2 \times 10^{12}$ kilowatt-hours per year could be generated by wind systems by the year 2000 [3]. The total U.S. production was 1.6×10^{12} KW-hrs in 1969 and is projected to grow to 8×10^{12} KW-hrs by 2000. Thus, significant amounts of electric energy are potentially available from the wind.

Based on world wide experience to date, no major technical barriers to the development of practical systems are foreseen. The specific goal of the accelerated program ($106 million) is to have cost effective, 10 Mwe systems in operation by 1979, leading to the demonstration of 100 Mwe systems by 1981. The program includes a subsystem and component cost reduction program, research on and the collection of wind characteristics, user equipments, legal, environmental, institutional and aesthetic issues, optimization of design concepts, and the testing of single and multi-rotor systems of increasing size and performance, culminating in 10 and 100 Mwe projects. The minimum viable program ($27 million) maintains the same subelement structure but reduces the research and technology program from $20 million to $5.0 million, reduces the number of and delays the 10 Mwe system projects by one year, and delays the 100 Mwe project by four years.

The WEP program will yield definitive test data by 1976–77 as to whether practical systems can be developed. Should the early data be favorable, then a crash program may well be in order to significantly advance the rate and level of impact on the national energy problem.

D. Bioconversion to fuels (BCF)

BCF systems offer the potential of furnishing replenishable supplies of clean hydrocarbon fuels. Estimates of the potential production capability range as high as 50% of the current gas or oil requirements. However, the extent to which these projections can be fulfilled will depend basically upon the amount of land available and the efficiency and economy of biomass production from that land.

The major problems to be solved involve increasing the energy yield of the production process and trying to accelerate and reduce the costs of the various conversion processes. The accelerated program ($124 million) is aimed at demonstrations of conversion plants of up to 100 tons/day capacity as well as developing high yield energy crops by 1980. In addition, a goal has been established for the practical production of hydrogen by photosynthetic and biochemical methods in the same time period.

The minimum viable program ($53 million) stretches out the program 3–5 years and reduces the number of demonstration plants from eight to four.

As in the case of the wind system program, the bioconversion program will yield early definitive test data as to whether practical systems can be developed. Thus, a crash program may well be in order at a later date.

E. Ocean thermal electric power (OTEP)

In 1929, Claude demonstrated using a 22 Kw unit that the thermal difference between the surface and deep ocean waters can be used to generate electric power. Although the feasibility of the concept was established, the project did not result in a practical system. Modern technology together with the nearly unlimited availability of ocean thermal energy makes this concept of interest. The accelerated program ($100 million) is intended to demonstrate the practical feasibility of converting ocean thermal energy into electricity by 1985. Both near-shore and ocean pilot plant and demonstration projects will be conducted at 10 Mwe and 100 Mwe respectively. System reliability and economic viability will be determined, along with an associated assessment of the technology and environmental impacts. The potential for production of protein and fresh water as valuable by-products will be investigated. Engineering problems to be solved include the development of deepwater pipes of large e.g., 50 foot diameter, along with methods for their deployment and the design of appropriate heat exchangers and pumping systems. A selection must be made between an open or a closed thermodynamic cycle and as to the means for transmitting energy from ocean locations to land. In addition, legal questions associated with operations in international waters must be examined.

The minimum viable program ($41M) would confine the demonstration program to only one near-shore pilot plant/test facility. Consequently, the feasibility determination and ultimate commercial implementation of ocean plants would be delayed.

F. Photovoltaic electric power (PEP)

As noted previously, some 20% of the current U.S. energy consumption is used to gen-

[3] Ibid. Table 24. p. 69.

erate electric power by a total installed capacity near 400,000 megawatts. This level is projected to double over the next decade and become a larger portion of the U.S. energy consumption. Terrestrial photovoltaic systems could provide 10–20% of the electric power requirement. These systems may be employed for central station power systems and as local systems, for example, on rooftops to provide for heating and cooling of buildings. In addition there is the longer range potential of space systems (synchronous satellites) providing as much as power as desired.

The major obstacle to be overcome is the development of the technology and processes which will permit the production of very large quantities of photovoltaic arrays at low costs, e.g., at $0.10–0.30 per ft^2.

The accelerated program focuses on the exploration and exploitation of selected single crystal, thin film, and new concept approaches which are intended to establish a high degree of confidence in successfully accomplishing the low cost objective. The minimum viable program would force a substantial and very premature reduction in the number of options to be investigated and would stretch out the program from 3 to 8 years.

EXHIBIT 2

SUMMARY AND DISCUSSION OF ALTERNATIVES*

PROGRAM SUMMARY

The following chart summarizes the expenditures for each of the seven program elements (application areas) and for common applications, for the "Minimum" and the "Accelerated" Programs. In each case, the expenditures by fiscal year from 1974 through 1979 are given, along with the total for 1975–79 and the total through completion of the proof-of-concept experiments (POCE's). In every case, the recommended POCE's will be commenced during the period 1975–79, but in some cases not completed. Where the POCE extends beyond this period, the cost for the extra years is included in the end total.

The technical, economic, environmental, social and institutional viability of systems for heating and cooling buildings, and of systems for producing heated air and hot water for use in existing buildings and facilities will be demonstrated, and strategies developed for penetrating the markets for these systems.

One or more large systems ($5x10^7$ BTU/hour) and three or more smaller systems ($2.5x10^6$ BTU/hour) will be demonstrated, tested and evaluated for the supply of process heat to selected industrial plants.

A one-megawatt (electric) pilot solar-thermal plant will be designed, constructed, tested and evaluated. It will be equipped with either four (the Minimum Program) or forty (the Accelerated Program) hours of thermal storage.

A mass-production process for photovoltaic arrays, a one-megawatt (electric) prototype photovoltaic system connected to an electric utility network, a one-kilowatt (average electrical output) combined photovoltaic-thermal system for household use, and a one-hundred kilowatt (average electric output) prototype combined photovoltaic-wind-energy system with sufficient electrical storage to operate day and night all year will be developed, fabricated, tested and evaluated.

Two or four ten megawatt open or closed cycle, onshore or close offshore ocean thermal plants will be built, tested and evaluated. The feasibility of transmitting electric energy from such a plant by submarine cable will be determined.

A mass production process for a one-hundred-kilowatt to five-megawatt (rated electric) wind-energy system, a one-hundred-kilowatt (rated electric) prototype wind system in conjunction with a hydro-electric pumped storage facility and one-hundred-kilowatt to five-megawatt (rated electric) prototype wind systems to supplement an existing electric utility plant will be developed, tested and evaluated.

High-yield energy crop production and collection on a one-square-mile test farm, a one-hundred-ton-per-day fermentation pilot plant, a one-hundred-ton-per-day hydrolysis pilot plant and a one-hundred-ton-per-day catalytic gasification pilot plant will be developed, tested and evaluated.

A one-megawatt hydrogen generation, storage, transmission and utilization system will be designed, fabricated, tested and evaluated. The environmental impact of large solar collector arrays will be assessed. Comprehensive insolation data will be collected and presented. The relative economic feasibility of AC and DC transmission of energy from solar plants, and the optimal geometry for networks will be determined.

The supporting research necessary for each of the demonstrations described above, and the information-dissemination activities required to insure their utilization are described.

PROGRAM ALTERNATIVES

The Minimum Program in each applications area includes the bare minimum of research tasks required to provide practical proof of each scientific concept involved, to substantiate reliable cost estimates, and to permit the assessment of environmental, social and institutional obstacles to full-scale exploration. In order to limit the total program cost, it will often be necessary to select one or a few particularly promising development options fairly early in the program, and to concentrate on them to the exclusion of other options. The Minimum Program also assumes to a considerable extent that proof of technical feasibility, economic viability and general acceptability of a pilot application will be sufficient to ensure widespread adoption by industry and the public.

Each Accelerated Program provides for parallel development paths and redundant tasks, perhaps by independent investigators, to provide reduced technical risks and increased probability of success. It also permits the demonstration of additional specific applications across a wider spectrum of application types, increasing the credibility of the concept and the likelihood of market penetration.

Heating and cooling of buildings

The Minimum Program is designed to prove that solar heating and cooling will be technically feasible, environmentally, socially and institutionally acceptable, and economically competitive with conventional systems on a life-cycle-cost basis for a substantial fraction of the nation's residential and commercial buildings, provided that a sufficient market for solar systems can be developed to establish the volume of sales required to support the mass production and systematic distribution which are necessary to bring costs down. Due to the extreme conservatism of the building community toward innovation, it is not likely that this proof will be sufficient to result in the intensive market penetration required.

The Accelerated Program roughly doubles the number of buildings included in each category, permitting more combinations of building types and climate, and the involvement of more independent producers. In addition, it provides a substantial number of building systems to be included in other Federal programs, also involving additional elements of the building community. This increase will substantially increase the visibility of the program, and thus its chances for stimulating the takeover by private enterprise; it will also permit the testing and proof of techniques for overcoming the institutional constraints involved in a variety of building sponsorships and jurisdictions. In the case of heating and cooling of buildings, these constraints are more important than the relatively low technical risks.

Process heat

The Minimum Program is designed to prove the technical feasibility of supplying process heat to industrial users, to assess the acceptability of such systems, and to provide reliable cost and performance data. Because of the great variety of industrial process heat users, this proof will still be somewhat theoretical to most of them.

The Accelerated Program includes about three times as many separate applications as the Minimum Program. This is intended to permit the evaluation of alternative system designs, involve a greater number of independent developers and increase the confidence of a user community which is highly varied and compartmented.

Thermal-electric energy conversion

The Minimum Program includes only those tasks directly required for proceeding to construct, test and evaluate a single 1-megawatt (electric) solar power plant. Parallel and alternative approaches are minimized by selecting only those avenues of investigation which seem to promise earliest results. Only four hours of thermal storage are provided, permitting smoothing of output over brief interruptions to insolation and minor mismatches between insolation and load. This should prove the feasibility of the basic scientific concept and provide useful cost and operating data.

The Accelerated Program provides for three separate plants and a considerably augmented preliminary research program, substantially increasing the number of alternatives which can be considered and thereby reducing the technical risk. One plant will have forty hours of thermal storage, permitting a full-day gap in insolation. The three plants will be designed to interface with quite different segments of the use spectrum, permitting a broader test of institutional viability and a higher probability of market penetration through user involvement and visability.

Photovoltaic energy conversion

The Minimum Program provides that each cell type, production process and applications system shall be investigated to the point where a judgment can be made and a selection take place as to which avenue of development is most promising, and that only these most promising avenues shall be exploited to the POCE level. Applying this philosophy with care should lead to a proof that photovoltaic systems of the types investigated can be produced and utilized, and to reliable cost estimate and impact assessments. It is likely, however, that this minimum approach will not permit true system optimization, and it is estimated that it will fail to bring down cell production costs to the extent that the Accelerated Program will.

The Accelerated Program provides for a substantial increase in the parallel development of cell types, production processes and utilization systems. This is expected to reduce technical risk, improve system optimization, and importantly, to reduce the cost of photovoltaic arrays to $3 per peak watt (compared to $7.50 per peak watt under the Minimum Program). This reduction in the cost of solar cells is reflected in the fact that the cost of the POCE is correspondingly less in the Accelerated than in the Minimum Program.

Ocean thermal systems

Four variations in pilot plants are considered in this applications area, depending on whether each plant is ashore or afloat, and whether it uses an open-cycle or closed-cycle process. In the Minimum Program, only two of these alternatives, one ashore and one

*Solar Energy Research Program Alternatives, December 1973, The Mitre Corporation.

afloat, are carried through to fabrication, test and evaluation, with a decision required about March, 1977, as to which process will be employed in each plant.

In the Accelerated Program, all four of the possible alternatives will be carried through to proof of concept. This will substantially reduce the technical risks incurred, and will increase the confidence of the user community in the design decisions made in connection with the full-size demonstration plant which follows the pilot plants.

Wind energy

Wind Energy systems, being near the required state of the art, present relatively light technical risks. The Minimum Program is designed to develop a mass-production capability and prove the technical feasibility and acceptability of large-scale integrated operations. It will also generate reliable cost figures. It is estimated that the open-market cost after completion of the Minimum Program will be about $500 per kilowatt.

The Accelerated Program adds a considerable effort to the Phase O research tasks and calls for the mass-production and Federal purchase of about five times as many installed units as the Minimum Program. This is designed to permit the exhaustive investigation and optimal selection of alternative designs, and to develop a more efficient production process. It is estimated that by these efforts the cost per kilowatt can be reduced from about $500 to about $250, making wind systems a very competitive source of energy.

Organic materials

The Minimum Program here includes a substantial amount of supporting research into processes not yet ready for proof of concept. It also includes experiments into production of not more than three different energy crops on plots of from 0.5 to 1.0 square mile, and the smallest reliable Proof-of-Concept Experiments in anaerobic fermentation and hydrolysis using municipal wastes as feedstock.

The Accelerated Program includes continuous efforts with at least four new energy crops on plots of from 0.5 to 1.0 square mile, with one of these selected for a system level POCE on 10 square miles in connection with a conversion plant. This program will provide 1–10 ton-per-day pilot plants for three different waste inputs and four different conversion processes, leading on to the combined production-conversion POCE mentioned above.

The Minimum Program will thus be seen to prove the possibility of producing some energy crops, and of converting organic material into fuel, but to leave a good many avenues unexplored and to provide minimal insight into integration of production and conversion. The Accelerated Program explores all reasonable approaches to achieving the desired conversion, providing duplication enough to check results and to develop required skills in the research community; and lays a solid groundwork for integration experiments. The tasks included in the Accelerated Program will almost certainly have to be accomplished if these processes can be expected to move into routine utilization.

Common applications

The Minimum Program provides the bare essentials to prove the concept of hydrogen energy storage and to assess the impact of shading by solar collectors on the environment; also to collect and compile insolation data and to investigate energy storage, transmission and distribution as generally applicable to solar energy systems.

The Accelerated Program covers the same areas more thoroughly, providing for duplication of some efforts by independent investigations, and for the exploration of every promising avenue encountered, instead of selecting only the most promising at an early stage. This should provide a sounder base of understanding of these common processes which are useful throughout the field of solar energy utilization, often in ways which cannot be predicted at the outset.

Dissemination and utilization

The differences between the Minimum and Accelerated Programs in dissemination and utilization of results are not great. They are designed to correspond with differences between the two programs in the applications areas. Most of the dissemination and utilization functions must be performed on almost the same scale under each program. The principal exception is in those cases where an increased number of POCE's requires a corresponding increase in utilization activities directly related to those POCE's.

SOLAR ENERGY RESEARCH

[Millions of dollars]

Tasks	Fiscal year 1974	1975	1976	1977	1978	1979	Total 1975–79	Total through POCE
MINIMUM PROGRAM								
Heating and cooling of buildings	5.6	18.5	27.8	14.3	10.8	6.7	78.1	83.7
Process heat		.8	3.2	6.8	6.9	2.4	20.1	20.1
Thermal-electric energy conversion	2.9	9.6	12.5	5.5	2.4	2.4	32.4	43.7
Photovoltaic energy conversion	1.0	2.8	3.7	6.1	11.6	14.4	38.6	50.51
Ocean thermal systems	.6	1.3	5.6	8.4	22.4	21.4	59.1	67.7
Wind energy conversion	.6	7.9	6.8	20.9	47.3	6.6	89.5	90.1
Production and collection of organic materials	.8	6.7	6.3	5.7	5.5	3.7	27.9	32.2
Conversion of organic materials to fuel or energy	2.9	5.4	4.8	4.7	9.4	7.9	32.2	69.3
Common applications		2.4	3.1	4.5	5.5	5.9	21.4	21.4
Dissemination and utilization		4.9	5.1	5.8	6.8	7.4	30.0	38.3
Minimum program total	14.4	60.3	78.9	82.7	128.6	78.8	429.3	515.0

Tasks	Fiscal year 1974	1975	1976	1977	1978	1979	Total 1975–79	Total through POCE
ACCELERATED PROGRAM								
Heating and cooling of buildings	5.6	34.0	68.9	45.8	26.1	16.9	191.7	197.3
Process heat		3.2	12.8	25.1	24.8	11.5	77.4	77.4
Thermal-electric energy conversion	3.2	11.6	15.2	10.6	7.9	8.2	53.5	70.8
Photovoltaic energy conversion	2.2	7.1	11.5	14.2	16.8	21.1	70.7	77.7
Ocean thermal systems	.6	3.6	10.9	6.7	44.7	45.9	111.8	124.4
Wind energy conversion	2.0	9.9	18.9	44.3	82.8	12.6	168.5	170.5
Production and collection of organic materials	1.2	11.7	13.7	14.6	15.3	22.1	77.4	108.6
Conversion of organic materials to fuel or energy	6.4	13.8	11.3	19.0	17.0	27.6	88.7	143.2
Common applications		4.1	7.5	11.8	13.5	14.2	51.1	51.1
Dissemination and utilization		4.9	6.3	7.5	9.0	9.4	37.1	47.0
Accelerated program total	21.2	103.9	177.0	199.6	257.9	189.5	927.9	1,068.0

Mr. HUMPHREY. Mr. President, I ask unanimous consent that this bill, in the light of its substance and its sponsorship, be referred to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, the bill will be received and referred in accordance with the Senator's request.

Mr. BIBLE. Mr. President, it is my pleasure to be a cosponsor of S. 3234 the Solar Energy Research Act of 1974. This legislation declares that it is the policy of the Federal Government to pursue a vigorous and viable program of research and development into the utilization of solar energy as a major source for our national energy needs. I enthusiastically endorse such an effort. As many of you know, solar energy is not a new subject with me. I introduced a bill in the 86th Congress covering the same subject. That bill provided the development of practicable low-cost means of utilizing solar energy in judicious combination with fossil fuels and nuclear energy in order that the total energy resources of the Nation be maximized. I have not changed my mind.

The prospects of focusing the Sun's energy to generate steam for powerplants has intrigued me for years. A solar power steam engine using a large mirror to focus solar radiation on a boiler was the central attraction of the 1878 Paris World Exposition. In more recent times, the French have built a large mirror system at Mont Louis in the Pyrenees that focuses the Sun's rays to produce temperatures of 5,000° F or more. With the rising cost of fossil fuels and the many improvements in technology that have resulted from the space programs and other efforts the opportunity appears to be at hand to utilize economically the enormous potential of renewable solar energy.

I understand that large scale terrestrial solar thermal plants have been proposed to augment conventional powerplants. These would appear promising as a means of generating auxiliary electric power from solar energy using a minimum of thermal storage. However, the professionals tell me that the plants are technically complex to build and maintain. It is obvious that we need tremendous amounts of research and engineering to identify a fundamental and functioning system. "The Nation's Energy Future: A Report to Richard M. Nixon, President of the United States," submitted by Dr. Dixy Lee Ray, Chairman of the U.S. Atomic Energy Commission, December 1, 1973, supports solar thermal conversion research programs and the testing of a 10 MWe pilot plant. Dr. Ray recommends a budget of $5 million for fiscal year 1975 and $30.5 million for fiscal years 1976–79.

It is apparent that investigations of the aspects of solar thermal conversion are expensive and require large areas of space. An expansive land mass will have to be covered with arrays of solar reflectors to focus the solar radiation. It has been estimated that at least 10 square miles are needed for a 1000-MWe powerplant capable of operating on the average at 70 percent capacity. The primary location for such powerplants and the neces-

sary array of collectors would have to be the sunlit desert areas which receive predictable and copious amounts of solar radiation—areas such as my State of Nevada.

I understand that solar energy sustains the winds which are remarkably repeatable and predictable. It is very possible that a windpower system could incorporate its own electricity storage which may include electrolysis of water to produce hydrogen for use as an alternate fuel.

In 1915, 100 MWe of electricity was being generated by windpower in Denmark. As late as 1940, a 1000-kilowatt machine was operated in Vermont on an experimental basis. At the present time, it appears that the principal drawbacks of wind energy systems include systems costs, the large number of units required, and the problems of siting these units. The problems, however, are not impossible to overcome. Dr. Ray's report encourages multiunit wind generator systems making up a wind "farm" capable of producing up to 10 megawatts of electrical power. For wind research, she recommends $6.2 million in fiscal year 1975 and $25.5 million for fiscal years 1976–79.

Another use of solar energy which is important in conserving our natural resources and converting the existing resource to energy is the bioconversion method. Some types of waste utilization systems, for example, combustion of wastes to produce electricity or steam appear to be economically viable at the present time. Other concepts are directed toward the production of large amounts of agricultural products such as algae or waterplants. The ultimate purpose of growing plant material is to provide a source of material that can be converted to heat energy by combustion or to enrich fuels by application of the appropriate solar conversion processes. Other materials that can be converted to enrich fuels are solid wastes such as agricultural, animal, industrial, and urban wastes. These at the present time are creating environmental farm that already exists on the fuels could actually represent a positive environmental impact and a source of rich energy fuel.

Dr. Ray recommends a budget of $2.4 million for fiscal year 1975 and $18 million for fiscal years 1976–79. Included in the report is the recommendation that two small-scale pilot plants for the conversion of wastes into methane and clean fuels be constructed and operated.

The Solar Energy Research Act of 1974 legislation will enable the research and development of solar energy to be expedited. I suggest that a development of National Solar Energy Laboratory System be given a high priority. Such a system would provide the basis for operation and location of pilot plants for solar thermal conversion, wind energy conversion, or bioconversion. The development of a national site concept should include solar energy development sites and subsites in a sufficient number of different and varying geographical areas to insure realistic and effective testing and demonstration. In developing the National Solar Energy Laboratory System, the Office of Solar Energy Research should consider in great detail the feasibility and desirability of converting or utilizing existing AEC and other Federal installations for such purposes.

Special consideration should be given to AEC and other Federal installations affected by a shortage of fuel and by a reduction of other governmental operations. Military establishments should be provided the opportunity to test applicable solar and other new energy systems, not only as part of the R. and D. program, but to reduce their own use of scarce fuels and with a view to developing their own energy self-sufficiency and to help reduce the resource drain.

Consistent with a National Laboratory System Concept and use of existing Federal facilities, I urge that careful consideration be given to the possibility of utilizing the Nevada Test Site facilities for solar programs. The Nuclear Rocket Development Station which has been the research complex of intensive nuclear rocket research, is ideally suited for solar energy-type research. The complex of structures, such as the two-story administration building, engineering control center and hydrogen tank farm, is located on approximately a 10-mile-square piece of land. It would make much more sense to reactivate a facility that has water, sewers, electricity and security than to construct new facilities for solar research.

The complex at the site also has the advantage of its close association with the Lawrence Radiation Laboratory, Sandia Corporation, Environmental Protection Agency and Los Alamos Scientific Laboratory—all four have demonstrated their ability in the energy field. The use of the site and associated laboratories would establish a solid foundation for an effective laboratory system to carry out research, development, and demonstrations for solar energy programs.

I also foresee as a subsite the experimental problems and the conversion to Nevada Test Site. It has been proposed that a biogasification plant be constructed to convert agricultural wastes—nonhuman—to methane and nutrient-rich sludge. Location of such a demonstration at this test site farm would virtually eliminate transport and disposal problems of animal wastes involved. The methane produced would be used in the facility for power, thereby making the farm a demonstration self-sufficiency through the application of known solar technology. The demonstrations of solar power could provide a fertile area for the potential growth of interagency and industrial cooperation programs.

I look forward to the day when solar power is no longer wishful thinking but a reality. Enactment of this bill would be a major step in achieving that goal.

By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 3237. A bill to amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, "The Transportation Improvement Act of 1974," and ask unanimous consent that the letter of transmittal, text of the bill, analysis of the need for the bill, and section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 3237

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Transportation Improvement Act of 1974."

RAILROAD RATEMAKING AND ABANDONMENT

SEC. 2. (a) Section 1 of the Interstate Commerce Act (49 U.S.C. 1) is amended by: (1) deleting the present paragraph (5) and substituting in its place the following:

"(5) (a) As used in this section, the term 'rate' means tariff, rate, fare, charge, and any classification, regulation, or practice relating thereto.

"(b) Each rate for a service rendered or to be rendered in the transportation of passengers or property, or in connection therewith, shall be just and reasonable, and every unjust and unreasonable rate is prohibited and declared to be unlawful. A rate that is compensatory may not be found to be unjust or unreasonable on the basis that it is too low.

"(c) In exercising its power to prescribe just and reasonable rates, the Commission shall give due consideration, to the effect of rates on the movement of traffic by the carrier for which the rates are prescribed, and to the need, in the public interest, of adequate and efficient railway transportation service at the lowest cost consistent with the furnishing of the service. In a proceeding involving competition between carriers of different modes of transportation, the Commission may not hold the rate of a carrier of one mode up to a particular level to protect the traffic of a carrier of another mode, if the rate proposed by the carrier is compensatory.

"(d) A rate is deemed to be compensatory when it equals or exceeds the variable cost of providing the specific transportation to which it applies. In determining whether a rate on traffic moving over lines receiving an operating subsidy pursuant to paragraph (23) of this section is compensatory, the Commission shall take into account the compensation received from the subsidy.

"(e) The Commission shall, on a continuing basis, investigate and identify traffic which is moving at a rate below the variable cost of handling the traffic to which the rate applies and cause the rate to be promptly raised at least to the variable cost level.

(2) amending paragraph (18) thereof by inserting "(a)" immediately following "(182)"; striking the words "After 90 days after this paragraph takes effect"; changing the word "no" where it first appears to "No;" striking the words "or construction and operation"; striking the words, "and no carrier by railroad subject to this part shall abandon all or any portion of a line of railroad, or the operation thereof, unless and until there shall first have been obtained from the Commission a certificate that the present or future public convenience and necessity permit of such abandonment"; and adding a new subparagraph to read as follows:

"(b) (1) Whenever all or any portion of a line of railroad, or the operation thereof, is abandoned by a railroad carrier in accordance with the provisions of this section, any per-

son may apply for a certificate of public convenience and necessity authorizing the applicant to operate as a common carrier subject to part II or part III over the route or routes necessary to provide service (i) between any points on the line of railroad which is abandoned and (ii) between any point or points on the line of railroad which is abandoned and the nearest appropriate transfer point for movement by rail beyond; and (2) the Commission shall issue the certificate to the applicant if it finds that the applicant is fit, willing and able to perform the service proposed and to conform to the provisions of the part of the Act under which the application is made and the requirements, rules and regulations of the Commission thereunder, and that the issuance of the certificate would not result in a diminution in the total quantity and quality of service available to the public. In determining whether there is a diminution in the total quantity and quality of service available to the public, the Commission shall specifically consider, among other things, the effects upon originating and terminating markets and upon the adequacy of short-haul service to, from or between points intermediate to any originating or terminating market, and the burden of proof shall be upon the party opposing the issuance of the certificate. If a motor carrier certificate is issued to provide the service specified in this subparagraph, the Commission may require the carriers involved to establish joint rates or through routes for traffic moving to or from points on the abandoned line.";

(3) amending paragraph (19) by striking the words ", or all or any portion of a line of railroad, or the operation thereof, is proposed to be abandoned,";

(4) amending paragraph (20) thereof by striking the phrase "or for the partial exercise only of such right or privilege,"; striking the words, "operation, or abandonment covered thereby" from the second sentence and inserting in lieu thereof "or operation"; and striking the third sentence thereof.

(5) striking paragraph (22) thereof and adding the following new paragraphs:

"(22)(a) In order to provide advance notice to users and State and local governments of those lines of railroad which a carrier may seek to abandon because of their low traffic density, the Secretary, in consultation with the Commission, shall develop and publish, within ninety days after enactment of this paragraph, standards for the classification of railroad lines according to their level of usage and probable economic viability. The Secretary, in consultation with the Commission, may revise the standards thereafter as necessary to improve the accuracy of classification. In determining 'level of usage' and 'probable economic viability' for purposes of classification, the Secretary shall take into account such economic, operational, service, and other factors, as appropriate, and may make allowance for variations in these factors among the various regions of the country and among individual railroads or groups of railroads.

"(b) Within ninety days after publication of the standards for the classification of railroad lines, each railroad shall analyze its rail system in accordance with the standards and prepare and file with the Secretary and the Commission a full and complete schedule of its low density lines. The schedule shall be prepared, filed and kept current in accordance with procedures prescribed by the Secretary, in consultation with the Commission.

"(c) Except as specifically authorized by another Act of Congress, a carrier by railroad subject to this part may not abandon all or any portion of a line of railroad or the operation thereof without first obtaining from the Commission a certification that the public convenience and necessity permits the abandonment.

"(d) A carrier may initiate an abandonment proceeding by filing a notice with the Commission, at least ninety days prior to the proposed date of abandonment of a line of railroad, or the operation thereof, and certifying that the notice has been—

"(A) served by certified mail upon the Governor of each State in which all or any portion of the line of railroad or the operation thereof, is proposed to be abandoned;

"(B) served by certified mail on all shippers and receivers who have used the line in the preceding eighteen months;

"(C) posted in every station on the line of railroad; and,

"(D) published for three consecutive weeks in a newspaper of general circulation in each county in or through which said line of railroad operates.

Unless at the time the notice of abandonment is filed a line of railroad has been listed for at least six months on the schedule prescribed in subparagraph (b) of this paragraph, a carrier may not abandon all or any portion of the line, or operation thereof, if the abandonment is opposed either by a person who has used the service provided thereon during the eighteen months preceding the date of filing of the abandonment application, or by a State, county, or municipality served by the line.

"(e) Within forty-five days after receiving notice of an abandonment, the Commission may, upon complaint of an aggrieved user, institute an investigation of the abandonment. If an investigation is not instituted, the Commission shall, at least thirty days prior to the expiration of the notice period, issue a certificate that public convenience and necessity permit the abandonment as proposed in the notice. If the Commission institutes an investigation, it shall, at least thirty days prior to the expiration of the notice period, issue and serve upon the carrier an order postponing the abandonment, in whole or in part, pending investigation but not for a period longer than six months beyond the date when the abandonment would otherwise have become effective. In connection with an investigation, public hearings may be held in the area served or affected by the proposed abandonment. The Commission shall complete its investigation and issue an order requiring continued operation or a certificate permitting abandonment, in whole or in part, prior to the expiration of the six-month period of postponement. The Commission may attach to the order or certificate such terms and conditions as the public convenience and necessity may require, including a condition that public agencies be given the right of first refusal in connection with the sale of any of the land involved.

"(f) The Commission may order continued operation of the line proposed to be abandoned if it determines that the public convenience and necessity requires continuation and finds that continued operation of the line will produce sufficient revenue to the applicant or applicants to cover the cost of operating the line. In determining the public convenience and necessity, the Commission shall consider the extent of use and need for the service by shippers and receivers, the availability of more efficient alternative means of transportation, and the need to develop an efficient and financial self-sustaining national transportation system.

"(g) If the Commission finds that continued operation of the line proposed to be abandoned will not produce sufficient revenue to the applicant or applicants to cover the cost of operating the line, it shall issue a certificate permitting the abandonment. If the Commission finds that the aggregate revenue of all applicants attributable to the line covers the aggregate cost of all the applicants operating the line, but that the revenue accruing to a particular applicant does not cover its share of the cost, the Commission may order a postponement of the abandonment for an additional period, not to exceed six months. Unless the Commission is able during that time to take such actions as are necessary to assure that all applicants are receiving revenue at least equal to their share of the cost, the Commission shall issue a certificate permitting the abandonment at the end of the postponement period. If the Commission is unable to make the findings necessary to require continued operation of the line, it shall determine the extent to which the revenue attributable to the line or operations in question for the applicant or applicants covers the cost of operating the line for the applicant or applicants and the amount of subsidy needed to require continued operation under subparagraphs (23) and (24) of this paragraph.

"(23) If the Commission determines that the public convenience and necessity permit the abandonment of a line of railroad, or operation thereof, the Governor of any State or the authorized representative of any local governing authority in which all or a portion of the line is located, or the shippers or receivers of traffic over the line may, prior to the effective date of the Commission's order, notify the Commission and the railroad of their intention, individually or collectively, to provide an operating subsidy to the railroad to assure a continuation of service. If the Commission determines that the State or local government has, or is likely to acquire within a six-month period, the legal capacity to provide an operating subsidy, or in the case of shippers or receivers, that they are willing and able to provide the subsidy, it may order an additional postponement of the abandonment for not more than six months to implement a subsidization plan. It may order continued operation of the line thereafter on the condition that the subsidy is provided.

"(24)(a) Within ninety days following the date of enactment of this title the Secretary shall, after consultation with the Commission, develop interim standards for determining the 'cost of operating the line' and the 'revenue attributable to the line' as those terms are used in this section. The Commission shall promptly adopt and promulgate these interim standards. Within one year following the date of enactment of this title, the Secretary shall, after consultation with the Commission, develop final standards for determining these terms. The final standards shall be adopted and promulgated by the Commission within thirty days of their receipt and shall be revised from time to time as the Secretary and the Commission may agree.

"(b) The standards shall be developed in accordance with the following definitions and guidelines:

"(A) the 'cost of operating the line' means all costs of the applicant or applicants (including capital recovery and a reasonable return on investment) which may change or be avoided as a result of a decision to abandon the line, over a period of time long enough to allow all the cost effects of the abandonment to be realized;

"(B) the 'revenue attributable to the line' means all revenues which would be lost to the applicant or applicants if the line were abandoned; and

"(C) the standards shall not place an unreasonable accounting burden on the railroads.

"(25) The authority of the Commission conferred by paragraphs (18) through (22) of this section shall not extend to the con-

struction, acquisition, or abandonment of spur, industrial, team, switching, or side tracks, located or to be located wholly within one State, or of street, suburban, or interurban electric railways, which are not operated as a part or parts of a general railroad system of transportation.

(26) (a) Any construction, operation, or abandonment contrary to the provisions of paragraphs (18), (19), (20), or (22) of this section may be enjoined by any United States district court of competent jurisdiction at the suit of the United States, the Commission, any commission or regulatory body of the State or States affected, or any party in interest; and any carrier which, or any director, officer, receiver, operating trustee, lessee, agent, or person, acting for or employed by such carrier, who, knowingly authorizes, consents to, or permits any violation of the provisions of paragraphs (18), (19), (20), or (22) of this section shall be subject to a civil penalty of not more than $5,000.

(b) Applications for abandonment filed with the Commission before the date of enactment of this Act, shall be governed by the provisions of section 1 of the Interstate Commerce Act (49 U.S.C. 1) in effect on the date of the application, except that the issuance of a certificate authorizing abandonment may be stayed pursuant to the provisions of section 1(23) as enacted in subsection (5) of this section.

RATE BUREAU PROCEDURES

SEC. 3. (a) Section 5a of the Interstate Commerce Act (49 U.S.C. 5b) is amended by (1) amending paragraph (3) to read as follows:

"(3) Each conference, bureau, committee, or other organization established or continued pursuant to an agreement approved by the Commission under the provisions of this section shall maintain records of the votes of its members on each matter voted on. It shall maintain such other accounts, files, memoranda, or other records, and submit such reports, as the Commission may require. The records of each organization shall be subject to inspection by the Commission and shall be made available to the public through the Commission.";

(2) renumbering paragraphs (7) through (10) as (9) through (12) and adding new paragraphs (7) and (8) to read as follows:

"(7) No conference, bureau, committee, or other organization established or continued pursuant to any agreement approved under this section by the Commission between motor carriers regulated by part II or freight forwarders regulated by part IV of this Act may file with the Commission a protest against, or request for suspension of, any rate, fare, or charge published in any of its tariffs upon the direction of a party to the agreement in the exercise of that party's right of independent action unless the protest or request is supported by facts showing that the rate, fare, or charge appears to be less than the variable cost of rendering the specific transportation service to which it applies.

"(8) The Commission may not approve under this section any agreement among railroad carriers that (i) permits participation in discussions, agreements or voting on single-line movements, (ii) permits any carrier not physically participating in a particular joint line or interline movement to participate in discussions, agreements, or voting on rates, fares, classifications, divisions, allowances, or charges relating to that movement; or (iii) provides for or establishes procedures for joint consideration or other action protesting or otherwise seeking the suspension of any rate, fare, or charge pursuant to section 15(7) of this Act when the rate, fare, or charge is established by independent action. The restriction in clauses (i) and (ii) of the preceding sentence is not applicable to participation in discussions, agreements or voting on scale or group rates generally applicable from, to, and within the given territory; but the Commission shall be given adequate notice of any meeting in which scale or group rates will be discussed and that meeting shall be open to the public."

(3) striking "(4), (5), or (6)" in paragraph (9) and inserting in lieu thereof "(4), (5), (6), (7), or (8)"; striking "(9)" in paragraph (10) and inserting "(11)" in lieu thereof; and

(4) adding a new paragraph (13) to read as follows:

"(13) (a) A conference, bureau, committee, or other organization established or continued pursuant to any agreement approved under this section, shall take final action upon a rule, rate, or charge docketed with it within one hundred and twenty days from the date of docketing.

"(b) Any agreement in effect on the date of enactment of this section which permits an action prohibited by subsections 5a(7) or (8) of the Interstate Commerce Act, as enacted by subsection (a) (2) of this section, is null and void to the extent it permits the prohibited action; and, any prohibited action taken under that agreement subsequent to the date of enactment of this section is subject to the antitrust laws."

INTRASTATE RAILROAD RATE PROCEEDINGS

SEC. 4. Section 13 of the Interstate Commerce Act (49 U.S.C. 13) is amended by adding a new paragraph (5) to read as follows:

"(5) The Commission shall have exclusive authority, upon application to it, to determine and prescribe intrastate rates if (i) a carrier has filed with an appropriate administrative or regulatory body of a State a change in an intrastate rate, fare, or charge, or a change in a classification, regulation, or practice that has the effect of changing the rate, fare, or charge, for the purpose of adjusting the rate, fare, or charge to the rate charged on the same traffic moving in interstate or foreign commerce; and (ii) the State administrative or regulatory body has not acted finally within one hundred and twenty days from the date of the filing of the change in the intrastate rates hereunder. Notice of the application to the Commission shall be served on the appropriate State administrative or regulatory body. The Commission shall determine and prescribe the rate thereafter to be charged according to the standards set forth in paragraph (4) of this section. The provisions of this paragraph shall apply notwithstanding the laws or constitution of any State, or the pendency of any proceeding before any State court or other State authority."

SUSPENSION OF RAILROAD RATES

SEC. 5 Section 15(7) of the Interstate Commerce Act (49 U.S.C. 15(7)) is amended to read as follows:

"(7) (a) Whenever a schedule is filed with the Commission to investigate the schedule joint rate, fare, or charge, or a new individual or joint classification, regulation, or practice affecting a rate, fare, or charge, the Commission may order a hearing concerning the lawfulness of the rate, fare, charge, classification, regulation, or practice. The hearing may be ordered upon complaint or at the Commission's initiative and, if it so orders, without answer or other formal pleading by the interested carrier or carriers, but with reasonable notice. After full hearing, whether completed before or after the rate, fare, charge, classification, regulations, or practice goes into effect, as hereinafter provided, the Commission may issue such order with reference thereto as would be proper in a proceeding initiated after it had become effective.

"(b) Pending a hearing instituted upon complaint, the schedule may be suspended for seven months beyond the time when it would otherwise go into effect except under the following conditions. In the case of a rate increase, a rate may not be suspended on the ground that it exceeds a just and reasonable level if the rate is below the applicable class rate except that a rate below the applicable class rate may be suspended under Sections 2, 3, and 4 of the Act pending the determination of its lawfulness. In the case of a rate decrease, a rate may not be suspended on the ground that it is below a just and reasonable level, except that a rate may be suspended under Sections 2, 3, and 4 of the Act pending the determination of its lawfulness. In addition, in a case of a rate increase or decrease a rate may not be suspended unless the Commission determines in writing that the facts in a sworn complaint or affidavit are sufficient to support a preliminary finding that the rate would result in direct and immediate economic injury to the complainant or the class he represents.

"(c) If a hearing of a proposed increased rate or charge is initiated and the schedule is not suspended pending hearing, or if a hearing of a proposed decreased rate or charge is initiated and the schedule is suspended pending hearing, the Commission shall require the carrier to keep an account of all amounts received because of the increase or the suspension of the decrease from the date the rate became effective or was suspended, as the case may be, until an order issues or until seven months elapse, whichever is sooner. The account shall specify by whom and in whose behalf the amounts are paid. In its final order, the Commission shall require the carrier to refund, with interest, to the persons in whose behalf the amounts were paid, that portion of the increased rate or charge found to be not justified, or that portion of the decreased rate or charge found to be justified, as the case may be. In determining a person's entitlement to a refund because of a decreased rate, the Commission shall consider the extent to which the traffic moved in compliance with the terms of the tariff containing the decreased rate.

"(d) At any hearing under this paragraph, the burden of proof is on the carrier to show that the proposed changed rate, fare, charge, classification, rule, regulation, or practice is compensatory, just and reasonable, and the Commission shall give to the hearing and decision of the question preference over all other questions pending before it and decide the same as speedily as possible.

"(e) Notwithstanding any other provisions of law, a carrier under this part may file with the Commission a notice of intention to file a schedule stating a new rate, fare, charge, classification, regulation or practice whenever the implementation of the proposed schedule would require a total capital investment of five hundred thousand dollars ($500,000) or more, individually or collectively by the carrier, or a shipper or receiver or agent thereof, or an interested third party. The filing shall be accompanied by a sworn affidavit setting forth in detail the anticipated capital investment upon which it is based. Any interested person may request the Commission stating a new individual or proposed to be filed. Unless prior to the one hundred and eightieth day following the filing of the notice the Commission has determined, after full hearing, that the proposed schedule, or any part thereof, would be unlawful, the carrier may file the schedule anytime thereafter to become effective after thirty days' notice. The schedule may not, for a period of five years after its effec-

tive date, be suspended or set aside as being unlawful under sections 1, 2, 3, or 4 of this Act, except that it may be suspended or set aside after that date if the rate prescribed therein is not found to be compensatory."

CARRIER REVENUE LEVELS

SEC. 6. (a) Section 15a of the Interstate Commerce Act (49 U.S.C. 15a) is amended to read as follows:

"SEC. 15a. In carrying out its responsibilities under this part, the Commission shall give due consideration to the need for revenues sufficient to enable the carriers, under honest, economical, and efficient management, to provide adequate and efficient railway transportation service. In determining the adequacy of revenues, the Commission shall prescribe uniform methods and criteria for estimating the rate of return based on costs of capital and risk, the cost impact of changes in the general level of prices and wages, and the adequacy of cash flow."

(b) Sections 216(i), 307(f), and 406(d) of the Interstate Commerce Act (49 U.S.C. 316(i), 907(f), and 1006(d) are amended by adding at the end of each the following sentence: "In determining the adequacy of revenues, the Commission shall prescribe uniform methods and criteria for estimating the rate of return based on costs of capital and risk, the cost impact of changes in the general level of prices and wages, and the adequacy of cash flow."

PROHIBITING REDUCED GOVERNMENT RATES

SEC. 7. Section 22 of the Interstate Commerce Act (49 U.S.C. 22) is amended by inserting in the first sentence of paragraph (1) following the word "governments" the words "to the extent that such services are performed in time of war, or involve the transportation of commodities that are exempt from economic regulation under the provisions of part II or part III."

PROHIBITING DISCRIMINATORY TAXATION

SEC. 8. Section 26 of the Interstate Commerce Act (49 U.S.C. 27) is redesignated as section 27 and a new section 26 is added to read as follows:

"SEC. 26. (1) As used in this section—

"(a) The term 'assessment jurisdiction' means a geographical area, such as a State or a county, city or township within a State, which is a unit for purposes of determining assessed value of property for ad valorem taxation.

"(b) The term 'transportation property' means transportation property, as defined in the regulations of the Interstate Commerce Commission, that is owned or used by any common or contract carrier subject to economic regulation under parts I, II, III, or IV of this Act.

"(c) The term 'commercial and industrial property' means property devoted to a commercial or industrial use, but does not include transportation property or land used primarily for agricultural purposes or primarily for the purpose of growing timber.

"(d) The term 'all other property' means all property, real or personal, other than transportation property or land used primarily for agricultural purposes or primarily for the purpose of growing timber.

"(2) Notwithstanding the provisions of section 202(b) of this Act, the following actions by any State, or subdivision or agency thereof, whether taken pursuant to a constitutional provision, statute, administrative order or practice, or otherwise, constitute an unreasonable and unjust discrimination against, and an undue burden upon interstate commerce and are prohibited:

"(a) the assessment, for purposes of a property tax levied by any taxing district, of transportation property at a value which, as a ratio of the true market value of the property, is higher than the ratio of assessed value to true market value of all other industrial and commercial property which is in the assessment jurisdiction in which is included the taxing district, and which is subject to a property tax levy;

"(b) the collecton of any ad valorem property tax on transportation property at a tax rate higher than the tax rate generally applicable to all other commercial and industrial property in the taxing district;

"(c) the collection of any tax on the portion of an assessment which is prohibited; and

"(d) the imposition of any other tax which results in discriminatory treatment of a carrier subject to part I or part III of the Interstate Commerce Act.

"(3) If the ratio of assessed value to true market value of all other commercial and industrial property in the assessment jurisdiction cannot be established through the random-sampling method known as a 'sales assessment ratio study', conducted in accordance with statistical principles applicable to that study, then the following actions are also prohibited:

"(a) the assessment of transportation property at a value which, as a ratio of the true market value of the property, is higher than the ratio of assessed value to true market value of all other property which is in the assessment jurisdiction in which is included the taxing district, and which is subject to a property tax levy; or

"(b) the collection of an ad valorem property tax on transportation property at a tax rate higher than the tax rate generally applicable to all other property in the taxing district.

"(4) Notwithstanding the provisions of section 1341, title 28, United States Code, or of the constitution or laws of any State, the district courts of the United States shall have jurisdiction to issue such writs of injunction or other property process, mandatory or otherwise, as may be necessary to restrain any State, or subdivision or agency thereof, or any persons from violating the the prohibitions of this section, except that relief may not be granted hereunder unless the assessed value as a perecntage of true value of the transportation property exceeds by at least 5 per centum the assessed value as a percentage of true value of other commercial and industrial property or all other property, as the case may be, in the assessment jurisdiction. The jurisdiction of the district courts shall not be exclusive of that which any Federal or State court may otherwise have.

"(5) This section shall not become effective until three years after the date of its enactment."

UNIFORM COST AND REVENUE ACCOUNTING

SEC. 9. The Commission shall, jointly with the Secretary of Transportation, study and recommend uniform cost accounting and uniform revenue accounting methods for rail carriers. Within two years from the effective date of this subparagraph, the Commission shall issue regulations prescribing the recommended uniform cost accounting and uniform revenue accounting methods. In their study and recommendations, the Commission and the Secretary shall give due consideration to all items and factors (including the cost of capital) presently used in the ascertainment of costs for ratemaking purposes which they deem relevant to the determination of variable cost; and they shall consult with and solicit the views of other agencies and departments of the Federal Government, and the representatives of the carriers, their employees, shippers, and the public.

RATE FLOORS FOR PARTS II, III AND IV CARRIERS

SEC. 10. Sections 216(i), 307(f), and 406(d) of the Interstate Commerce Act, as amended, are each amended by adding at the end of each the following: "The Commission shall, on a continuing basis, investigate and identify traffic which is moving at a rate below the variable cost of handling the traffic to which the rate applies and cause the rate to be promptly raised at least to the variable cost level."

RAILROAD LOAN GUARANTEES

SEC. 11(a) The Secretary is authorized, on such terms and conditions as he may prescribe, and with the approval of the Secretary of the Treasury, to guarantee any lender against loss of principal and interest on securities, obligations, or loans (including refinancings thereof) issued for the purpose of financing acquisitions or improvements specified in subsection (d) of this section. The maturity date of any security, obligation, or loan, including all extensions and renewals thereof, shall not be later than 20 years from its date of issuance, nor be later than the end of the useful life of any asset to be financed by the security, obligation, or loan. The Secretary shall prescribe and collect a reasonable annual guarantee fee from the railroad borrowers sufficient in his judgment to cover as a minimum administrative expense under the program authorized by this section except that the fee for a guarantee made with respect to subsection (d)(v) may not be more than 1 percentum per annum of the principal amount of the obligations outstanding.

(b) All guarantees entered into by the Secretary under this section shall constitute general obligations of the United States of America backed by the full faith and credit of the Government of the United States of America.

(c) Any guarantee made by the Secretary under this section shall not be terminated, cancelled or otherwise revoked; shall be conclusive evidence that such guarantee complies fully with the provisions of this section and of the approval and legality of the principal amount, interest rate, and all other terms of the securities, obligations, or loans and of the guarantee; and shall be valid and incontestable in the hands of a holder of a guaranteed security, obligation, or loan, except for fraud or material misrepresentation on the part of such holder.

(d) The loan guarantees authorized by subsection (a) of this section may be made for the purpose of financing the acquisition, construction, maintenance, or development of the following railroad facilities and equipment:

(i) track, roadbed and related structures subject to traffic usage of at least 5 million gross ton-miles per mile of road per year;

(ii) electrical, communication, and power transmission systems;

(iii) signals;

(iv) terminal facility modernization and consolidation; and

(v) new and rebuilt rolling stock.

(e)(1) Before making any guarantee pursuant to this section, the Secretary must consider whether the prospective lender is responsible and whether adequate provision will be made for servicing the obligation. The Secretary may not make a guarantee pursuant to this section unless the borrower has an equity interest in the asset to be financed. The Secretary may not make a guarantee for purposes (i) through (iv) of subsection (d) unless he finds that—

(i) the management of the railroad is actively pursuing programs designed to upgrade and develop plant facilities and operations as necessary to fulfiill its obligations as a common carrier;

(ii) the prospective earning power of the railroad together with the character and value of the security pledged, if any, furnish reasonable assurance that the railroad will be able to repay the loan within the time fixed and afford reasonable protection to the United States in the event of a default;

(iii) the activity to be financed under the guarantee will enhance the efficiency of rail operations;

(iv) the prospective borrower has demonstrated to the satisfaction of the Secretary that credit is not otherwise available on reasonable terms;

(v) the interest rate on the obligation to be guaranteed is a reasonable rate, taking into consideration the range of interest rates prevailing in the private market for similar obligations.

(2) The Secretary may not make a guarantee for the purpose of improving track or terminal facilities unless he also finds that the proposed improvements will contribute to the establishment of a rational, efficient, and economical national rail transportation system.

(3) The Secretary may not make a guarantee for the purpose of the acquisition or rebuilding of rolling stock unless he finds that—

(i) the acquisition or rebuilding is justified by the present and future need for rolling stock; and

(ii) the probable value of the rolling stock will provide reasonable protection to the United States in the event of a default.

(4) In making a guarantee for any of the purposes specified in subsection (d), the Secretary shall also take into account, the return on investment of the improvement for which a guarantee is sought, the potential for intermodal connections and substitutions and for improved utilization of freight cars, the relationship of the proposed improvement to other improvement plans of the railroad, the contribution of the improvement to improved rail transportation service both for passengers and for shippers, and the contribution of the improvement to the efficiency of the railroad.

(f) The Secretary may prescribe, as he deems necessary and appropriate, rules and regulations for the administration of this section.

(g) There is hereby created within the Treasury a separate fund (hereafter in this section called "the fund") which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purpose of this Act. The total of any guarantees made from the fund in any fiscal year shall not exceed limitations specified in appropriation Acts. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849)) for wholly-owned Government corporations.

(h)(1) There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital for the fund. All amounts received by the Secretary as payments, fees, and any other moneys, property, or assets derived by him from his operations in connection with this Act shall be deposited in the fund.

(2) All guarantees, expenses, and payments pursuant to operations of the Secretary under this Act shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into Treasury as miscellaneous receipts interest on the cumulative amount of appropriations available as capital in the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury. However, such rate shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of loans made or guaranteed from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the funds, such excess may be transferred to the general fund of the Treasury.

(i) If at any time the moneys available in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees under this Act, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations or other moneys available under subsection (b) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(j) The aggregate unpaid principal amount of securities, obligations, or loans outstanding at any one time, which are guaranteed by the Secretary under this section, may not exceed $2,000,000,000.

(k) The Secretary may not pursuant to this section guarantee any security, obligation, or loan, the interest of which is exempt from Federal income taxes.

ROLLING STOCK SCHEDULING AND CONTROL SYSTEM

SEC. 12(a). The Secretary is authorized to conduct research and development into the design of a national rolling stock scheduling and control system which, utilizing advanced computer and communication techniques, would be capable of locating and expediting the movement of rolling stock on a national basis. In conjunction with this task, the Secretary shall study, in cooperation with the Interstate Commerce Commission and the railroads, the information, functions, and procedures necessary to provide efficient and expeditious car service on a national basis. Within two years from the date of enactment of ths section, the Secretary shall report to the Congress his recommendations respecting the organization, development, funding, and implementation of any national system which he may design as a result of research and development. In arriving at his recommendations, the Secretary shall consider—

(1) the need for timely and accurate information regarding the location and movement of rolling stock on a nationwide basis;

(2) the requirements and technological standards necessary to insure that the advantages to be obtained from a national system accrue to each participating railroad;

(3) the requirements and technological standards necessary to insure the flow of car service orders from a national system to the rolling stock scheduling and control systems of an individual railroad and compliance by that railroad with the car service orders;

(4) the uniform data and other technological requirements that must be contained in the rolling stock scheduling and control systems of an individual railroad to permit efficient linkage of its system with a national system;

(5) the economic, safety, and service benefits to be derived from a national system; and

(b) The Secretary shall conduct a study respecting (1) the costs to individual railroads of installing rolling stock scheduling and control systems compatible with a national system designed under subsection (a) of this section; and (2) the economic, safety, and service benefits to be derived from compatible systems. Not later than two years from the date of enactment of this section, the Secretary shall annouce his recommendations for the installation of the systems by individual railroads. The Secretary is authorized to provide technical assistance to railroads in the implementation of rolling stock scheduling and control systems designed in a manner consistent with his recommendations.

(c) Within two years from the date of enactment of this section, the Secretary shall begin demonstrations to test the feasibility of, and the benefits to be derived from the installation of rolling stock scheduling and control systems (including technological innovations) in railroad yards and terminals. Any railroad engaged in the transportation of freight may submit an application to participate in a demonstration. The application shall conform to regulations issued by the Secretary and shall be judged by (1) the economic, safety, and service benefits to be derived from the programs proposed therein; and (2) the potential contribution of the program to and compatibility with any rolling stock scheduling and control system designed under subsection (a) of this section, and with the rolling stock scheduling and control system of the applicant and other railroads. In exercising his authority under this section, the Secretary may enter into agreements or contracts without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

(d) There is authorized to be appropriated $35,000,000 for the purpose of carrying out this section, including the payment of necessary administrative expense, to remain available until expended.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., February 13, 1974.

HON. GERALD R. FORD,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill:

"To amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system."

together with a section-by-section analysis of the bill, a statement of justification and an initial environmental impact statement.

The short title of the bill is the "Transportation Improvement Act of 1974."

The bill is designed to improve the regulatory climate under which all railroads and the other surface modes of transportation operate. A healthier and more progressive railroad industry would be a great national asset. By removing a number of regulatory restraints which adversely affect the railroad industry, the bill will enable this low cost, relatively energy efficient and environmentally advantageous form of transportation to operate more efficiently, provide

better service and more fully realize its potential. The bill complements the Regional Rail Reorganization Act of 1973, which was signed into law by the President on January 2, 1974.

While the Regional Rail Reorganization Act deals with the acute and pressing problem of the insolvent railroads in the northeast and midwest, this bill serves the broader purpose of improving the regulatory system under which all railroads operate. As I indicated in the Department's report on the Northeastern Rail Problem submitted on March 26, 1973, in response to P.L. 93–5, we need to look beyond the problem of the northeast to make changes in the basic regulatory framework if railroads throughout the nation are to avoid the problems of the northeastern carriers and to realize their full potential as effective private sector competitors.

Even apart from the northeastern rail situation, it is clear that the railroad industry in the United States is suffering from a number of serious problems. Net income as a percent of equity for the railroad industry as a whole is anemic. Many railroads are unable to generate adequate earnings to make needed improvements in track, roadbed and facilities. As a result, a substantial part of the total rail plant is in a state of deterioration. The railroad industry is burdened by the operation and maintenance of many miles of uneconomic lines, which are a financial drain on the industry and add substantially to operating costs. At the same time parts of the railroad system are operating at or close to full capacity utilization. These parts of the rail system must be upgraded and expanded if the railroad industry is to be capable of carrying projected traffic.

A major cause of the railroad industry's problems is an outmoded and excessively restrictive Federal regulatory policy which has adversely affected the railroads' ability to adapt to changing economic and competitive conditions in the transportation industry. Regulatory policy has discouraged abandonment of uneconomic rail lines and resulted in a rigidity in railroad pricing which has hindered the industry in innovating new services, in responding to competitive conditions in transportation, and in attracting traffic on which rails have a comparative advantage. As a consequence, the railroad industry is not operating at maximum efficiency nor making its maximum contribution to the national economy.

The proposed bill addresses these problems by amending the Interstate Commerce Act in areas relating to the lawfulness of individual rates, abandonment of rail lines, rate bureau activites, approval of intrastate rates, and rates charged to government shippers. Speaking broadly, the purpose of these amendments is to remove a number of regulatory constraints which adversely affect the economic performance of the railroad industry and to place greater reliance on the forces of competition. A basic premise of the bill is that removal of outmoded regulatory constraints is an essential condition to the revitalization and improved performance of a privately-owned railroad transportation system that is capable of providing efficient and innovative service. Despite the obvious problems besetting this industry, this Nation's private enterprise rail system is neither dead nor dying. However, basic regulatory reform is required before it can achieve its potential.

The regulatory reform provisions in the bill are directed at those aspects of the current regulatory system that stand in clear need of change. While the Interstate Commerce Commission has pending several dockets dealing with some of the regulatory issues affected by the bill, both the timing and outcome of the Interstate Commerce Commission proceedings are uncertain. The legislative direction which the bill would provide offers the best and surest prospect for obtaining needed changes in the regulatory system.

In addition to the changes in the regulatory framework, the bill also provides for financial assistance to the railroad industry in the form of loan guarantees for investments in plant and equipment. The financial assistance provisions are designed to assist the railroads in making needed improvements in plant and facilities and in acquiring equipment at reasonable financing costs to meet this Nation's growing transportation requirements. Under the bill the financial assistance is designed to bring about critically needed rationalization and modernization of rail plant and facilities. The bill also authorizes appropriations of $35 million to be used by the Secretary of Transportation to undertake a major research effort to design a national rolling stock scheduling and control system. Such a system should materially improve car utilization.

While the bill represents a major step toward improving the transportation system, it does not make any changes in the structure of the Interstate Commerce Commission. Rather, it seeks to deal with the most immediate and pressing issues of railroad regulation within the context of the present regulatory framework. The principal features of the bill are addressed to the railroad industry because the problems of the railroad industry are not pressing and acute. However, various provisions of the bill do affect competitive conditions in the trucking industry and inland water carrier industry as well. Moreover, in light of the competitive relationships among the various modes, improving competitive conditions in the railroad industry will lead to improvements in the competitive climate for the transportation industry as a whole, as well as encouraging a more efficient use of the Nation's transportation resources.

The Office of Management and Budget has advised that the enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

CLAUDE S. BRINEGAR.

SECTION-BY-SECTION ANALYSIS OF A BILL

To amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system.

SEC. 1. Cite the proposed Act as the "Transportation Improvement Act of 1974."

RAILROAD RATEMAKING AND ABANDONMENT

SEC. 2(a)(1). Amends section 1(5) of the Act by (i) incorporating the definition of rates and, with some modification, certain ratemaking considerations now appearing in Section 15a(1) of the Act; (ii) adding to the existing requirement that rates be just and reasonable, a provision that a compensatory rate may not be held to be unjust or unreasonable because it is too low; (iii) corporating provisions for subsections 15a(2) and (3) requiring the Commission to consider the effects of rates on the movement of traffic and the need for adequate and efficient railway transportation service, and prohibiting the Commission from holding up to a particular level the rate of a carrier of a mode subject to Parts I, II, III, or IV to protect the traffic of a carrier of another mode; (iv) providing that a rate is compensatory when it equals or exceeds the variable cost of providing the service to which it applies; and (v) requiring the Commission to identify traffic moving at a rate below variable cost and to raise the rate at least to the variable cost level.

(2) Amends section 1(18) by (i) striking certification provisions relating to abandonment; (ii) designating the existing paragraph (18) as subparagraph (18)(a); (iii) adding a new subparagraph (b)(1) to provide that, when a line of railroad is abandoned, a person may apply to the Commission for a certificate of convenience and necessity to operate as a common carrier over a route necessary to provide service (i) between any points on the abandoned line and (ii) between any point or points on the abandoned line and the nearest appropriate transfer point for movement by rail beyond; (iv) by adding a new subparagraph (b)(2) which requires the Commission to issue a certificate if the applicant is fit, willing and able to perform the service and the issuance will not mean a diminution in service. In considerating diminution, the Commission must consider the originating and terminal markets and short-haul service between those markets and intermediate points.

(3) Amends section 1(19) to delete provisions relating to abandonment procedures.

(4) Amends section 1(20) to delete provisions relating to abandonment procedures and procedures for enforcing the certification requirements. The latter are restated in the new paragraph (26).

(5) Strikes the existing paragraph (22) of section 1 of the Act (paragraph 22 is restated in paragraph 26) and adds paragraphs (22) through (26) establishing new rail abandonment procedures, as follows:

(22)(a) Within 90 days after enactment of the bill, the Secretary of Transportation (hereafter "the Secretary"), in consultation with the Commission, must develop and publish standards for the classification of low density railroad lines according to their level of usage and probable economic viability.

(22)(b) Within 90 days of the publication each railroad must submit to the Secretary and the Commission a schedule of low density lines, as determined by applying the classification standards.

(22)(c) A carrier may not abandon a line of railroad without obtaining a certificate of public convenience and necessity from the Commission.

(22)(d) A carrier may initiate an abandonment proceeding by filing a notice with the Commission at least 90 days prior to the proposed date of abandonment. Unless a line has been listed for at least 6 months on the schedule required by subparagraph (b), it may not be abandoned if it is opposed by a user or State or local government served by the line.

(22)(e) Within 45 days after receiving notice, the Commission may begin an investigation of the complaint of an aggrieved user. If an investigation is not begun, the Commission must, at least 30 days prior to the date of abandonment, issue a certificate permitting the abandonment. If an investigation is instituted, the Commission shall postpone the abandonment pending investigation but for not more than six months. Upon completion of its investigation, the Commission may issue either an order requiring continued operation or a certificate permitting abandonment, attaching such terms and conditions as the public convenience and necessity may require.

(22)(f) The Commission may order continued operation of the line if it determines that the public convenience and necessity requires continuation and if it finds that continued operation will produce sufficient revenues to cover the cost of operating the line.

(22)(g) If the Commission finds that continued operation of the line will not produce sufficient revenue to cover the cost of operating the line, it shall issue a certificate permitting the abandonment. If the Commission finds that the total revenue covers the cost of the line but that the revenue for the applicant does not cover its share of the costs, the Commission may postpone the abandon-

ment for another six months. If the Commission is unable to assure that the applicant's costs are covered, the Commission shall permit abandonment. The Commission must also determine the amount of subsidy which would be required to permit continued operation of the line.

(23) If a State or local agency or shipper notifies the Commission of its intention to provide an operating subsidy and the Commission determines that the State or local government has or will acquire within six months the legal capacity to provide the subsidy or that the shipper is willing and able to provide the subsidy, it may order an additional postponement for not more than six months to implement a subsidization plan.

(24) The Secretary and the Commission are required to develop within 90 days following the date of enactment of the bill interim standards for determining the "cost of operating the line" and "revenue attributable to the line." Such standards must recognize that "cost" means all costs, including capital recovery and a reasonable return on investment, which would change if the line were abandoned, and "revenue" means all revenue which would be lost if the line were abandoned. The interim standards must be adopted by the Commission and within one year the Secretary, in consultation with the Commission, must develop final standards for determining these terms and those standards must be adopted by the Commission.

(25) Incorporates the substance of existing paragraph (22) of the Act.

(26) Restates the last sentence of the existing paragraph (20) of the Act, but substitutes a civil penalty in place of the criminal penalty.

(b) Provides that pending applications for abandonment are to be governed by existing law, except that the issuance of a certificate of abandonment may be stayed for the purpose of establishing operating subsidies pursuant to the proposed section 1(23).

RATE BUREAU PROCEDURES

SEC. 3(a). Amends section 5a of the Act by:

(1) Amending paragraph (3) to require that all rate bureaus maintain records of the votes of their members on each matter voted on, and that the records of all rate bureaus be available to public inspection through the Commission.

(2) Renumbering the existing paragraphs (7) through (10) as (9) through (12) and adding a new paragraph (7) prohibiting the protest by motor carrier or freight forwarder bureaus of rates filed by independent action of a member unless the rate is below the variable cost of rendering the service; and a new paragraph (8) prohibiting agreements among railroad carriers that (i) permit discussions, agreements or voting on a single-line movement; (ii) permit carriers that do not participate in a joint movement to participate in the consideration of rates related to the movement; or (iii) permit joint consideration or action protesting or seeking to suspend rates established by independent action. "Scale rates," which are rates established in terms of cents per 100 pounds for specified distances, are excepted from the restrictions in clauses (i) and (ii) as are group rates, but meetings to discuss scale or group rates must be open to the public. As used in paragraph (8), a "movement" is the transport of a commodity between any two points for which a tariff has been filed. The prohibitions in paragraph (8) are not intended to preclude discussions relating to across-the-board percentage changes in freight rates.

(3) Making a conforming amendment to paragraph (9).

(4) Requiring every rate bureau to take final action within 120 days on any rule, rate, or charge docketed with it.

(b) Invalidates all agreements in effect on the date of enactment of the bill to the extent they permit actions prohibited by the new paragraphs (7) and (8).

INTRASTATE RAILROAD RATE PROCEEDINGS

SEC. 4. Amends section 13 of the Act by adding a new paragraph (5) vesting the Commission with exclusive authority to determine and prescribe an intrastate rate if a carrier has filed with the appropriate State agency a change in an intrastate rate, and the State agency has not finally acted on the rate change within 120 days from the filing of the rate.

SUSPENSION OF RAILROAD RATES

SEC. 5. Amends section 15(7) of the Act to provide that:

(1) The Commission may initiate hearings with respect to new rates upon complaint or upon its own initiative and after hearing issue an appropriate order.

(2) If a hearing is instituted upon complaint, the rate may be suspended for seven months beyond the time when it would otherwise have gone into effect under Sections 1, 2, 3, and 4 except as follows. For an increase a rate may not be suspended on the ground that it exceeds a just and reasonable level if the rate is below the applicable class rate except that a rate below the class rate may be suspended under sections 2, 3, and 4 of the Act. For decrease, a rate may not be suspended on the ground that it is below a just and reasonable level except that a rate below the class level may be suspended under sections 2, 3, and 4 of the Act. Although not specifically referred to, this section would not affect the application of sections 1, 2, 3, or 4 to rate increases above class rate. If the proceeding has not been concluded, and an order issued within the suspension period, the proposed change in rate would go into effect at the end of the suspension period.

(3) If the hearing involves a proposed rate increase and the rate is not suspended pending hearing, or if the hearing involves a proposed rate decrease and the schedule is suspended pending hearing, the Commission must require the carrier to keep an account of all the amounts it receives because of the increase, or the suspension of the decrease, from the date the rate became effective or was suspended, as the case may be, until an order is issued or until seven months elapse, whichever is sooner. The carrier may not be required to maintain the account beyond the seven-month period. Thus, in the case of a rate increase, the accounting would cease at the end of seven months and, if the rate were subsequently decreased by order of the Commission, the carrier would be required to refund only the overage collected during the seven-month suspension period. Similarly, in the case of a decreased rate, the rate would go into effect at the end of the seven-month period and there would not be any further accounting by the carrier of amounts received at the new decreased rate.

(4) In a proceeding under paragraph (7), the burden of proof is on the carrier.

(5) A carrier is authorized to file a notice of intention to file a tariff when the implementation of the tariff would require a total capital investment of $500,000 or more by the carrier, or a shipper or receiver, or other interested party, individually or collectively. The filing must be accompanied by a sworn affidavit as to the investment required. Unless the Commission determines within 180 days from the date of filing that the proposed tariff would be unlawful, the carrier may file the tariff anytime thereafter, be suspended, or set aside as being unlawful under parts 1, 2, 3, or 4 of the Act, but it may be set aside if found to be noncompensatory.

RAILROAD REVENUE LEVELS

SEC. 6. Amends section 15a of the Act by repealing all of its provisions and re-enacting certain of them in the new section 15(a) and others in section 1(5) of the Act (section 2 (b) and (c) of the bill). Also provides that the Commission, in determining adequacy of revenue, shall prescribe uniform criteria for estimating the rate of return on capital, cost impact of changes in general level of prices, and adequacy of cash flow. Sections 216(i), 307(f) and 406(d) of the Act, are similarly amended to require the Commission to prescribe uniform criteria.

PROHIBITING REDUCED GOVERNMENT RATES

SEC. 7. Amends section 22 of the Act to restrict the right of the Federal, State, or municipal governments to obtain transportation of property at free or reduced rates. These rates would only be permitted in connection with services performed in time of war, or transportation of commodities that are exempt from economic regulation under the provisions of part II or part III of the Act.

PROHIBITING DISCRIMINATORY TAXATION

SEC. 8. Adds a new section 26 to the Act prohibiting the levying of discriminatory State or local property taxes on common carriers subject to regulation by the Commission.

UNIFORM COST AND REVENUE ACCOUNTING

SEC. 9. Requires the Commission, jointly with the Secretary, to study and recommend uniform cost accounting and revenue accounting methods for rail carriers. The Commission would be required to issue regulations prescribing the uniform cost and revenue accounting methods within two years from the date of enactment of the bill.

RATE FLOORS FOR PARTS II, III, AND IV CARRIERS

SEC. 10. Requires the Commission to investigate and identify truck, water and forwarder traffic moving at rates below the variable cost of handling the traffic, and to cause the rates to be raised to variable cost.

RAILROAD LOAN GUARANTEES

SEC. 11. Authorizes the Secretary to guarantee any lender against the loss of principal and interest on securities, obligations, or loans issued for the purpose of financing the acquisition, construction, maintenance, or development of:

(i) track and roadbed subject to traffic usage of at least 5 million gross ton-miles per mile of road per year;

(ii) electrical, communication, and power transmission systems;

(iii) signals;

(iv) terminal facility modernization and consolidation; and

(v) new and rebuild rolling stock.

Prior to making a guarantee the Secretary must make several findings which are designed to assure adequate protection to the U.S. in the event of default, and to assure that the improvements will contribute to a more rational, efficient, and economical rail transportation system. Different findings must be made with respect to guarantees for rolling stock. The guaranteed amounts outstanding at any one time may not exceed $2,000,000,000.

ROLLING STOCK SCHEDULING AND CONTROL SYSTEM

SEC. 12. Authorizes the Secretary to conduct research and development into the design of a national rolling stock scheduling and control system, and requires the Secretary to develop recommendations for implementing a system. The Secretary is also required to study, and develop recommendations for participation by individual railroads in a national system. The Secretary is to begin demonstration projects with individual railroads, upon their application, to test the scheduling and control system in yards and terminals. Appropriations of $35,000,000 are authorized.

ANALYSIS OF THE NEED FOR THE BILL

There follows an outline of the major regulatory problems to which the bill is ad-

dressed, along with an analysis of the effect of the bill in redressing these problems.

LIBERALIZED RAILROAD ABANDONMENT PROCEDURES

Significant excess capacity exists in parts of both the main line and branch line network of the railroad industry. Reduction of excess capacity, particularly light density branch line trackage, is essential to improving the industry's financial condition. It is notable that the railroads in the greatest financial difficulty all have a substantial amount of branch line relative to main line, while the railroads in the strongest financial position have relatively little branch line trackage.

Excess capacity also exists, however, in main line tracks and is one of the primary reasons for the poor financial condition of many railroads in the northeast. When the industrial northeast was developing, many parallel lines of track were constructed by a number of different railroads. Today these parallel lines are often redundant and yield insufficient revenues to cover operating costs.

By reducing excess capacity in main line track and eliminating light density lines, the railroad industry could lower per unit operating costs and substantially improve its financial condition. In 1971, the railroad industry was operating approximately 205,000 route miles of line. Of this total, approximately 21,000 miles were light density branch lines for which the carriers incurred operating losses. These 21,000 miles of line accounted for less than one percent of total rail freight. By discontinuing service over these uneconomic lines, the Federal Railroad Administration estimates that the railroad industry would be able to save between $29 and $42 million annually on a nationwide basis. The northeastern railroads would be able to save on the order of $15 million to $22 million annually. In addition to these savings, the salvage value of these rights-of-way would return approximately $105 million to the railroad industry on a nationwide basis and $56 million to the railroads in the northeastern part of the country. Moreover, the continued operation of these lines would require a considerable amount of rehabilitation expenditures which would be saved if these uneconomic lines were abandoned.

The detrimental effects resulting from the operation of uneconomic lines are not limited to the railroad industry. Rather their continued operation causes a basic misallocation of transportation resources. It appears clear that motor carriers are better suited to handling much of the short-haul traffic which presently moves on low density rail branch lines, while railroads have a comparative advantage in long-haul markets. Thus, the abandonment of uneconomic branch lines would enable railroads to concentrate their efforts in providing those services in which they have a relative advantage while providing a further opportunity for trucking service to develop in markets where it has a relative advantage. The net result would be more efficient use of transportation resources.

Because the abandonment provisions are likely to result in some additional traffic for truck carriers, it is important to consider the energy consumption and air pollution effects of the bill. Typically, abandonment candidates will be low density, short branch lines. Our analysis, which is described more fully in the environmental impact statement, shows that there is greater energy efficiency in carrying freight by truck, as compared to rail, for distances less than 10 miles and shipment sizes less than 130–140 tons. Because exhaust emissions for each mode vary directly with gallons of fuel consumed per mile, the rail/truck preference from an emissions perspective would follow generally that for fuel consumption. Thus, although the envisioned branch line abandonments will result in some increase in truck traffic, transportation of the freight now carried on most of the lines to be abandoned will become more energy efficient and cause less pollution. Moreover, the bill is designed to encourage more competitive and efficient pricing of rail services which would assist rails in attracting traffic on which they are the low cost mode (i.e., long-haul markets where rails are also more energy efficient and are environmentally preferable). Thus, we anticipate that the overall effect of this bill will be to improve freight transportation's energy efficiency and to reduce its exhaust emissions.

A major obstacle to the reduction of excess capacity in the railroad industry has been the rail abandonment procedures of the Interstate Commerce Commission ("the ICC"). Under these procedures, the ICC may require continued operation of an uneconomic line if it determines that the line's operation is required by the "public convenience and necessity." Because explicit economic standards for defining "public convenience and necessity" have not been applied or developed by the Commission, abandonment cases often entail expensive and protracted hearings and a highly uncertain outcome.

The expense, delay, and uncertainty discourage the filing of abandonment applications. Thus, many lines continue in operation long after they should have been abandoned for economic reasons.

The ICC has recognized the need to expedite the handling of railroad abandonment cases and by its order in Ex Parte 274 (Sub-No. 1), Abandonment of Railroad Lines, has attempted to meet this problem by adopting new procedures to handle abandonment applications which are not heavily protested. Under the Commission's order, a rebuttable presumption that public convenience and necessity does not require continued operation of a line is deemed to exist if the applicant railroad demonstrates that on the average fewer than 34 carloads of freight per mile were carried on the line during the preceding 12-month period. Unless protestants are able to present substantial evidence showing that they can rebut this presumption, the railroad is permitted to abandon the line. The ICC's action in Ex Parte 274 is certainly a commendable response to the problem, but it does not go far enough or provide the kind of basic change in the abandonment provisions of the Act that is required. The Commission's order, of course, does not alter the substantive law under which abandonment applications are considered, nor does it provide for improved procedures in the major abandonmnt cases which will invariably be heavily protested. Moreover, the 34-car rule being only a presumption does not create the clear abandonment criteria found in the bill. In addition, we believe that the 34-car rule does not provide the appropriate abandonment standard, and therefore would result in the continued operation of many uneconomic lines. Thus, while we commend the Commission for using its discretion in addressing the problem, we believe that legislative action to change the basic abandonment standard is required.

The bill is designed to speed up the regulatory process by providing an appropriate and explicit standard for determining when an abandonment is justified, while providing shippers and other interested parties adequate notice and opportunity to protest. While the bill would expedite consideration of rail abandonments it would not result in an abrupt loss of rail service upon enactment. In fact, the case is quite the contrary. The bill requires a series of steps prior to an abandonment, and basically no abandonment may occur under the new procedures earlier than one year from the date of enactment. In the case of protested abandonment, the various procedures under the bill could delay abandonments for up to as long as two years and six months. Thus while the bill is designed to speed up the regulatory process in considering abandonments, it fully protects the interest of shippers and communities against the abrupt loss of rail service. The ICC would be required to permit the abandonmnt of rail service when the continued operation of a line would not yield sufficient revenues to cover the long-run costs of operating that line. We recognize that under some circumstances an uneconomic rail line may be the most efficient mode of transportation available to shippers or that a special need for the continued operation of an uneconomic line may exist. To meet this problem the bill provides a mechanism whereby States, local governments, or other interested parties can provide an operating subsidy to a railroad to assure a continuation of uneconomic service for which a special need exists.

SUBSTITUTE SERVICE TO FILL GAPS CREATED BY LIBERALIZED RAIL ABANDONMENTS

The liberalized abandonment provisions of the bill should facilitate the abandonment of uneconomic railroad lines and therefore will probably result in some loss of rail service to various shippers. In order to protect the interests of shippers where uneconomic rail lines are abandoned, the bill provides that the Commission shall grant operating authority to any applicant as a motor carrier or water carrier between any point on the abandoned line and between such points and the nearest transfer point for movement by rail beyond, unless the issuance of the authority would cause a diminution in the quantity of service. The bill provides further that where a motor carrier certificate is issued, the Commission may require the carriers involved to establish joint rates and through-routes for traffic moving to and from points on the abandoned rail line.

The substitute service provision is intended to ensure that shippers who have been using uneconomic rail service will have an effective and efficient alternative mode of transport without any hiatus in service. An important effect of the abandonment of uneconomic rail lines and the substitution of motor carrier service will be to increase the overall efficiency of the transportation system.

RATEMAKING IMPROVEMENTS

The current system of rate regulation severely limits an individual railroad's freedom to establish rates. As a consequence, it has created serious rigidity and distortions in the railroad rate structure. This rigidity in the railroad pricing structure has hindered the introduction of new services and prevented railroads from responding effectively to the needs of the changing transportation market. It has also interfered with the establishment of cost-related rates and has prevented railroads from attracting traffic for which they have a comparative advantage. Greater flexibility in ratemaking is essential to improve the performance of the railroad industry and the entire transportation system.

The present regulatory system has discouraged the more efficient carriers from reducing rates to reflect their cost advantages. Efficient allocation of transportation resources requires that low cost carriers have wide latitude to reduce rates to reflect their greater efficiency as long as those rates do not fall below variable costs. The bill provides that a railroad rate which equals or exceeds variable cost cannot be found to be unjust or unreasonable on the basis that it is too low, and would require the ICC to identify for all surface carriers rates which are below variable cost. It would also provide new procedures for the initiation of rates involving the development of new services, while making it more difficult to suspend rate changes. These proposals will introduce greater flexibility into the rate structure.

Available evidence indicates that some rail-

road rates are far above the fully allocated costs of providing service and the present ratemaking system has engendered and is perpetuating this result. Railroads should be able to attract additional traffic by reducing rates on such overpriced rail service. However, the time, expense, delay, and uncertainty associated with obtaining ICC approval to reduct rates have inhibited carriers from making lower rates available. As a consequence, many railroad rates have been held at levels far above the economic cost of providing service, and a substantial volume of traffic on which railroads appear to have a comparative advantage is moving by other modes even though railroads may be more efficient. The net result is higher shipping costs, higher prices to the ultimate consumers, and a misallocation of transportation resources.

By providing that a rate decrease may not be suspended on the ground that it is unreasonably or unjustly low, the bill would encourage railroads to reduce rates on traffic where they have a cost advantage. By providing that a proposed rate increase may not be suspended as being unreasonably or unjustly high if it is below the applicable class rate, the bill would encourage greater upward flexibility in those rates that should be raised. The shipper's right to protest the rate and have its lawfulness determined by the ICC is preserved.

Another serious problem in the area of railroad pricing is that nearly 10 percent of all rail revenue is derived from traffic that does not cover the variable cost of the service. The railroad industry loses approximately $450 to $500 million annually handling traffic at rates below variable cost. Such rates create a serious financial drain on the carriers and obviously require that other rates be set at levels too far above variable cost. This practice results in a misallocation of resources both within the field of transportation and in the economy at large. By requiring all rates to cover variable cost the bill addresses this problem directly.

The time, expense, delay, and uncertainty associated with the regulatory process have also discouraged experimentation and impeded the introduction of service innovations. The bill addresses these problems by providing that where a tariff proposed by a railroad would require a total capital investment of $500,000 or more by the carrier or a shipper or receiver, or other interested party, the ICC must determine, within 180 days from the date the carrier files a notice of intention to publish the tariff, whether the proposed tariff would be lawful. The tariff may not thereafter be set aside as being unlawful for a period of five years except on the ground that it is noncompensatory.

The present regulatory process has also resulted in the rates of one mode being held high to protect another mode, causing a misallocation of resources, increasing the total cost to shippers and ultimate consumers, and adversely affecting the financial condition of the more efficient mode. Section 15a of the Interstate Commerce Act was amended in 1958 to allow carriers greater ratemaking freedom to meet the competition of carriers of other modes. While the amendment was a step in the right direction, the full benefits of greater intermodal competition have not been realized because the amendment has been interpreted to allow the Commission to hold the rates of one mode above the rates of another mode to protect that mode. The bill meets this problem by prohibiting the ICC from holding the rates of a carrier of one mode up to a particular level for the purpose of protecting the traffic of a carrier of another mode. This provision should lead to more competitive and cost-related intermodal pricing and introduce greater rate flexibility into transportation ratemaking. The net result should be a more economic division of traffic.

The bill also seeks to introduce greater flexibility into the ratemaking process by modifying the present escrow provisions in the Act. At present, a carrier may be required to put funds resulting from rate changes under investigation in escrow only after the seven-month suspension period runs. The bill provides that where rate increases have not been suspended or where rate decreases have been suspended, the carriers must keep account of all amounts received because of the increase or the suspension of the decrease during a seven-month period or until an ICC order earlier issues, at which time the carrier would settle up any overages with shippers. These changes in the escrow provisions should provide additional incentives for contested rate cases to be disposed of more promptly.

The various ratemaking provisions of the bill are designed to facilitate a reduction in those railroad rates which are too high in an economic sense and an increase in those rates which are too low in an economic sense while encouraging railroads to introduce new services and to price in accordance with their comparative economic advantage. The bill would thus help to correct the present distortions in the rate structure and to promote a more efficient allocation of transportation resources. The basic thrust of the Department's proposal is to place greater reliance on competitive forces in ratemaking. Giving greater scope to individual carrier initiative in rate setting should result in a more economic division of traffic, a lower overall freight bill, improved service, and lower prices to the ultimate consumer.

RESTRICTION OF CERTAIN PRACTICES OF RATE BUREAUS

Under section 5(a) of the Interstate Commerce Act, carriers subject to the Commission's jurisdiction are permitted to act collectively in establishing rates and charges for transportation services, and such concerted action when taken pursuant to an agreement approved by the Interstate Commerce Commission, is immune from the antitrust laws. Rate bureaus or carrier associations have been established pursuant to carrier agreements approved by the ICC. These rate bureaus are the vehicles through which carriers make decisions regarding the rates which the member lines shall charge, whether these rates are single line rates applicable to traffic originating and terminating with a single carrier or whether the rate applies to a joint movement involving two or more carriers.

Although rate bureaus provide a number of valuable services to their members and to the shipping public, they also dampen competitive forces in the ratemaking process and discourage pricing flexibility and service innovation. As a consequence, they have interfered with the establishment of rates based on the costs of the most efficient carrier and have provided a mechanism through which carriers seek to set and hold rates above a competitive level. Thus, retention of section 5(a) in its present form is inconsistent with the basic objectives of the bill.

While various practices of rate bureaus tend to exert an anticompetitive influence on the transportation industry, it should be noted that some association activities serve a useful purpose and do not have an anticompetitive effect. The associations provide a number of administrative services to carrier members, such as arranging for the interchange and facilitation of traffic moving over the lines of two or more carriers, the publication of rates, and the collection of statistics on traffic movements, rates charged, and related costs. The bill would not affect these administrative types of rate bureau activities. Rather, it is addressed only to those activities of the rate bureaus which interfere with efficient allocation of resources by holding rates above the level of the most efficient carrier, impeding the low cost carrier from reducing its rates to reflect its greater efficiency, or otherwise hindering the establishment of cost-related rates.

The Interstate Commerce Commission recently instituted a general investigation into the activities of rate bureaus, Ex Parte 297, *Rate Bureau Investigation*. This proceeding will consider a number of important regulatory issues in connection with the activities of rate bureaus. The proceeding, however, is in its very earliest stages and it will no doubt be a long time before the Commission ultimately renders its decision. Of course, the outcome of the proceeding is uncertain at this time. The bill addresses those aspects of rate bureau operations that clearly are in need of change. Therefore, while the Department commends the ICC for instituting this investigation, we believe that the proposed legislative action is needed and offers the best prospect for reducing the anticompetitive influence of rate bureaus on ratemaking.

The Department's proposal is designed to improve the ability of carriers to initiate rate changes and respond to competitive forces while enabling the rate bureaus to continue providing constructive administrative services for their members and the shipping public.

The bill prohibits railroad rate bureaus from voting on single line movements and limits consideration of joint line rates to those railroads which actually participate in the joint movement except with respect to scale or group rates. The bill also prohibits rail rate bureaus from taking any action to suspend rates established by independent action, while prohibiting motor carrier or freight forwarder rate bureaus from protesting a rate filed by independent action unless the protest is supported by facts showing that the rate appears to be less than the variable cost of rendering that service. Thus, on single line rates individual railroads will have complete freedom to propose rates based on the cost of the most direct routing, while on joint rates the influence of carriers not participating in the joint movement will be reduced. Scale rates—rates established in terms of cents per hundred pounds for specified distances—are excepted from this provision because these rates are designed for large inter- or intra-regional flows where traffic tends to move over all carriers.

The bill also requires all rate bureaus to dispose of proposed rate changes within 120 days from the time a rate change is proposed to the bureau. In addition, the bill requires all rate bureaus to maintain and make available for public inspection records of the votes of members. These provisions are designed to bring about speedier rate bureau treatment of proposed rate changes and to encourage greater initiative by individual carriers in making rate changes.

While the antitrust immunity with respect to joint rates is retained, the proposed legislative change with respect to single line rate agreements would exert a competitive influence upon joint rates because carrier territories overlap and single line rates are often competitive with joint line rates.

In connection with the rate bureau provisions of the bill, several matters should be made clear. First, rather than indicating all of the many rate bureau activities which might be permitted under a Commission approved agreement, the thrust of these changes is to indicate those specific rate bureau activities that cannot be approved by the Commission and which will no longer be immunized from the operation of the antitrust laws. The Commission retains its present authority to approve all rate bureau agreements and to impose such additional limitations and conditions on the activities of rate bureaus as it believes are reasonable and necessary.

Secondly, a single-line carrier will often be in competition with two or more carriers

offering a joint rate and through route. So long as no concerted action is involved, nothing in this proposal would prohibit a single-line carrier from individually establishing a rate competitive with a joint rate established through the rate bureau mechanism.

Thirdly, nothing in the bill is intended to preclude discussions or agreements relating to across-the-board percentage changes in freight rates.

Finally, the feature of this proposal that prohibits the Commission from approving rate bureau agreements that allow the rate bureau to protest or otherwise seek the suspension of an individual carrier's rate does not preclude one or more carriers from exercising their right of petition under other provision of the Interstate Commerce Act and is not meant to repeal the decision of the Supreme Court in *Eastern Railroad Presidents Conference v. Noerr Motor Freight, Inc.* 365 U.S. 127 (1961). To the extent that the antitrust laws are applicable in this area, however, this feature of the bill will permit their operation.

ADEQUATE REVENUE LEVELS

The bill amends section 15a of the Act by deleting certain ratemaking provisions found therein and consolidating those provisions in section 1(5) of the Act (section 2(b) of the bill). In addition, the bill provides that the Commission, in determining the adequacy of railroad revenues, shall prescribe uniform criteria for estimating the rate of return on capital, the impact of general changes in the level of prices on costs, and the adequacy of cash flow. The bill also makes similar amendments in sections 216(1), 307(f), and 406(d) of the Act to require the Commission to prescribe uniform ratemaking criteria for motor carriers, water carriers and freight forwarders respectively.

These changes in the existing law have been made to consolidate in one section the various standards applied by the ICC in determining the reasonableness of individual railroad rates and to develop improved standards for determining adequate revenue levels for all modes. Improved revenue criteria will assist in developing a revenue policy which will enable the carriers to obtain a rate of return which is consistent with the degree of risk in the industry, and to a flow of funds adequate to cover the projected costs of labor, capital, and other inputs, including the cost of money.

Applying these criteria, the Commission will be in a better position to assess the economy and efficiency of railroad financial and operating management and thereby determine the true revenue requirements of the industry.

There are presently pending before the ICC a series of important cases regarding railroad ratemaking and revenue levels, Ex Parte 270, *Investigation of Railroad Freight Rate Structure*, Ex Parte 271, *Net Investment-Railroad Rate Base and Rate of Return*, and Ex Parte 290, *Procedures Governing Rail Carrier General Increase Proceedings*. The Department has participated in these proceedings by filing comments and verified statements. In instituting these proceedings, the Commission recognized the need to develop improved procedures and criteria with respect to determining what constitutes an appropriate freight rate structure and an adequate level of revenues. Unfortunately, these proceedings have not yet produced any final decision and, particularly in the case of Ex Parte 270, it does not appear that a decision from the Commission will be forthcoming in the near future. Ex Parte 270 was instituted on December 11, 1970, and on July 13, 1973, the Commission appointed a Commissioner Coordinator for the investigation. The Coordinator has issued a status report, served on October 10, 1973, and instituted a series of subsidiary proceedings dealing with the issues of the uneven effects of general rate increases on individual railroads and on individual commodities. Two other subsidiary cases, Ex Parte 270 (Sub-Nos. 1A and 1B), which deals with export and import rates for the Great Lakes and the Pacific Coast, and Ex Parte 270 (Sub-No. 2), which deals with the adequacy of railroad freight service, were earlier instituted by the Commission. The Administrative Law Judge issued an initial decision in the investigation of export and import rates on November 26, 1973.

While the Department fully supports the Commission's efforts to develop improved principles and procedures with respect to the adequacy of railroad revenues and the railroad freight rate structure, we believe that the basic change in underlying law is required as well. Both the progress and the outcome of the pending proceedings are uncertain, and legislation offers the best prospect for obtaining the basic ratemaking changes which are needed.

UNIFORM COST ACCOUNTING

The present cost accounting and revenue accounting system employed by the ICC is outmoded and inadequate. The Commission's cost system relies on broad averages rather than specific experience of individual carriers. Moreover, the accounting system from which the cost data are derived is based upon outmoded classifications and specifications that no longer relate to the carrier's actual financial transactions. In addition, the accounting procedures utilized are not adequate to resolve the complex cost accounting problems which characterize modern transportation firms.

The development of improved cost and revenue accounting procedures is absolutely essential to improved regulation of transportation. The bill would require the ICC jointly with the Secretary of Transportation to study and recommend uniform cost accounting and revenue accounting methods for rail carriers, and to issue regulations prescribing new uniform cost and revenue accounting methods within two years from the date of enactment of the bill.

The Interstate Commerce Commission also has pending several proceedings dealing with the issue of developing an improved uniform cost accounting system, Docket 34013, *Rules to Govern the Assembling and Presenting of Cost Evidence*, and Docket 34013 (Sub-No. 1), *Cost Standards in Intermodal Rate Proceedings*. The proceeding in Docket 34013 was instituted by an order of the Commission dated April 16, 1962, and the Commission's decision was issued in 1970 (337 ICC 298). In February 1971, the Commission issued a new order reopening the case. The Department has participated in the main proceeding since 1968. Both the timing and outcome of the reopened proceeding are uncertain. In the sub-proceeding, which was initiated in early 1969 after the Supreme Court's 1968 decision in the Ingot Molds case, the Administrative Law Judge issued an initial decision on May 7, 1973. In sum, the bill would give direction and priority to the ICC's efforts to develop an improved uniform cost accounting system and would offer the best prospect for realizing this result.

DISCRIMINATORY STATE AND LOCAL TAXATION OF INTERSTATE CARRIERS

Discriminary taxation of interstate carriers by State and local governments is widespread. As a result of State discriminatory taxation of railroad property, the railroad industry pays approximately $55 million annually in additional taxes. Such discriminatory taxation places an unjust burden upon these carriers and contributes to their financial problems. The bill would prohibit discrimination in assessing the property of interstate carriers and in establishing tax rates for such property.

The purpose of the provision is simply to remove an inequitable burden from interstate carriers. Of course, any saving to the railroad and other interstate carriers from elimination of discriminatory taxation will remove a source of revenue from State and local governments. Removing this source of revenue abruptly could have a serious impact upon State and local budgetary planning and result in a substantial hardship. Therefore, the bill provides a three-year moratorium before compliance with its substantive provisions will be required. This period should provide State and local governments ample time to make appropriate plans with respect to the potential revenue losses and temper any adverse financial effects the provision might otherwise have.

SUBSIDIZATION OF GOVERNMENT SERVICE AT THE EXPENSE OF OTHER SHIPPERS

Under section 22 of the Interstate Commerce Act, Federal, State and local governments are currently permitted to negotiate rates with carriers and thereby to obtain rates below those which non-government shippers are required to pay. Such preferential treatment of governmental shippers is inherently discriminary. Governmental shippers should pay their fair share of the Nation's freight bill.

The bill would require governmental shippers to pay the same rates as other shippers, except on service performed in time of war or for transportation of commodities which may be carried by motor carriers or barge lines exempt from economic regulations under the Act. The "time of war exception" is provided because of the unique shipping requirements and problems which exist under war conditions. The exempt commodities exemption is designed to allow railroads to compete on an equal footing with barge lines and motor carriers for such traffic. By requiring governmental agencies to pay the same rates as other shippers, the bill would eliminate the discrimination inherent in the present regulatory system.

INTRASTATE RATEMAKING

A significant loss of revenue to the railroad industry has resulted from the failure of State regulatory agencies to act more promptly to adjust intrastate rates in accordance with the ICC approved changes in the level of interstate rates. The bill is designed to correct this problem by transferring exclusive jurisdiction over intrastate rates to the ICC whenever State regulatory agencies have not adjusted appropriate intrastate rates promptly.

Intrastate traffic accounts for about 12 percent of the total traffic carried by the railroad industry. As of August 1971, the revenue loss to the railroad industry because of State failure to adjust intrastate rates to the level of interstate rates approved in a series of ICC General Increase Proceedings (Ex Parte 256, 259, 262, 265, and 267) has exceeded $105 million, on a cumulative basis. The delays associated with adjusting intrastate rates in accordance with interstate rates approved in Ex Parte 281 as well as inaction on the foregoing general increases have added substantially to the above estimated revenue loss since August 1971.

By depriving railroads of badly needed revenues, these time lags adversely affect the financial condition of the railroad industry. In light of the serious financial difficulties facing the railroad industry today, it is imperative that intrastate rates be adjusted promptly in accordance with changes in the level of interstate rates. In addition, the general public is adversely affected by this regulatory lag because without these needed revenues, the railroads' ability to provide service and improve service to both intrastate and interstate shippers is impaired.

FINANCIAL ASSISTANCE THROUGH LOAN GUARANTEES

An efficient, financially sound rail system is a great national asset. Although the railroad system in the United States is experiencing financial difficulties, it is neither dead nor dying. If the actions necessary to modernize both the regulatory framework and the physical plant are taken, the railroad industry can be made financially sound.

The ratemaking and related regulatory improvements proposed in the Department's bill are an essential first step. The abandonment procedures proposed will accomplish the pruning which is necessary to remove uneconomic service. There remains the task of rationalizing and upgrading the facilities and equipment necessary to provide efficient rail transportation service.

Substantial parts of the rail plant in the United States are in a deteriorating state and the general deterioration of plant and service which is now prevalent in the East and Midwest could spread to other portions of the country.

Because of the industry's low rate of return, railroads are generally unable to generate adequate internal capital to make needed capital improvements. The investment community has been reluctant to provide external capital because of the limited security afforded by general corporate equity and because of the heavy level of existing liens on rail properties. Marginal railroads can obtain financing for rolling stock but only at high interest rates. The bill would provide $2 billion in Federal loan guarantee authority to finance improvements in rolling stock, rights-of-way, terminals, and rail plant facilities. The conditions precedent to the guarantee would assure that the capital improvement would make a significant contribution to overall efficiency of rail operations. Thus, the loan guarantee provisions of the bill are designed to encourage needed long-term restructuring of the existing rail system.

The bill authorizes the Secretary to guarantee loans for plant improvements based on the following criteria:

1. the contribution which the improvement will make to the establishment of a rational, efficient, and economical national railroad transportation system;

2. the ability of the railroad requesting the loan guarantee to repay the loan; and

3. the railroads' ongoing programs to upgrade plant facilities.

In connection with loan guarantees for rolling stock, the Secretary is required to consider the present and future need for rolling stock and the protection to the United States afforded by the rolling stock in the event of default. In addition, with respect to any loan guarantee, the bill requires the Secretary to consider various other factors, including the return on investment of the proposed improvement, the potential for intermodal connections and substitutions, and improved utilization of freight cars. These criteria are designed to achieve through the loan guarantee program the needed modernization of the existing rail system.

ROLLING STOCK SCHEDULING AND CONTROL SYSTEM

One of the basic problems in the railroad industry is the low rate of freight car utilization. An average freight car moves loaded a total of only 25 days during a calendar year while an average freight car moves empty approximately 18 days out of a calendar year. Thus, for approximately 323 days in a calendar year or 88 percent of the time, the average freight car stands idle in railroad yards or at customer's locations. Improving freight car utilization would result in substantial benefits to the railroad industry and the shipping public by reducing the railroad industry's need for capital expenditures and reducing operating costs. Freight car ownership represents about 25 percent of the railroad industry's net investment. A 20 percent increase in car fleet productivity would reduce the annual need for new cars by approximately 10,000 to 15,000 cars. This would enable the railroad to save as much as $300 million in new car purchases.

Achieving a more efficient utilization of the car fleet requires a more effective system of car fleet management. Although individual railroads have made some progress in developing better control over their car movements, this Nation still lacks an effective national freight car control system. Such a system has been made possible by recent advances in communications, computer data processing, and applied mathematical analysis. In order to take advantage of these developments and expedite and assure the development of an effective rolling stock schedule and control system, the bill authorizes the Secretary to conduct research into the design of a national rolling stock scheduling and control system which would be capable of locating and expediting the movement of rolling stock on a national basis. The bill provides further that the Secretary, in cooperation with the ICC and the railroads, shall study the information, functions and procedures necessary to provide efficient and expeditious car service on a national basis. The Secretary is to report his recommendations to Congress regarding the organization, development, funding and implementation of a national rolling stock secheduling and control system. In addition, the Secretary is directed to conduct a study with respect to the costs to individual railroads of installing rolling stock scheduling and control systems compatible with a national system. The bill authorizes an appropriation of $35 million for the purpose of carrying out the Secretary's responsibilities to design and implement a national rolling stock scheduling and control system.

[U.S. Department of Transportation]

SUMMARY SHEET FOR ENVIRONMENTAL IMPACT STATEMENT ON THE "TRANSPORTATION IMPROVEMENT ACT OF 1974"

Nature of Action: Legislative.

Brief Description of Action: The environmental impact statement has been prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969, guidelines established by the Council on Environmental Quality, and other implementing instructions. The legislation is proposed because the current regulatory structure covering the surface transportation modes severely limits the scope of individual carrier initiative in rate setting, does not always assure that rates are compensatory, and, in the case of railroads, makes rationalization of physical plant a cumbersome and difficult procedure. This has produced rate structures unrelated to the costs of the most efficient carriers, with consequent misallocation of transportation resources. The resulting distortions affect not only transportation but the whole economy as well. The legislation would also assist in the financing of rail transportation.

Agencies from which Comments have been Requested:

Department of Health, Education and Welfare.

Department of Housing and Urban Development.

Environmental Protection Agency.

Interstate Commerce Commission.

Department of Agriculture.

Department of Commerce.

Department of Interior.

Office of Management and Budget.

Date on which Environmental Impact Statement made Available to the Council on Environmental Quality and the Public: January 10, 1974.

Summary of Environmental Impact and Adverse Environmental Effects:

The environmental issues raised in this statement are:

(a) need for additional highways;

(b) effect on communities that lose railroad services;

(c) disposal of tracks;

(d) use of abandoned rights-of-way for other transportation, utility, or recreation purposes;

(e) recyclable materials; and

(f) air and water pollution and congestion impact of shift to trucks and water carriers.

Alternatives Considered:

(a) Rail abandonment:

(1) status quo.

(2) adoption of the bill.

(b) Improved operating practices.

(c) Subsidy.

(d) More flexible rate-making.

(e) Shift modal split to rail by increasing taxes on trucks.

[Department of Transportation, Transportation Improvement Act of 1974]

STATEMENT OF ENVIRONMENTAL IMPACT PURSUANT TO SECTION 102(2)(C), PL 91-190

1. Description of the Proposed Action:

This environmental statement has been prepared in accordance with Section 102(2)(C) of the National Environmental Policy Act of 1969, guidelines established by the Council on Environmental Quality, and other implementing instructions. It analyzes the potential environmental impacts of the proposed Transportation Improvement Act of 1974.

This legislation is proposed because the current regulatory system covering railroad freight transportation severely limits the scope of individual carrier initiative in rate setting, does not ensure that rates are compensatory, and, in the case of railroads, makes rationalization of physical plant a cumbersome and difficult procedure. This has produced a rate structure unrelated to the most efficient carriers, with consequent misallocation of transportation resources.

The resulting distortions adversely affect the transportation industry and the whole economy. The legislation would also assist in the financing of needed improvements in rail plant.

To overcome these problems associated with the present regulatory system this legislation proposes the following:

(a) Provide an appropriate and explicit standard to determine when abandonment is justified and permit State or local authorities or shippers to continue operations over uneconomic branch lines by subsidizing railroad branch line operations. The bill also provides that when any railroad line is abandoned, the Commission shall hear applications for certificates of convenience and necessity authorizing applicants to provide service between points on abandoned lines and the nearest appropriate point for movement by rail beyond. The Commission may require motor carriers which are certified to provide this service to establish joint rates or through routes with railroads for traffic moving to or from points on abandoned railroad lines.

(b) Require all rates of common carrier to equal or exceed the variable cost of providing the specific transportation service to which it applies.

(c) Improve the ability of individual common carriers to initiate rate changes by prohibiting rate bureaus from taking concerted action on single line rates and limiting concerted action on joint line rates to carriers which participate in the joint movement except with respect to scale or group rates. The bill also prohibits rate bureaus from taking any action to suspend rates established by independent action. Further, it requires all rate bureaus to dispose of proposed rate changes within 120 days from the time a rate change is proposed to the bureau.

(d) Provide that the Commission may suspend changes in railroad rates for seven months beyond the time the rate would have gone into effect, except under the following conditions. For an increase, a rate may not be suspended on the ground that it exceeds a just and reasonable level if the rate is below the applicable class rate except that a rate below the class rate may be suspended under Sections 2, 3, and 4 of the Act.

For a decrease, a rate may not be suspended on the ground that it is below a just and reasonable level, except that a rate below the class level may be suspended under Section 2, 3, and 4 of the Act. The escrow provisions are modified to provide that if a hearing on a proposed rate increase is initiated and the schedule is not suspended, or if a hearing on a proposed rate decrease is initiated and the schedule is suspended, the Commission shall require the carrier to keep account of all amounts received from the date the rate became effective or was suspended, as the case may be, until an order issues or until seven months elapse. The bill also provides a new procedure for hearings on new rates requiring capital investments of $500,000 or more. These rates would go into effect any time after a 180-day period set aside for hearings, and with 30 days' notice, unless found to be unlawful. They could not thereafter be suspended under parts I, II, and III or IV of the Interstate Commerce Act unless found to be noncompensatory.

(e) Grants exclusive jurisdiction to the Commission, upon application, to determine and prescribe intrastate railroad rates if the State regulatory agency fails, within 120 days of application, to act on a change in intrastate rates upon which similar changes have been made on rates charged on the same traffic moving in interstate or foreign commerce.

(f) Provides that the Commission prescribe uniform methods and criteria for determining factors to be used in determining adequate revenue levels for the railroad industry under honest, economical, and efficient management.

(g) Prohibits free or reduced rates for government shippers except in time of war and for the transportation of commodities exempt from economic regulation under parts II or III of the Interstate Commerce Act.

(h) Prohibits any State or subdivision thereof, from assessing transportation property at values higher than comparable property and collecting taxes on rail property at rates higher than those applied generally.

(i) Provides for a joint (DOT and ICC) study recommending a uniform cost accounting method for rail carriers and promulgation of rules and regulations prescribing uniform cost accounting methods within two years of enactment of the bill.

(j) Provides loan guarantees of $2 billion for financing the acquisition, construction, maintenance, or development or railroad facilities and equipment, provided that the use of the investment will contribute to the establishment of a rational, efficient and economical national rail transportation system.

(k) Authorizes the Secretary of Transportation to conduct research into the design of a national rolling stock scheduling and control system capable of locating and expediting the movement of rolling stock on a national basis.

The rationale for the bill is further described in a letter from the Secretary of Transportation to the Speaker of the House and the President of the Senate transmitting the bill to Congress. That letter is accompanied by an *Analysis of the Need for the Bill*. Both documents are attached.

2. The Probable Impact of the Proposed Actions on the Environment:

OVERALL IMPACT

The railroad industry in the United States is suffering from a number of serious problems. Net income as a percent of equity for the railroad industry as a whole is less than two percent, while a number of railroads are presently in bankruptcy. Many railroads are unable to generate adequate earnings to make needed improvements in track, roadbed and facilities, with the result that a very substantial part of the total rail plant is in a state of deterioration. The railroad industry's share of total intercity freight ton miles has been declining. The railroad industry suffers from the operation and maintenance of many miles of uneconomic line, which are a financial drain on the industry and add substantially to operating costs. At the same time, parts of the railroad system are operating at or very close to full capacity utilization. These parts of the rail system must be upgraded and expanded if the railroad industry is to be capable of carrying projected traffic. The railroad industry is unable to generate sufficient funds internally to undertake the required modernization of rail plant while sufficient funds from outside sources are not available to even the healthiest railroads for these purposes.

A major cause for the railroad industry's problems and unsatisfactory performance is an outmoded and excessively restrictive Federal regulatory policy which has adversely affected the railroads' ability to adapt to changing economic and competitive conditions in the transportation industry. Regulatory policy has discouraged abandonment of uneconomic rail lines and resulted in a rigidity in railroad pricing which has hindered the industry in innovating new services, in responding to competitive conditions in transportation and in attracting traffic for which rails have a comparative advantage. As a consequence, the railroad industry is not operating at maximum efficiency nor making its maximum contribution to the national economy.

If the railroad industry is not able to price its services so as to reflect its comparative advantage, some traffic which might be carried by rail will be shifted to truck. The resulting increase in truck traffic would, of course, have a detrimental impact on the environment. We believe that enactment of the legislation will have a positive environmental impact by preventing a decline in rail's share of freight traffic.

(a) Abandonment Procedures.

By facilitating rail line abandonment procedures, it is estimated that the bill would speed up the abandonment of many miles of little used branch line. While a threshold standard for abandonment is proposed, the bill provides procedures whereby a State, local government or other interested party could subsidize railroad operations to assure the continued operation of uneconomic service where a special need exists.

HIGHWAY NEEDS

It has been suggested that removal of a rail line and substitution of truck carriage would create the need for additional highway facilities and we have considered whether this would be the case under the bill. However, the types of rail services which will be abandoned are the lines with the lowest traffic densities. Most branches which are candidates for abandonment seldom have an average activity level of more than 1 carload per day, with the maximum seldom exceeding 2 carloads per day. At two truckloads for each carload an assuming 100 percent empty return, the normal abandonment will add less than four truckloads to the road system per day (two loaded and two empty) with a high side possibility of eight truckloads a day. This increase will have little, if any, effect on new highway construction, except in those few cases where the road system is not adequate for tractor-trailer combinations. In these instances, the opportunity provided in the proposed legislation for States and localities to acquire and subsidize branchline services will allow them to make a tradeoff between improving the road network and continuing rail service.

COMMUNITY IMPACTS

Existing protections against other possible socio-economic disruption would not be discontinued by the proposed legislation. First, it requires that the railroads give all affected local communities, the States and the Interstate Commerce Commission notice of its intention to abandon the line.

Moreover, pursuant to existing ICC procedures, a detailed environmental statement is to be prepared when the regulatory action taken by the Commission will have a significant impact on the quality of the environment. Ex Parte No. 55 (Sub. No. 4), 340 ICC 431 (1972).

Where required for a particular abandonment, these statements are to discuss any local or regional environmental impacts. The precise environmental impact resulting from the abandonment provisions in the proposed legislation cannot be evaluated completely in advance of the identification of lines to be abandoned.

Under the proposed legislation, a line may not be abandoned unless it has been listed for at least six months on a schedule of low density lines submitted to the Secretary and the ICC by the railroads. Once notice is given, the ICC can delay abandonment for six months by initiating an investigation on the complaint from any party who demonstrates economic injury. There is provision for an additional six-month postponement under certain conditions. Further, if an abandonment is opposed by a user or State or local government served by the line, the Commission may delay the abandonment for a third six-month period if the Commission determines the State or local government is likely to provide a subsidy. Hence, although rail abandonment proceedings will be speeded up by the legislation, there is a six-month listing period, and once underway, proceedings may be postponed by the Commission to allow further opportunity to consider relevant issues.

TRACK REMOVAL

Abandonment of a railroad right-of-way raises the question of how to remove and dispose of abandoned track. Often the right-of-way is sold with the track structure in place. In some instances, the track may be acquired for operations as a short line road. In others, the purchaser can usually recover the costs of tie and track removal by sale of the recovered scrap. If the railroad removes the structure, the common practice is to either reuse the rail or sell it for scrap.

Depending upon the condition of the crossties, the railroad may recover the ties, give them to local residents, or dispose of them by use of a tie cutter. A Federal or State agency which purchases the property for recreational purposes would no doubt adjust its price depending upon whether or not the track structure has been totally removed. An electrical transmission line could be built without removing the track structure essentially in site. The Interstate Commerce Commission's procedures for filing environmental impact statements would offer some protection where a remaining track structure would be considered environmentally detrimental. Since rail is high quality steel, its scrap value has constantly remained above the normal costs of removal. Present scrap prices for rail are in the range of $40 to $50 per ton (a price which in most cases is more than removal costs). Ties, being made of wood, might remain in place; they are biodegradeable and thus even if not removed by the usual methods would eventually disappear. In sum, the ultimate use of the abandoned right-of-way will probably determine the method of disposition of track structure.

USE OF ABANDONED RIGHTS-OF-WAY

Abandonment of rail rights-of-way may have beneficial environmental impacts through alternative uses in the public inter-

est. Abandonment of rail rights-of-way should produce substantial environmental benefits through optimum alternative use in the public interest. Existing land use patterns for adjacent properties would not be disturbed if the abandoned property were to be converted to a single or multiple use corridor. Transmission lines and pipelines are prime candidates for use of these rights-of-way. It could be expected that a small amount of this abandoned property might be used to improve highway alignments or to improve access to the existing highway systems.

Recreational use of abandoned rights-of-way will unquestionably be a high priority use. The need for additional recreational facilities is well known and these corridors lend themselves well to hiking, bicycling, and horseback riding. It should be noted that multiple use of these corridors would be expected since past experience has indicated the compatibility of pipeline and transmission line rights-of-way with recreational trails. The pressing needs for such trails are described in the Bureau of Outdoor Recreation's publication, *Trails for America.*

In urban areas, abandoned rights-of-way may be used for urban mass transportation. A report outlining these possibilities has been submitted to Congress by the Department. Department of Transportation, Urban Mass Transportation Administration, *Preservation of Railroad Rights-of-Way into Central Cities' Areas for Future Transportation Use,* May 1972.

Although the number of deaths resulting from rail-highway accidents has steadily decreased to a reported 1971 total of 1,356, abandonment of trackage would further aid in the reduction of rail-highway accidents. The low density rail lines do not usually enjoy the benefits of active warning devices at grade crossings. Abandonment of such a railroad segment would obviously result in total elimination of the possibility of rail-highway accidents on the affected line. A ten percent reduction in rail route miles could be expected to eliminate in excess of 20,000 public grade crossings and some 10,000 private grade crossings. Department of Transportation, *Report to Congress, Railroad-Highway Safety, Part I,* November 1971, and *Part II,* August 1972.

(b) Modal Mix of Traffic:

The Nation's transportation needs will increase over the coming years. With or without the enactment of the proposed legislation, the number of freight ton miles of each mode will increase. The proposed change in the proposed rail abandonment provisions will make the rail carriers more viable and allow the railroads to maintain their 1970 share of the total freight market through 1980. These proposed changes for railroads, combined with the easing of the entry of motor and water carriers will achieve the optimum economic mix of the modes.

The result will be lower transportation costs and consequently lower material, merchandise, and electrical power costs for the consumer.

AIR AND WATER POLLUTION AND CONGESTION

The abandonment entry provisions of the bill should result in some additional traffic for truck and water carriers, giving rise to the possibility of increased air pollution (motor carriers) and water pollution (water carriers). The total shift, however, will be negligible and will be more than offset by shifts in high density markets from highway to rail. Increased efficiency from the proposed regulatory change will result in an increase of the rail share of freight movement by 1980. This increase would be accompanied by a proportioned decrease in the highway share.

With respect to the air pollution impacts from this shift to rail, existing studies of the fuel consumption per ton-mile of rail and motor carriage respectively, generally appear to be grounded in assessing the line-haul efficiencies of each mode in terms of average service configurations. While the average line-haul or terminal-to-terminal efficiency of each mode is a legitimate area of inquiry, such studies overlook the economies and diseconomies of each mode in providing service at other than high tonnage levels. Accordingly, any attempt to measure the fuel consumption efficiency and air pollution effects of rail service as opposed to motor carrier service must give explicit recognition to the operating configurations unique to each mode at low traffic levels. These configurations, chiefly revolving around the physical resources each mode requires to produce a unit of service, have a marked influence upon the amount of fuel consumed to generate the service demanded.

The light density rail branch line is an area of railroad operations where both the short distances and low tonnages typical of such services bring into sharp focus the nature of the resources employed. In comparing rail service with that of motor carriage, however, steps must be taken to assure that the respective services provided are relatively equivalent. The light density branch line affords such a comparison by effectively equalizing the block speeds between the modes due to the effect of short distance and by allowing a direct comparison of single line movement by each mode using the minimal operating resources necessary to perform the service—the source of motive power and the vehicle to be moved.

The comparison of fuel consumption detailed in the charts below assumes an average speed of 30 m.p.h. for motor carriers and 8 m.p.h. for rail carriers, both over relatively level terrain. In addition, each carrier performs services with a 100 percent empty return ratio. Cargo weight density is assumed to be 18 pounds per cubic foot. Pick-up and spotting at origin and at the end of the line involves only a drop or switch of the cargo vehicle. Thus, the comparison is designed to show only the relative fuel consumption necessary to move the cargo to the nearest railroad—by rail or by motor. It may also be assumed that with present technology the emissions per gallon of fuel consumed are approximately equal for the two modes.

The assumptions utilized for the provision of rail branch line service rest upon the following parameters:

(1) The minimum train size is one locomotive, one freight car and one caboose.

(2) The freight car has a cubic capacity of 4800 cubic feet and empty weight of 30 tons. Maximum load is 44 tons.

(3) The locomotive is a new 2000 horsepower general purpose unit weighing 122 tons.

(4) The locomotive must generate 0.2 horsepower per gross ton to maintain an 8 m.p.h. average speed. Approximately 100 horsepower will be necessary to power cooling fans and auxiliary equipment.

(5) Fuel consumption at running speed is assumed to be .34 pounds/horsepower-hour. At idle, the engine will consume 5 gallons per hour.

(6) Switching time per car will be approximately 15 minutes, with switches at origin and at destination, including the switching of empty cars.

The following assumptions were utilized to develop motor carrier fuel consumption estimates:

(1) The use of a new Diesel tractor-semitrailer with 73,280 GVW. Maximum cargo capacity would not exceed 22 tons. The trailer capacity would be approximately 2400 cubic feet.

(2) Fuel consumption of 0.40 pounds/horsepower-hour at 30 m.p.h. Fuel consumption of 0.6 gallons per hour at idle.

(3) Fifteen minutes to drop and pick up trailers at each end of the move.

The horsepower necessary to move a 73,280 pound motor vehicle is a function of rolling resistance, air resistance and auxiliary power requirements. The total horsepower requirement to maintain 30 m.p.h. at full load was estimated to be 135; to maintain 30 m.p.h. while empty, approximately 92 horsepower would be required. Round trip average fuel consumption per vehicle-mile would therefore be approximately 4.69 MPG, exclusive of idling time at origin and destination.

In conclusion, inspection of Table I indicates the comparative efficiency of motor carriage in terms of fuel consumption at low traffic levels and short distances. It is apparent that the low rolling resistance inherent in a steel-wheel-on-steel-rail configuration is more than offset by the high tare weight required to move freight. For example, moving 44 tons by motor vehicle requires a gross weight of 73.3 tons, while the same payload by rail requires a gross train weight of 221 tons—notwithstanding the fact that two tractor trailers would be required. The ratio becomes even more favorable for motor vehicle on the empty return—29.3 tons as opposed to 177 for the train. This net to tare weight disadvantage is overcome only when volume or distance increases.

There is no single break even point for fuel consumption and for emissions from trucks and rail. Rather, there is a breakeven function which depends on both shipment weight and length of haul. Table 1 shows that for distances over 10 miles, rail begins to demonstrate an advantage when shipment size exceeds 130–140 tons (rail cars). Moreover, although Table 1 indicates a fuel consumption advantage for rail where the distances exceed 10 miles and shipment sizes are greater than 140 tons, rail service maintains this advantage only if way-trains are not made up until several carloads have accumulated. This type of rail service results in low service levels because of poor car, crew and locomotive utilization, and is not likely to be economical for the shipper or the carrier.

Thus, in general, as shown in Table 1, this legislation is environmentally advantageous. The environment would actually be improved as a result of the enactment of this bill because at present less than 3 rail cars are moved at one time generally on these lines which will be candidates for abandonment.

TABLE I.—ESTIMATED TOTAL FUEL CONSUMED (GALLONS)

Net shipment tons	Mode	Number of vehicle loads	One way trip distance (miles)			
			5	10	15	20
44	RR	1	13.3	21.7	30.1	38.5
44	MC	2	4.9	9.1	13.4	17.7
88	RR	2	18.9	27.9	37.0	45.9
88	MC	4	9.7	18.2	26.8	35.3
132	RR	3	24.5	34.2	43.9	53.5
132	MC	6	14.6	27.4	40.2	53.0
176	RR	4	30.1	40.4	50.7	61.0
176	MC	8	19.5	36.5	53.6	70.6
220	RR	5	35.6	46.7	57.6	68.5
220	MC	10	24.3	45.6	67.0	88.2

In cases where rail service is discontinued, it is more likely that instead of a significant increase in truck vehicle miles, some existing truck route operations would be shifted. To the extent that there is an increase in truck usage, there would be no discernable increase in air pollution or traffic congestion. Any increase in truck traffic would generally be in sparsely populated areas where trucks at present may not be utilized to capacity. In urban areas, terminals are generally located on the outskirts of the area. Additional truck traffic, if any, would utilize primary roads and truck routes and avoid residential areas. Moreover, standards on heavy-duty vehicles

promulgated by the Environmental Protection Agency govern these emissions. The level of these emissions should be expected to decrease as standards become more stringent.

While it is not anticipated that there will be any increase in water carrier usage, in the event that there is, there would be only a minimal impact on water quality. Any such potential effect would be subject to the Ports and Waterways Safety Act of 1972 (Public Law No. 92-340), which provides broad authority to the Secretary of Transportation (authority which has been delegated to the Coast Guard) to promote the safety and protect the environmental quality of ports, waterfront areas, and the navigable waters of the United States. One facet of that authority relates to the establishment and operation of vessel traffic services, systems, and control for waters subject to congested vessel traffic.

3. *Any Probable Adverse Environmental Effects Which Cannot Be Avoided Should the Legislation be Implemented.*

As discussed above, any particular impact which might be adverse is either nullified by safeguards in the proposed legislation or is more than offset by the beneficial effects.

The movement of resources such as coal is presently achieved largely by rail. Although the rail rates are low, the volume of this traffic is so great as to form an integral part of the railroad industry's profit structure. By making the railroads more viable, transportation costs can be reduced making coal more competitive with other sources of energy. Because of the high volume of coal movement, any abandonment of productive mine field lines seems highly unlikely. As a point of fact, the only recent rail construction of any consequence has been for the purpose of moving natural resources such as coal. The contention of wholesale abandonment of coal lines causing conversion to other forms of fuel is not consistent with the facts.

4. *Alternatives to the Proposed Action.*

A. RAIL ABANDONMENT

(1) *Status Quo*

Under current procedures, the ICC may require continued operation of an uneconomic line if it determines this to be required by the public convenience and necessity. The ICC has not developed any explicit economic standards for defining this term. As a result, abandonment cases often entail protracted hearings, and the prospect of going through the expense, delay and uncertainty of this regulatory process discourages the filing of abandonment applications. The primary environmental impact of delay in processing abandonments will be that the railroad properties will not be available for the alternative transportation, utility, and recreation uses set forth above. Any such beneficial impacts will be lost or delayed. Failure to enact abandonment provisions would cause rail carriers to operate nonprofitable lines and deny them the proceeds from the sale of abandoned right-of-way, rather than enabling the carriers to spend money on maintenance and new equipment.

(2) *Adoption of the Bill*

The benefits of the proposed legislation to railroads are: (1) abandonment of many miles of low volume routes; and (2) saving a substantial amount per year in operating costs and a net benefit in salvage value of the rights-of-way. Benefits of the proposal to the public are:

(1) more rational allocation of traffic;

(2) a stronger railroad system;

(3) introduction of motor carrier service to replace uneconomic rail service; and

(4) improved transportation service.

Environmental impacts of abandonment are set forth in Section 2(a) above.

B. INCREASING VIABILITY OF LOW DENSITY RAIL LINES BY IMPROVED OPERATING PRACTICES

Railroads are privately owned for profit organizations. When shifting economic patterns and the inability to attract new rail business make a line segment unprofitable, rail management must try to affect any possible economies of operation. One way that such economies have been realized is through deferred maintenance. Maintenance on many extremely low density lines has been reduced to the point where the bulk of the potential abandonment candidates would require nearly complete rebuilding if protracted operation was mandated. Other ways of reducing costs on low density lines have been largely exhausted. The elimination of under-utilized rail lines, whether competing or redundant lines of a single carrier will remove a major financial drain on the railroad industry and assist in making the industry financially sound.

Another operating practice which could be enhanced by abandonment of low density lines is "piggyback" truck-rail usage. While there have been several downturns, the overall growth of this traffic has been strong. Thus, branch line rationalization could create a further impetus for growth in this efficient transportation mix.

C. ACTION INVOLVING INFUSION OF FEDERAL FUNDS

The use of Federal money to improve the performance and financial condition of the rail industry could take several forms: nationalization, grants, loan guarantees, or purchase and lease back of trackage.

We have considered the alternative of direct Federal support in the context of this legislation and in evaluating the Northeast railroad problem. The "Northeastern Railroad Restructing Act of 1973" proposed by the Department (H.R. 8526 and S. 1893) focuses on a serious regional problem which is not common to the rest of the nation. Outside of the Northeast region many solvent rail companies are relatively well and showing signs of further gains, particularly if outmoded regulatory restrictions are removed. In the Northeast rail legislation, the Department proposed a number of measures which rely on the private sector.

We have rejected nationalization as a viable alternative solution to that crisis. The rail regulatory modernization legislation is intended to reform the regulatory framework for all rail systems, including those in the Northeast. We consider nationalization an extreme step, and rejection of it in the context of the Northeast rail problem necessarily means that it is not a viable solution to the problems faced by other railroads across the country.

Moreover, experiences elsewhere have made it abundantly clear that nationalization only means increasing subsidies and declining resource efficiency—something our Nation can ill afford. The largely State-owned rail systems of Japan, Britain, Germany, France, and Italy now report losses that in total exceed $2 billion per year. Nor do we believe that partial or piecemeal nationalization, such as buying only the roadbeds of the bankrupt or ill carriers, is proper. It is a practical impossibility for the Federal Government to become a "limited partner" in a private enterprise operation because one step inevitably leads to greater participation. In addition, virtually all nationalized systems under the pressure of mounting deficits have pursued abandonment/nationalization programs as aggressive as any proposed in this legislation. For example, British rail has abandoned over one-third of their route miles since nationalization.

The premise of the rail regulatory modernization legislation is that (1) increased reliance on competitive forces, and (2) the ability of carriers to respond to these forces free of unneeded regulatory constraints, are essential prerequisites to the revitalization of a privately owned transportation system that is capable of providing efficient and economical service to its users. We have reached the point where a failure to apply effective remedies to the ills of the industry will not only aggravate further the deficiencies of the system, but may seriously undermine the ability of the private sector to maintain its dominant role in the operation of the system.

There is perhaps no single industry upon which the National economy depends as much for its growth, and for its continued functioning, as surface freight transportation. Yet, the performance of this industry, and the railroads in particular, has become increasingly unsatisfactory. A major cause of the industry's unsatisfactory performance is the presence of outmoded regulatory constraints. To the degree that ICC regulation has depressed railroad profits below a reasonable rate of return, the need for funds is an argument for changing regulation rather than compounding institutional imperfections by yet another Federal-aid program.

Making Rate-Making More Flexible

A comprehensive description of the alternative of making rate-making more flexible is contained in the attached analysis of the need for this bill.

Shift Model Split to Rail by Increasing Taxes on Trucks

Another alternative is to increase taxes on trucks, arguably to shift demand to the rail mode. The argument is that trucks currently enjoy a subsidy, and removal of the subsidy to make trucks pay the total costs of their use of the roads would increase the share of shipping for railroads.

This Department has submitted legislation which would increase the highway taxes paid by the heavier highway vehicles. The purpose of the legislation is twofold:

(1) to achieve a more equitable distribution of the costs of the program borne by different classes of users, and

(2) to raise additional revenues for the Highway Trust Fund.

This legislation, which was introduced in the House during the 92d Congress as H.R. 12429, proposed an increase in the tax on both diesel fuel and the annual gross weight tax imposed on trucks and buses of certain sizes.

The extent to which increased truck taxes, such as those proposed in H.R. 12429, would move freight from that mode to rail is not clear. Because of service factors, some shippers may continue to prefer using the truck service, even if there is a cost operating differential in favor of rail. This view is somewhat sustained by the growth of private trucking at a rate in excess of that of regulated trucking, even though it is often more costly on a purely transportation basis. This disparity may be explained by the service advantage offered by private trucking.

Further, the extent of any traffic shift caused by increased truck taxes would depend on the price elasticity of demand for highway traffic and on the cross elasticity of demand between highway and rail traffic. The prices used in measuring these elasticities might have to be based on unit distribution costs related to shipments by either mode. It would also depend on the price elasticity of demand for individual commodities shipped. Because, for most commodities of the type shipped by highway, transportation cost is such a small percentage of the total cost of ownership or distribution, shippers may simply accept the higher motor carrier cost implicitly in higher taxes, pass it on to consumers in slightly higher commodity prices, and retain the service advantage of motor carriers.

However, a large scale diversion is not operationally possible at this time. The railroads cannot handle a significant long-term increase in traffic without plant modernization.

The Association of American Railroads has stated that one of their top priorities is increasing the railroad industry's capacity. Recent experience with the movement of grain indicates that except for mainline track ca-

pacity there is only limited rail capacity for absorbing large increases in traffic. The cars, locomotives, employees, and yards can handle large traffic increases only for a very short period of time. Whatever the merits of causing traffic from other modes to move to rail, a substantial shift cannot be realistically considered until a modern rail plant exists adequate to handle growth efficiently. This necessary first step is the one addressed in the proposed legislation.

CONCLUSION

There is perhaps no single industry upon which the National economy depends as much for its growth and for its continued functioning as surface freight transportation. Yet, the performance of this industry has become increasingly unsatisfactory. A major cause of the industry's unsatisfactory performance is the presence of outmoded regulatory constraints. To the degree that ICC regulation has depressed industry profits below a normal rate of return, the need for funds is an argument for changing regulation, not compounding institutional aid programs.

5. *Short-term vs. Long-term Effects.*

Rail Abandonment

The short-term effect is an accelerated change in land use, primarily as a result of easing abandonment procedures for little-used rail branch lines. The primary impact of delay in processing abandonments will be that the railroad properties will not be available for the alternative transportation, utility, recreation uses set forth above. Any such benefits would be lost or delayed.

6. *Commitments of Resources.*

No commitments of additional resources are expected as a result of this legislation. Additional highways and port facilities are not expected to be needed. No natural resources are expected to be committed to carry out this bill.

By Mr. BENTSEN:

S. 3238. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes. Referred to the Committee on Finance.

TAXPAYER PRIVACY ACT

Mr. BENTSEN. Mr. President, last week President Nixon revoked a year-old Executive order which authorized the U.S. Department of Agriculture to inspect the tax returns of our Nation's 3 million farmers. This revocation was long overdue since the Executive order opened the door to potentially unwarranted intrusions into the privacy of the American farmer and established a precedent for future government investigation of the tax returns of entire classes of American citizens.

The fact that this unwise Executive order remained in effect for 1 year clearly demonstrates that our laws must be changed to carefully safeguard the confidentiality of tax returns, with Congress—and only Congress—deciding what exceptions are needed for legitimate tax administration and law enforcement purposes.

Accordingly, I am today introducing the Taxpayer Privacy Act to maintain the confidentiality of tax returns filed by the American taxpayer and to close the door to potentially unlawful invasions of personal privacy. This legislation would amend the Internal Revenue Code to specifically restrict governmental inspection of tax returns to the areas of tax administration, tax enforcement and other carefully defined governmental functions. This proposal, however, would not hinder the ability of the Internal Revenue Service or the Department of Justice to prosecute cases of tax evasion or tax fraud. As a member of the Senate Finance Committee, which has jurisdiction over all tax legislation, I will make every effort to insure that this proposal is carefully and seriously considered when the Finance Committee begins acting on tax legislation later this year.

On January 17, 1973, President Nixon issued Executive Order 11679 authorizing the Department of Agriculture to inspect income tax returns filed by persons having farming operations. This order applied to returns filed for taxable years beginning on or after January 1, 1967. The President's stated purpose for the order was to allow the Department of Agriculture to obtain data from farm operations for statistical purposes only. It did not indicate specific data to be gathered. On January 23 new Internal Revenue Service regulations went into effect to implement the Executive order.

Neither the Executive order nor IRS regulations limited the type or amount of information that could be released to the Department of Agriculture. The January 23 IRS regulation stated:

The Secretary of the Treasury, or any officer or employee of the Department of the Treasury with the approval of the Secretary, may furnish the Department of Agriculture (for the purpose of obtaining data as to the farm operations of such persons) with the names, addresses, taxpayer identification numbers, or any other data on such returns or may make the returns available for inspection and the taking of such data as the Secretary of Agriculture may designate.

The President issued a revised Executive Order No. 11709, on March 27, 1973. The revised order permitted Department of Agriculture inspection of farmers' tax returns in accordance with amended IRS regulations. These regulations limited the scope of the data which could be obtained compared with the regulations issued with the prior Executive order. The new regulations provided that only "names, addresses, taxpayer identification numbers, type of farm activity, and one or more measures of size of farm operations such as gross income from farming or gross sales of farm products," would be furnished the Agriculture Department.

In the original Executive Order 11679 any employee of the USDA with permission of the Secretary of Agriculture, was given authority to examine any and all tax returns of citizens showing farm income or expenses as long as they could justify such examinations by saying it was for statistical purposes. The President rescinded his order on March 27 and issued Executive Order 11709. However, under 11709, farmers' tax returns were still potentially an open book. In the revised Executive order, any employee of the USDA with permission of the Secretary of Agriculture had the authority to examine any and all farmers' tax returns and to obtain any piece of information from such tax returns as long as that information can be construed to mean a measure of size of the farming operation of the taxpayer. Close examination of the tax returns will clearly show that almost any piece of information on the return will be considered a measure of the size of the taxpayers' farming operation.

It is very significant to note that these Executive orders were formulated as a model or prototype for future Executive orders opening tax returns for similar statistical uses by other Federal agencies. In response to a congressional inquiry last year, the Justice Department said:

The original order was prepared by the Department of the Treasury in language designed to serve as a prototype for future tax return inspection orders.

My proposed Taxpayer Privacy Act would prevent these Executive orders from ever being used as a prototype for unwarranted invasions of privacy.

My proposal explicitly states that all tax returns are confidential and private records and may be opened to inspection only by the following persons at such times and in such manner as the Commissioner of the Internal Revenue Service by regulations prescribes:

First, the Taxpayer or his attorney; second, officers and employees of the Internal Revenue Service, the Treasury Department, and the Justice Department for tax administration and economic stabilization purposes; third, shareholders of record owning 1 percent or more of a corporation; fourth, tax officials of the States, the District of Columbia, territories or possessions; fifth, the Ways and Means Committee of the House, Finance Committee of the Senate, and Joint Committee on Internal Revenue Taxation or by other specifically authorized committees of Congress; sixth, the Attorney General, his assistants, and U.S. attorneys in the performance of official duties or for litigation; and seventh, officers and employees of the Executive Department if necessary for legitimate law enforcement purposes.

My proposal is the same as H.R. 10977 which was introduced last October by Congressman JERRY LITTON of Missouri who has been so instrumental in bringing this important subject to the attention of Congress.

Although this legislation may not completely resolve all of the problems of taxpayer confidentiality, the introduction of this bill will open a dialog so that the Senate Finance Committee can receive expert comment on this legislation and make appropriate revisions, if necessary.

Last year, several congressional committees held hearings on the confidentiality of Federal tax returns. In particular, these hearings focused on the access of the Department of Agriculture to the tax returns of the American farmer. As a result of these hearings, the House Committee on Government Operations recommended that our tax laws be amended "to make tax returns explicitly confidential, except as otherwise limited for tax administration, enforcement, and other purposes approved by Congress." The present Commissioner of the Internal Revenue Service has endorsed this principle of confidentiality. My proposed

Taxpayer Privacy Act is being offered to carry out this recommendation.

The Taxpayer Privacy Act is essential for several important reasons.

First, since the American Revolution we have cherished our right of privacy and Congress must continually make every effort to prevent infractions of this very fundamental human value. The right of privacy was included in the Bill of Rights by our Founding Fathers when they adopted the fourth amendment to the Constitution which protects all Americans against unreasonable searches and seizures.

Second, easy access to confidential tax returns by Federal employees creates a potential for abuse. We must not give Federal officials easy access to tax returns so that one day unprincipled employees of an executive department can engage in a "fishing expedition" to investigate a particular class of taxpayers. If we allow Agriculture officials to inspect the individual tax returns of all farmers, soon the Commerce Department will be scrutinizing the returns of businessmen, HEW will be auditing doctors' returns and HUD will be reviewing the tax returns of large numbers of homeowners. This potential for abuse must be prevented by clear statutory restrictions.

Third, a tax system that is based upon voluntary compliance can only be effective if our tax laws contain clear statutory provisions for the confidential treatment of income tax returns. Preserving the confidentiality of income tax returns is of primary importance in maintaining taxpayer compliance and confidence in our tax system.

Fourth, every effort must be made to safeguard the integrity of the Internal Revenue Service and to prevent its "politicization." We can help protect IRS from political pressure by protecting the confidentiality of tax returns.

In summary, my proposal would insure that the Internal Revenue Service is the confidential tax-gathering agency that most Americans expect it to be. It would help maintain the integrity of our voluntary self-assessment tax collection system.

I urge my colleagues to enact this legislation this year to close a wide gap in our tax law which has the potential to threaten the privacy of every American taxpayer.

By Mr. McGOVERN (for himself and Mr. CLARK):

S. 3239. A bill to amend the National School Lunch and Child Nutrition Acts in order to authorize the use of certain funds to purchase agricultural commodities for distribution to schools and other eligible outlets, to increase the appropriation authorization for nonfood assistance funds, and to provide additional financial assistance to the special milk program. Referred to the Committee on Agriculture and Forestry.

Mr. McGOVERN. Mr. President, I am pleased to introduce for myself and Senator CLARK, the "National School Lunch and Child Nutrition Act Amendments of 1974."

This bill has three sections, each designed to improve our valuable child nutrition programs.

The first section establishes a national average value for commodities donated by the Federal Government to the school lunch program. This means that school food supervisors in their budgets and children in their diets can rely on a carefully planned amount of federally donated commodities.

Furthermore, there is an escalator clause designed to automatically adjust this per meal amount of commodities so that Congress will not have to continually reassess the legislation.

Finally, this section provides that, among those commodities provided, special emphasis be given to high protein foods and meats.

Not only is this important for the schoolchildren, but it is also important for the cattle producers of our Nation. As their prices decline this year, we can use the school lunch program to buy meat. In this way, we can prevent a shortage from occurring later this year, which would mean higher prices for the consumer.

The second section extends the appropriation authority for nonfood assistance, which is equipment to cook and store the children's food. A recent nationwide study completed by USDA shows that the equipment needs of schools exceed $175 million. Yet, the budget for fiscal year 1975 requests only $22 million, which will only cover the expressed needs of schools without any nutrition programs, and provide no money to improve, replace, or modernize existing equipment in schools that have programs. This amendment will allow the Secretary, during fiscal year 1975, to appropriate equipment funds more closely in line with the schools' actual needs.

The third and last section increases by 1 cent the Federal reimbursement rate for milk under the special milk program. Since 1954, schools have received 4 cents per half-pint served under the special milk program. Yet milk prices have gone up at least 75 percent in the past 20 years. This provision attempts to close that gap somewhat by giving 5 cents per half-pint served to each eligible child. In addition, an automatic escalator clause is provided so that the reimbursement rate will be adjusted annually.

By Mr. COOK (for himself and Mr. BAKER):

S. 3240. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services. Referred to the Committee on Finance.

Mr. COOK. Mr. President, on behalf of myself and Senator BAKER I am pleased to introduce a bill which will amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communications services shall not apply to the amount of the State and local taxes paid for such services. The purpose of this legislation is to stop the Internal Revenue Service from levying a "tax on a tax." At the present time, IRS is requiring the telephone companies of 17 States and the District of Columbia to compute Federal tax on the total of the State sales tax plus the cost of local and long distance services. However, almost every State with a sales tax could eventually be effected.

For example, if your phone bill was $25 and the State sales tax 5 percent, your Federal tax would be figured on $26.25, rather than just $25. While the individual saving is small, we estimate it would save the constituents of the 17 States about $17 million a year.

The States in which the ruling is currently being enforced and the annual tax amounts which would be saved under my proposal are:

Alabama	$700,000
Florida	4,000,000
Illinois	4,000,000
Iowa	500,000
Kansas	400,000
Kentucky	800,000
Maine	300,000
Minnesota	900,000
Mississippi	525,000
Missouri	1,000,000
Nebraska	250,000
New Mexico	260,000
North Dakota	125,000
Pennsylvania	2,000,000
South Carolina	200,000
South Dakota	150,000
Tennessee	1,000,000

By way of background it should be noted that in 1970, Congress voted to gradually eliminate the 10 percent Federal excise tax on communication services by reducing it by 1 percent a year over 10 years. Perhaps in anticipation of the lost revenue, the Internal Revenue Service issued a ruling in 1969 (69–151) which required telephone companies in four States to begin collecting the Federal excise tax on not only the cost of telephone services, but the amount of State or local sales tax as well. The IRS was in effect requiring a "tax on a tax." As a basis for the ruling, the tax-collecting agency of the Federal Government cited section 4253 of the Internal Revenue Code of 1954—a statute which had been on the books since 1932.

Citizens of many States became subject to the "tax on a tax" in July 1973 after an IRS ruling. The excise tax must be collected in this manner, the Government said, because various State laws allowed the State gross receipts tax on the telephone company to be passed on to the consumer. If the State law levied the sales tax directly on the consumer the Federal tax would only be levied on the cost of services. The Federal Government was drawing a mighty fine line—and citizens of many States were on the wrong side.

By December of 1973 the IRS had forced companies in 17 States to begin collecting the extra revenues which could amount to $17 million a year, and the IRS is continuing its audits in every State or locality where a sales tax could eventually be involved.

This bill, in effect, has been introduced today, in order to halt the ever-encroaching process whereby the ultimate consumer is or possibly would be further economically burdened by compounding services and taxes with still yet more taxes.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

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

S. 3240

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4253 of the Internal Revenue Code of 1954 (relating to exemptions to the tax imposed on communication services) is amended by inserting at the end thereof the following new subsection:

"(i) STATE AND LOCAL TAXES.—No tax shall be imposed under section 4251 on so much of any amount paid for services as is properly attributable to any tax imposed on the amount paid for services, or otherwise imposed on the providing of such services, by a State, or any political subdivision thereof, or the District of Columbia."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to amounts paid after the date of the enactment of this Act for services rendered after such date.

ADDITIONAL COSPONSORS OF BILLS

S. 383

Mr. ALLEN. Mr. President, I ask unanimous consent that, at the next printing, the name of the distinguished Senator from Ohio (Mr. TAFT) be added as a cosponsor of S. 383, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserves up to age 60, both the amendment and the bill having been introduced by the junior Senator from Alabama.

The PRESIDING OFFICER (Mr. GRIFFIN). Without objection, it is so ordered.

S. 2801

At the request of Mr. PROXMIRE, the Senator from Kansas (Mr. DOLE), the Senator from Georgia (Mr. NUNN), and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of S. 2801, to amend the Food, Drug, and Cosmetic Act with respect to safe vitamins and minerals and for other purposes.

S. 2941

Mr. MONTOYA. Mr. President, I am pleased to join Senator BAYH in cosponsoring S. 2941, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for diagnosis of uterine cancer.

New Mexico has a small population of women over 60 compared to many other States. There are only about 56,000 women in New Mexico in this age group. However, since 1969, there have been between 45 and 50 new cases of uterine cancer each year in these women. And each year, 8 to 10 women have lost their lives from cancer of the cervix.

Senator BAYH indicates that studies show it is the older woman who is least likely to know about the Pap test and the least likely to have this painless, inexpensive test which can be administered in a few minutes time. The additional cost of this test to impoverished or low-income, elderly women is more than they can afford. For them, preventive medical care is a luxury. Preventive medicine is essential in an area such as uterine cancer where there is little possibility of the disease being discovered in a curable stage if one waits for symptoms to develop.

If the medicare program, which includes the disabled and older age group, were to cover the Pap test as part of their coverage of diagnostic laboratory tests, I believe we would be one step closer to what should be our ultimate goal—the administration of Pap tests to all women and the consequent reduction of unnecessary cancer deaths.

Dr. Charles R. Key, associate professor of pathology at the University of New Mexico and medical director of the New Mexico Tumor Registry, states:

I certainly agree with the notion that maximum application of the Pap smear should be encouraged in all age groups by utilizing all possible resources and mechanisms. I believe that Senator Bayh's discussion of the problem as it relates to older women is factual and that the proposal to include the examination as a covered service under Medicare would be very desirable. To apply this test only after symptoms have developed negates its true usefulness in discovering early, curable cancers.

We will never know how many of these lives could have been saved had a simple Pap smear been given as part of the health care provided under medicare.

S. 3098

At the request of Mr. DOLE, the Senator from Connecticut (Mr. WEICKER) was added as a cosponsor of S. 3098, to amend the Emergency Petroleum Allocation Act of 1973 to provide for the mandatory allocation of plastic feedstocks.

S. 3214

At the request of Mr. BELLMON, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 3214, to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organization to review services covered under the medicare and medicaid programs.

S. 3229

At the request of Mr. SCHWEIKER, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 3229, the Soviet Energy Investment Prohibition Act.

ADDITIONAL COSPONSOR OF RESOLUTION

SENATE RESOLUTION 136

At the request of Mr. GRIFFIN, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of Senate Resolution 136, to authorize the Committee on Rules and Administration to conduct an investigation with respect to the broadcasting and telecasing of Senate proceedings.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—AMENDMENTS

AMENDMENT NO. 1067

(Ordered to be printed, and to lie on the table.)

Mr. CLARK submitted an amendment, intended to be proposed by him, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1068

(Ordered to be printed, and to lie on the table.)

Mr. ERVIN submitted amendments, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1070

(Ordered to be printed, and to lie on the table.)

Mr. WEICKER submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1071

(Ordered to be printed, and to lie on the table.)

Mr. HELMS. Mr. President, the way to protect the public from dirty campaign tricks, to prevent candidates from being bought by special interests, to assure that campaign funds will not be funneled to undisclosed persons for so-called special projects, is not to require Federal financing of political campaigns. That is the wrong way. The right way, the only proper solution to these problems and abuses, lies in requiring the full and complete disclosure of all campaign contributions and expenditures.

When I say full disclosure, full disclosure is exactly what I mean: full disclosure of all contributions from every source; of all expenditures to each and every person, business, committee or whatever.

Full disclosure of contributions from every source means every source, including a wide variety of sources not now included in present laws regulating campaign contributions.

Mr. President, today I submit an amendment to S. 3044. Basically, this amendment calls for full disclosure and plugs up a glaring loophole in the 1971 Federal Election Campaign Act regarding the reporting of large contributions made immediately prior to election day. This amendment substitutes full disclosure for unwise public financing. I submit this amendment because I sincerely believe that Federal financing of political primaries and campaigns is not the way to clean up our election processes. Any plan which uses tax dollars to support every major party candidate who seeks election to Federal office is just plain no good. There is no sound or logical reason why any taxpayer should be forced to support candidates he does not want to support—and that is just what public financing of Federal elections will do.

If a candidate does not have the local support to finance his own campaign, then why should the public pay for it? Rather, let each candidate compete with his opponent for support—both financial and for votes—in the free marketplace of ideas.

Congress should abandon this unwise public financing proposal and substitute in its stead a plan that will do all that is

necessary to bring about realistic and needed campaign reform: this is the full disclosure of all contributions and expenditures. Let the public know who supports a particular candidate, and to whom that candidate may be beholden after the election. Let the public know how a candidate spends every cent of the money he raises and whom he hires to help him in his election bid. Give the public all of the facts, and let the people decide which candidate they will support, both at the polls and financially.

Then we will have campaign reform; but we will never have true reform if all we do is permit the treasury to be raided by this unworthy scheme; if we trample first amendment rights of freedom of expression by limiting the way in which a citizen expresses his political choices.

Mr. President, so that my colleagues may have the benefit of examining this proposed amendment to S. 3044 more closely, I ask unanimous consent that its text be printed in full in the RECORD at the conclusion of my remarks.

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

AMENDMENT No. 1071

Strike out everything after the enacting clause and insert in lieu thereof the following:

COMPLETE DISCLOSURE OF ALL CONTRIBUTIONS AND EXPENDITURES

SECTION 1. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definitions) is amended—

(1) by striking out "in an aggregate amount exceeding $1,000" in subsection (d);

(2) by inserting in subsection (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(3) by striking out in subsection (e)(1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following "or for the purpose of financing any operations of a political committee (including a payment made or an obligation incurred by a corporation or labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, does not constitute a contribution by that corporation or labor organization), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(4) by amending subsection (e) (3) to read as follows:

"(3) funds received by a political committee which are transferred to that committee from another political committee;" and

(5) by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;

"(2) means the transfer of funds by a political committee to another political committee;

"(3) means a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure; and

"(4) means any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization.".

(b) Section 302 of such Act (relating to organization of political committees) is amended—

(1) by striking out "in excess of $10" in subsection (b);

(2) by striking out "in excess of $10," in subsection (c)(2); and

(3) by striking out beginning with "in excess of $100" through "exceeds $100" in subsection (d).

(c) Section 303 of such Act (relating to registration of political committees; statements) is amended—

(1) by striking out "in an aggregate amount exceeding $1,000" in subsection (a);

(2) by striking out beginning with "or, if later" through "in excess of $1,000" in such subsection; and

(3) by striking out "in an aggregate amount exceeding $1,000" in subsection (d).

(d) Section 304 (relating to reports by political committees and candidates) is amended—

(1) by striking out "in an aggregate amount or value in exces of $100," each place it appears in paragraphs (2), (5), and (9) of subsection (b); and

(2) by striking out "in excess of $100" each place it appears in paragraphs (7) and (10) of such subsection.

(e) Section 305 of such Act (relating to reports by others than political committees) is amended by striking out "in an aggregate amount in excess of $100 within a calendar year".

IMMEDIATE DISCLOSURE OF LAST MINUTE CONTRIBUTIONS AND EXPENDITURES

SEC. 2. The last sentence of section 304(a) of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended to read as follows: "Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall be not less than five days before the date of filing, except that any contribution received or expenditure made during the period beginning ten days before the date of the election and ending on the date of the election shall be reported within twenty-four hours after such contribution or expenditure is received or made, respectively.

DISCLOSURE BY CANDIDATE OF KNOWN INDEPENDENT CONTRIBUTIONS AND EXPENDITURES

SEC. 3. Section 305 of the Federal Election Campaign Act of 1971 is amended by designating the first paragraph thereof as subsection (a) and by adding at the end thereof the following new subsection:

"(b) A candidate who knows of such a contribution or expenditure by such a person shall include the identity of such person and amount of such contribution or expenditure in the statements he files under section 304."

AMENDMENTS NOS. 1072 AND 1073

(Ordered to be printed, and to lie on the table.)

Mr. BAKER submitted two amendments intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENTS NOS. 1074, 1075, AND 1076

(Ordered to be printed, and to lie on the table.)

Mr. BAKER (for himself and Mr. DOMINICK) submitted three amendments, intended to be proposed by them, jointly, to Senate bill 3044, supra.

AMENDMENT NO. 1077

(Ordered to be printed, and to lie on the table.)

Mr. BAKER (for himself, Mr. ERVIN, Mr. TALMADGE, Mr. GURNEY, Mr. BELLMON, and Mr. DOMINICK) submitted amendments, intended to be proposed by them, jointly, to Senate bill 3044, supra.

AMENDMENT NO. 1078

(Ordered to be printed, and to lie on the table.)

Mr. BAKER (for himself, Mr. PACKWOOD, and Mr. DOMINICK) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3044, supra.

AMENDMENTS NOS. 1079 AND 1080

(Ordered to be printed, and to lie on the table.)

Mr. McGOVERN. Mr. President, the subject of campaign reform and public financing of Federal elections is again before the Senate. It is a tribute to the diligence of Senators PELL and CANNON that we have continued to pursue campaign reform after a series of setbacks last year. But more importantly, it is an indication that the Congress does intend to institute changes in the structure of our campaign processes to reduce the danger of unhealthy, secretive influence buying in election campaigns.

I think the American public has made it clear, through their reaction to the events related to Watergate and through public opinion polls, that they favor strong reform. The measure before the Senate, S. 3044, provides that kind of strong reform, and I consider it the obligation of this body to act swiftly and favorably on the bill. To do less would be to further jeopardize the effectiveness of the entire Congress in the eyes of the American people.

It must be clear to everyone by now that the Watergate mess was born in part from a growing trend in our political process to keep the people at arm's length while our elected officials lend their ears to special interests. That trend has not necessarily subsided in the months after the Watergate revelations.

Not too long ago, the Congress passed a provision calling for a rollback in oil prices. It was intended solely for the benefit of the American consumer, including the farmer and the small businessman who have seen their heating oil bills more than double in the last year. As we all know, that bill was vetoed because the administration felt it would have a detrimental effect on oil profits.

It is a matter of public record that the oil industry contributed $5 million to the President's reelection campaign in 1972. Their voice is heard loud and clear while the cries of the ordinary citizen who is struggling to keep up with the monthly price increases in oil products continues to go unheeded.

We can begin to turn this trend around only when we take away the opportunity for big money to influence the campaign

process. It is simple enough to see that our elected officials will become more responsive to the people if they must go to the people for their campaign support.

It may mean working a little harder to raise funds in small amounts rather than by the suitcase full, but the rewards are self-evident. I take a great deal of pride in the fact that my Presidential campaign came out of 1972 debt free. It was financed by hundreds of thousands of small contributors, not by a handful of wealthy corporate interests. Because it was financed in that way, our effort was open to the scrutiny of everyone. Any mistakes were quickly noted, and absolutely no illegal activity in the way of fundraising or influence buying or dirty tricks was uncovered simply because it did not exist.

The point I am making must be obvious. Whatever else the country may have learned from the 1972 McGovern campaign, the one lesson that stands out above all others is that it is possible to run a national campaign dependent on the efforts and the dollars of a lot of little people without going behind the closed doors of the boardrooms of giant corporations.

Not everyone is willing or even able to make the kind of effort we made in 1972. While I believe strongly in the way we raised our money and ran that campaign, I would not favor a law forcing every politician to run the kind of grassroots campaign that I happen to prefer. Neither do I favor 100-percent public financing.

That is why the concept of public financing embodied in S. 3044 is so vitally important to our political process. While it encourages the gathering of smaller contributions through gift limitations and provisions for a matching Federal payment, it leaves enough flexibility to allow a political candidate to run his own campaign in the way he prefers. And by not requiring full public financing, it leaves the opportunity for every citizen to express himself in the process through a contribution to the candidate of his or her choice.

This is not a perfect bill, but it does contain the basic elements of reform and flexibility that are so badly needed to revitalize our political process. On the basis of my own campaign experience, I have a few suggestions to make and two specific amendments to offer that I feel will make a good bill even better.

First, I have a very basic disagreement with the options offered for financing general election campaigns. Under the bill as it stands now, a candidate could either take full public financing up to his expenditure limitation or raise the money through individual contributions. While the option remains open for individuals to contribute, I think it is safe to predict that a vast majority of political candidates would choose to make use of the Federal funding to the exclusion of any private contributions. This would remove the opportunity for the people to express themselves in the process through a modest political contribution. It also reduces the incentive to the candidate to build citizen support at the grassroots level.

I believe the people should be encouraged to contribute to campaigns. It became evident from my own effort in 1972 that once a contribution had been made, the contributor felt a part of the effort and in many cases would offer to help in telephoning other voters or visiting the homes in his or her precinct. It seems to me that our political process is at its healthiest when the largest number of people are directly and actively involved in that process. With that in mind, we should structure the general election financing in such a way that allows the simplest form of involvement through a contribution. It opens up an essential two-way street for public involvement and candidate response.

For this reason, I am supporting amendment No. 976 offered by Senator STEVENSON. The amendment would provide each Federal candidate with 50 percent of the expenditure limitation from the Federal Treasury. The remaining funds would be raised through private contribution efforts. The Stevenson plan opens up that two-way street while it provides a candidate with a guaranteed amount that can serve as the basis for his campaign. After a long primary campaign, it can be rather difficult to raise the needed funds for a general race. With an immediate payment of 50 percent of the limitation, all candidates are put on equal footing from the beginning of the race. The seed money is there for initial organizing efforts and fundraising appeals. Besides offering the essential opportunity to contribute, it seems to me this plan will go a long way toward wiping out any inherent advantage an incumbent candidate may have.

In the same line of encouraging active participation through small contributions, I am introducing my own amendment to S. 3044. Present law allows contributors to take a tax credit or a tax deduction for a political contribution. Under S. 3044, an individual could get up to $25 credit or $50 on a joint return by contributing twice that amount. A deduction of $100 for an individual and $200 for a couple is allowed, again when twice that amount is contributed. My amendment would drop the requirement of contributing twice the amount of the credit or deduction limit giving contributors 100 percent credit up to the given limits. In order to get the full $25 credit, an individual need only contribute the $25 rather than having to give $50 in order to get $25 credit.

Middle- and lower-income taxpayers form the greatest base of any effort to raise small contributions. For many, particularly in this time of record inflation, a $25, $50, or $100 contribution means that they will be forced to cut their already overstretched budgets in some essential area. By providing a full tax credit to the small contributor, we will not only treat all taxpayers equally, we will also greatly increase the number of persons who are likely to contribute.

I have one other amendment to offer. My second amendment would strike out section 316 of the bill which requires that an official of the national party committee approve any expenditure made by or on behalf of a presidential candidate in excess of $1,000. It also requires that the national committee report any approval as their own expenditure.

Based on my own experience in running a Presidential campaign, I do not feel that this provision is necessary. On the contrary, I think it will confuse an already difficult and time-consuming reporting system as well as duplicate the expenditure reports.

I understand the reason for placing this provision in the bill. It is a direct response to the way the Committee to Re-Elect the President handled some of their funds. However, given the reforms throughout this legislation, I do not believe this kind of measure is necessary. We should not penalize all candidates with the added burden of unnecessary clearance requirements because of the abuses of one campaign.

My overriding objection to this idea comes from my own experience in trying to keep the finance section of a campaign alive and well. It has become customary for firms providing campaign services to require payments in advance. In a fast moving political campaign where decisions are made and carried out in a matter of hours and sometimes minutes, it is absolutely essential that the treasurer be able to function with a minimum of red-tape. With this additional approval required before a check can go out, it is entirely possible that an event could be canceled or a plane grounded for lack of payment while the treasurer submits the expenditure to the scrutiny of the national party official designated to give approval. Because all expenditures of that size must be reported by the candidate's campaign committee, this requirement would become something to work around rather than a real safeguard against abuse.

I ask unanimous consent that my amendments be printed in the RECORD following my remarks.

Mr. President, we have seen a remarkable change in the attitude of the American people toward politicians in the last year. All elected officials have become victims, innocent or otherwise, of the Watergate mess. Campaign reform is the one area where we can move now to reaffirm the faith of the people in our political process. Only if we are willing to police our own houses in a meaningful way will the people begin to believe that Watergate is not politics as usual.

We know that for every dirty trick and illegal contribution carried out by the Committee To Re-Elect the President, there are hundreds of honest men and women active in politics. Watergate is the exception, not the rule. Swift passage of S. 3044 can be the opening round in a new era of politics in this country. It can and should be the first step taken to bring American politics back into the sunshine by giving American politics back to the people.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

S. 3044

Strike everything beginning on line 18, page 62 through and including line 10 on page 63 and renumber the subsequent sections accordingly.

SECTION 1. On page 84, line 10, insert the following new subsection and renumber the other subsections accordingly.

"(a) Section 41(a) of the Internal Revenue Code is amended by deleting therefrom the phrase 'one-half of'.".

SEC. 2. On page 84, line 23, strike the words, "(a) and (b)" and insert the words, "(a), (b), and (c)".

AMENDMENT NO. 1081

(Ordered to be printed, and to lie on the table.)

Mr. BUCKLEY submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1082

(Ordered to be printed, and to lie on the table.)

Mr. HATHAWAY submitted amendments, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1083

(Ordered to be printed, and to lie on the table.)

Mr. BENTSEN. Mr. President, I am sure my colleagues here in the Senate are all too well aware of the stories this country has heard in the last few months of millions of dollars sloshing around from one country to another, being laundered in foreign banks and of sizable contributions by foreign nationals to U.S. Federal election campaigns. There have been appalling allegations that certain of these contributions from foreigners have elicited from this administration government contracts or other favors. Mr. President, I do not know if these allegations are true or not and I am certainly not saying that they are. That is the job of the courts to decide. What I am saying is that contributions by foreigners are wrong and have no place in the American political system. Present law bans contributions by foreign "principals" or agents of foreign "principals" but this terminology is unclear. The Department of Justice has interpreted the term "principal" to mean a foreign government, a political party of another country or a company, organization, or partnership chartered abroad or having its principal place of business abroad. This interpretation does not include private foreign citizens or agents of foreign citizens under the definition of "principal." I am today introducing an amendment which will extend the present ban on contributions by principals or agents of principals to include private citizens and agents of private citizens. Without this ban American elections can continue to be influenced by inordinately large flows of foreign money. During the 1972 Presidential campaign, for example, the public record shows that a wealthy Canadian oilman donated $92,000 to the Nixon candidacy. On the Democratic side of the fence, a wealthy Uruguayan gave over twice that amount to the McGovern campaign.

Mr. President, I do not think foreigners have any legitimate role in our political campaigns. They cannot vote in our elections. They cannot participate in other ways so why should we allow them to help finance our elections? Their loyalties lie elsewhere; their loyalties lie with their own country and their own government. Many in this country have expressed concern over the growing inroads being made into our economy by foreign investment. I think we should be concerned over the inroads being made into the financing of our political campaigns by foreigners.

The point is, Mr. President, that current law is too vague to touch contributions by foreign nationals or agents of foreign nationals. It touches only contributions by foreign principals or agents of foreign principals. My amendment would ban contributions from the individual as well as from any agent acting on behalf of a foreign individual.

Mr. President, I do not believe my amendment is foolproof. There are ways to get around just about every campaign finance reform measure on the books or under consideration by the Congress. But my amendment goes a long way towards getting at the problem. Mr. President, a major loophole in campaign financing laws and legislation would be closed by my amendment and I urge the Senate to act affirmatively on it.

AMENDMENTS NOS. 1084 THROUGH 1089

(Ordered to be printed, and to lie on the table.)

Mr. GRIFFIN submitted six amendments, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENTS NOS. 1090 THROUGH 1093

(Ordered to be printed, and to lie on the table.)

Mr. KENNEDY. Mr. President, on behalf of Senator HUGH SCOTT and myself, I send to the desk four amendments to S. 3044, the Federal Election Campaign Act Amendments of 1974, and I ask that they may lie on the table and be printed.

The first amendment would require written evidence of any contribution that is to be used to obtain a matching grant of public funds.

The second amendment would establish an automatic appropriation for the funds designated by taxpayers under the dollar checkoff.

The third amendment would add a definition of a State committee of a political party, corresponding to the definition of a national committee of a political party in the bill.

The fourth amendment would clarify the eligibility of a minor party candidate to receive public funds, by allowing him to accumulate the votes he received under various party labels in the preceding election.

Mr. President, Senator SCOTT and I intend to call up these amendments at the appropriate time, and I ask unanimous consent that they may be printed at this point in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1090

On page 10, between lines 16 and 17, insert the following:

"(3) For purposes of paragraph (1), no contribution shall be taken into account which is not made or accompanied by a written instrument setting forth the amount of the contribution and the identification of the person making the contribution.".

AMENDMENT NO. 1091

On page 19, beginning in line 12, strike out "There are authorized to be appropriated to the fund amounts equal to the sum of the amounts designated by taxpayers under section 6096 of the Internal Revenue Code of 1954 not previously taken into account for purposes of this subsection, and such additional amounts as may be necessary to carry out the provisions of this title without any reduction under subsection "(c)." and insert in lieu thereof the following: "There is appropriated to the fund for the fiscal year first beginning after the date of enactment of the Federal Election Campaign Act Amendments of 1974 an amount equal to the sum of the amounts designated by taxpayers under section 6096 of the Internal Revenue Code of 1954 for all taxable years ending before January next preceding the beginning of that fiscal year. There is appropriated to the fund for each subsequent fiscal year an amount equal to the sum of the amounts designated by taxpayers under such section for taxable years ending after the second preceding December and before January next preceding the beginning of that fiscal year. There are authorized to be appropriated to the fund such additional amounts as may be necessary to carry out the provisions of this title without any reduction under subsection "(c).".

On page 19, line 16, after "and" insert "there are authorized to be appropriated to the fund".

AMENDMENT NO. 1092

On page 68, line 16, strike out "and".

On page 68, between lines 16 and 17, insert the following:

"(j) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the State level, as determined by the Federal Election Commission; and

On page 68, line 17, strike out "(j)" and insert in lieu thereof "(k)".

AMENDMENT NO. 1093

On page 10, strike out line 24 and insert in lieu thereof the following: "election campaign in an amount equal to the greater of—

"(A) an amount which bears the same ratio".

On page 11, line 6, strike out "election." and insert in lieu thereof "election; or".

On page 11, between lines 6 and 7, insert the following:

"(B) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by that eligible candidate as a candidate for that office (other than votes he received as the candidate of a major party for that office) in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election."

AMENDMENTS NOS. 1094 THROUGH 1096

(Ordered to be printed, and to lie on the table.)

Mr. BELLMON submitted three amendments, intended to be proposed by him, to Senate bill 3044, supra.

DOMESTIC SUPPLY INFORMATION ACT—AMENDMENT

AMENDMENT NO. 1069

(Ordered to be printed, and referred to the Committee on Commerce.)

Mr. MAGNUSON. Mr. President, today I introduce an amendment to S. 2966, the Domestic Supply Information Act, which was introduced on February 6 by

Senator TUNNEY and myself and referred to the Committee on Commerce.

The conditions prompting this legislative effort are known to us all: increasing shortages of essential products and materials and inadequate information on the current and future availability of these products and materials. Considerable attention is now being devoted to the energy crisis, but other commodities are also becoming increasingly scarce. For example, products such as plastic, paper, fertilizer, and food are in short supply domestically, and important raw materials may be in short supply in the near future.

Existing institutions of Government do not adequately identify and monitor product and material shortages. Although a wealth of information is available, it is dispersed through numerous agencies. It is incomplete and lacking in credibility in some cases; but more importantly, the information is not regularly and effectively synthesized, coordinated, analyzed, and disseminated.

This amendment would expand the functions and staff of the Council of Economic Advisers, explicitly directing it to involve itself in product and material shortage questions and other problems related to specific industries. It would be required to establish an information system for the collection and analysis of relevant data, and it would also be required to submit reports to the President and the Congress on immediate and long-range problems.

In the performance of these functions, the Council could be expected to influence significantly the policies of the President and the executive branch, but might be lacking in credibility with the Congress. For this reason, the bill would create a new division within the General Accounting Office which would have independent access to the Council's data and be required to make independent assessments of such data for the benefit of the Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the amendment.

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

AMENDMENT NO. 1069

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Domestic Supply Information Act".

FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) Shortages of products and materials are becoming increasingly frequent, resulting in undue inconvenience and expense to consumers and a burden on interstate commerce and the Nation's economy.

(2) Such shortages may result from any of a number of causes including but not limited to inadequate plant capacities, a shortage of the supply of basic material and energy, foreign export controls, and unexpected fluctuations in demand.

(3) Existing institutions do not adequately identify and anticipate such shortages and do not adequately monitor, study, and analyze other market dysfunctions involving specific industries and specific sectors of the economy.

(4) Data with respect to such shortages, causes, and dysfunctions is collected in various agencies of the Government for various purposes, but is not systematically coordinated and disseminated to the appropriate agencies and to the Congress.

(5) A comprehensive credible information system is needed (A) to serve as a single reference system on the existence and causes of existing and potential product and material shortages and other market dysfunctions and (B) to provide alternative policy options to alleviate such shortages and dysfunctions.

(b) PURPOSES.—It is the purpose of this Act to establish the means to monitor product and material shortages and other market dysfunctions and to provide alternative policy options to the President and the Congress for legislative and administrative policies to alleviate such shortages and dysfunctions. It is further the purpose of this Act to accomplish these as expeditiously as possible by enlarging the functions of the Council of Economic Advisers and by establishing an Office of Domestic Supply in the General Accounting Office.

DEFINITIONS

SEC. 3. As used in this Act—

(a) "Comptroller" means the Comptroller General of the United States;

(b) "Council" means the Council of Economic Advisers;

(c) "Director" means the Director of the Office of Domestic Supply established by section 201 of this Act;

(d) "long-term future" refers to product and material forecasting for one, two, and three years into the future, and further into the future when possible;

(e) "market dysfunction" means any situation in a specific industry or segment of the economy in which market forces fail to provide goods and services smoothly and at a reasonable price to those interested in obtaining them;

(f) "Office" means the Office of Domestic Supply in the General Accounting Office, as established by section 201 of this Act; and

(g) "product and material shortage" or "shortage of products and materials" refers to a market condition where any product, food, mineral, raw material, or other commodity is not reasonably available to all users or can be acquired only at a price which has increased significantly relative to the general price level as a result of limited availability.

TITLE I—DOMESTIC SUPPLY FUNCTIONS OF THE COUNCIL OF ECONOMIC ADVISERS

RESPONSIBILITIES AND PRIORITIES

SEC. 101. (a) RESPONSIBILITIES.—It shall be the responsibility of the Council to monitor product and material shortages and other market dysfunctions and to provide the President and Congress with alternative policy options with respect to such shortages and dysfunctions.

(b) PRIORITIES.—In carrying out its responsibilities under this Act, the Council shall—

(1) give priority attention to industries which provide products and services basic to the Nation's economy and industries which serve critical needs of the Nation's consumers, and

(2) give substantial consideration to shortages and market dysfunctions expected in the predictable long-term future as well as to those currently experienced or immediately anticipated.

INFORMATION SYSTEM

SEC. 102. (a) GENERAL.—Within one year after the date of enactment of this Act, the Council shall establish an information system for the collection, analysis, and dissemination of information relating to product and material shortages and other market dysfunctions. Such system shall—

(1) utilize appropriate economic models;

(2) utilize modern information filing, storage, search, retrieval, and possessing mechanisms;

(3) readily permit quick additions, retrieval, and analyses of data;

(4) maintain data historically and update data periodically to permit time-series analyses; and

(5) provide for direct and independent access by the Director of the Office, established under title II of this Act, to all information collected.

(b) DATA COLLECTION.—Such system shall provide for the collection of data which shall include, but not be limited to, data on current and potential supply, demand, consumption, wages, prices, imports, exports, changes in technology affecting supply and demand, and other relevant matters relating to product and material shortages and other market dysfunctions.

(c) SURVEY AND USE OF EXISTING DATA.—In order to avoid duplication of effort, the Council, to the extent feasible, shall survey and utilize on a regular basis all pertinent data in the possession of Federal departments, agencies, and offices, notwithstanding any other provision of law. Such data shall include, but not be limited to, information gathered by the Department of Agriculture, the Department of Commerce, the Department of Interior, the Department of Labor, the Cost of Living Council, the National Science Foundation, and the Federal Tariff Commission. Such data shall also include studies of executive commissions, universities, and private organizations and foundations. The Council is authorized to acquire by purchase or otherwise from States, counties, cities, or other units of local government or from private persons copies of records, reports, and other data as may be required for the efficient and economical collection of information pursuant to this Act.

(d) DATA VERIFICATION.—The Council shall, to the extent possible, periodically verify the data collected under this section through the use of sampling, auditing, mathematical verification, or other practical means.

(e) HEARINGS AND SUBPENAS.—To supplement the information otherwise available to it, the Council is authorized as is necessary to carry out the provisions of this Act—

(1) to conduct public hearings and inquiries;

(2) to require, by subpena or special or general order, that any person or Government agency attend such hearings or submit in writing reports, papers, documents, or answers to questions, as the Council deems advisable to carry out the purposes of this Act, including, if appropriate, but not limited to information referred to in section 1905 of title 18, United States Code; and

(3) to petition any United States district court for assistance in requiring the testimony of witnesses or the production of such reports, papers, documents, answers, or information.

(f) ENFORCEMENT.—(1) In the event of refusal to obey a subpena or order issued pursuant to subsection (e) of this section by the Council, the United States district court in which venue is proper shall have jurisdiction to issue an order to require any person to comply therewith. Failure to obey such an order of the court is punishable by such court as a contempt of court.

(2) Any person who neglects or refuses, when requested by the Council, to answer completely and correctly to the best of his knowledge any question or to furnish information requested under the authority of this Act, shall be fined not more than $25,000 or imprisoned not more than one year or boh; and if he willfully provides a false answer to any such question, he shall be fined not more than $50,000 or imprisoned not more than three years or both.

REPORTS AND ANALYSES

SEC. 103. (a) REPORTS.—Not later than January 20 and July 20 of each year, and at such more frequent times as the Council determines are appropriate, the Council shall transmit to the President and the Congress a report setting forth—

(1) an enumeration of major product and material shortages in this country both current and anticipated;

(2) estimates of the available domestic and world supply of such products and materials and an assessment of the various factors affecting such supply, including when appropriate, but not limited to, the availability of energy; the impact of environmental and other regulatory controls; the effects of imports and exports; the availability of modern, efficient technology to produce such products; the effect of labor and capital for production; wages; prices; and plant capacity;

(3) estimates of domestic and world demand for such products and materials and an assessment of the various factors affecting such demand, including, when appropriate, but not limited to, an assessment of demand by class of consumer and by geographical region, the reasons for any change in demand, the elasticity of demand, the effect of fiscal and monetary policies of the Federal Government on demand, and the effect of imports and exports on demand;

(4) an enumeration of other major market dysfunctions, both current and anticipated and an evaluation of the causes thereof;

(5) an assessment of the impact on the economy of the United States and other nations of the shortages and dysfunctions specified;

(6) an assessment of the effects on national security of such shortages and dysfunctions;

(7) a review of the extent to which present programs and activities of the Federal Government may contribute to the cause or prevention of such shortages and dysfunctions;

(8) a listing of alternative policy options for legislative and administrative action to alleviate or contain such shortages and dysfunctions; and

(9) an assessment of the economic, social, and environmental strengths and weaknesses of the policy options specified, which may, at the discretion of the Council, include recommendations as to which of such options are, in the view of the Council, most desirable.

(b) ANALYSES.—In addition to reports submitted under subsection (a) of this section, the Council shall as frequently as is necessary and practicable, submit interim reports, recommendations, and analyses to the President and the Congress concerning any of the matters listed under subsection (a).

DISSEMINATION OF INFORMATION

SEC. 104. (a) GENERAL AVAILABILITY.—Copies of any communication, document, report, or information received or sent by any member of the Council shall be made available to the public and to agencies of Government upon identifiable request, and at reasonable cost, unless such information may not be publicly released under the terms of subsection (b) of this section.

(b) LIMITATIONS.—The Council or any officer or employee of the Council shall not disclose any information obtained under this section which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies, and officials for official use upon request;

(2) to committees of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days prior to disclosure by the party to whom the information pertains, but opportunity for comment or discussion shall be given only if the Council determines the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety.

(c) EXCEPTION.—Nothing contained in this section shall be deemed to require the release of any information described in section 552(b) of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

PERSONNEL

SEC. 105. (a) HIRING OF PERSONNEL.—The Council is authorized to appoint and remove such employees as it determines necessary to carry out its responsibilities under this Act and to fix the compensation of such employees in accordance with the Civil Service and classification laws of the United States. The maximum size of the professional staff of the Council shall be limited to two hundred employees.

(b) CONSULTANTS.—The Council is authorized to employ consultants in accordance with section 3109 of title 5, United States Code, and to compensate such persons at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day they are so employed (including traveltime) and pay such persons travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(c) CONTRACTS.—In carrying out the provisions of this Act, the Council is authorized to enter into any developmental or operational contracts with educational or research organizations.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 106. There is authorized to be appropriated to the Council for the purpose of carrying out the provisions of this Act, $10,000,000 for the fiscal year ending June 30, 1975, and $12,000,000 for the fiscal year ending June 30, 1976.

TITLE II—OFFICE OF DOMESTIC SUPPLY

OFFICE AND DIRECTOR

SEC. 201. There is hereby established within the General Accounting Office an Office of Domestic Supply. The Office shall be under the direction of a Director who shall be appointed and removed by the Comptroller, except that the Director may be removed at any time by a joint resolution of Congress for malfeasance or non-feasance in office.

RESPONSIBILITIES AND PRIORITIES

SEC. 202. (a) RESPONSIBILITIES.—The Director shall be responsible for analyzing and disseminating data regarding product and material shortages and other market dysfunctions and for providing the President and the Congress with alternative policy options with respect to such shortages and dysfunctions. Such responsibilities shall be carried out in a manner which will provide independent assessments of data collected by the Council pursuant to title I of this Act.

(b) PRIORITIES.—In carrying out his responsibilities under this Act, the Director shall be subject to the same priority requirements prescribed for the Council under section 101 (b) of this Act.

DATA COLLECTION

SEC. 203. (a) ACCESS TO COUNCIL'S INFORMATION.—In carrying out the responsibilities referred to in section 202, the Director shall have direct and independent access to all information collected by the Council through the information system established under section 102 of title I of this Act. In addition, the Council shall inform the Director of all analyses of such information conducted by the Council and furnish the results of all such analyses to the Director at such times and in such form as the Director may reasonably request.

(b) ADDITIONAL INFORMATION.—The Council shall coordinate and cooperate with the Director in the collection by the Council of information under this Act. If, in the view of the Director, new information in addition to that already collected through the information system of the Council is needed to effectively carry out the purposes of this Act, he shall request the Council to obtain such information. The Council shall honor each such request unless the Council determines that the information referred to would be duplicative of information already in the possession of the Council and available to the Director. If the Director disputes such determination by the Council, he may petition the United States District Court for the District of Columbia for an order requiring the Council to obtain such information and make it available to the Director. The Court shall issue such order if it finds, upon de novo review of the determination of the Council relating thereto, that the information requested by the Director is not duplicative of information already available to him.

ANALYSES AND REPORTS

SEC. 204. (a) ANALYSES.—The Director shall utilize appropriate economic models and all other reasonable means to analyze information to which he has direct and independent access under section 203 of this Act, information made available to him by the Council under such section, and other information in his possession relating to product and material shortages and other market dysfunctions, both current and anticipated. As frequently as is necessary and practicable, the Director shall submit reports, recommendations, and analyses to the President and the Congress concerning such shortages and dysfunctions, and including any of the matters listed under section 103 (a) of this Act.

(b) COMMENTS ON COUNCIL REPORTS.—Within a reasonable time, not to exceed ninety days, following a report by the Council submitted to the President and the Congress pursuant to section 103(a) of this Act, the Director shall issue comprehensive comments to the President and the Congress on such report including, but not limited to, assessments of each policy option contained in such report. The Director additionally is authorized and encouraged to comment to the President and the Congress on each interim report, recommendation, and analysis submitted by the Council to the President and the Congress pursuant to section 103 (b) of this Act.

(c) COMPTROLLER'S REPORT.—At the end of each fiscal year following the date of enactment, the Comptroller shall submit an annual report to the Congress reviewing the procedures for the collection of information established under title I of this Act and evaluating the extent of cooperation between the Council and the Director with respect to the collection of information under this Act.

DISSEMINATION OF INFORMATION

SEC. 205. The Director shall disseminate information relating to the exercise of his responsibilities under this Act subject to the conditions imposed on the Council by section 104 of this Act.

PERSONNEL AND COMPENSATION

SEC. 206. (a) PERSONNEL.—The Director is authorized to appoint and remove employ-

ees of the Office, employ consultants, and enter into contracts subject to the conditions imposed on the Council by section 105 of this Act.

(b) COMPENSATION.—The Director of the Office shall be compensated at the rate provided for level III of the Executive Schedule Pay Rates (5 U.S.C. 5314).

AUTHORIZATIONS FOR APPROPRIATIONS

SEC. 207. There is authorized to be appropriated to the General Accounting Office for the purposes of carrying out the provisions of this Act, $5,000,000 for the fiscal year ending June 30, 1975, and $6,000,000 for the fiscal year ending June 30, 1976.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 150

Mr. ALLEN. Mr. President, I ask unanimous consent that, at the next printing, the names of the following Senators be added as consponsors of amendment No. 150 to S. 1835, a bill to amend title 38, United States Code, to increase the maximum amount of Servicemen's Group Life Insurance to $20,000, to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to Veterans' Group Life Insurance, and for other purposes: the distinguished Senator from Kansas (Mr. DOLE), the distinguished Senator from Rhode Island (Mr. PASTORE), the distinguished Senator from North Carolina (Mr. HELMS), and the distinguished Senator from Ohio (Mr. TAFT).

The PRESIDING OFFICER (Mr. GRIFFIN). Without objection, it is so ordered.

AMENDMENT NO. 976

Mr. STEVENSON. Mr. President, I ask that the Senator from South Dakota (Mr. MCGOVERN) be added as a cosponsor of amendment No. 976 to S. 3044.

That amendment, which I will call up at an appropriate time in the debate, replaces the system of 100-percent Federal subsidies for major party candidates in general elections with a balanced, less expensive system of partial public financing under which the general election subsidy would be limited to 50 percent of the expenditure limit.

Today's issue of the Washington Post contains an editorial expressing doubts about pure public financing in general elections. I ask unanimous consent that the editorial be reprinted at this point in the RECORD.

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

[From the Washington Post, Mar. 26, 1974]

A KEY TIME FOR CAMPAIGN REFORMS

One collision of interests which is inescapable under a democratic system is that the laws regulating campaigns are passed by the same people who won the last election. This can produce a certain opacity about reforms. For instance, there is ample evidence that fund-raisers for President Nixon's re-election drive used strong-arm tactics to collect large, secret and—in some cases—illegal contributions in 1972. Yet Mr. Nixon waited until this month to submit his own program of reforms, and then his suggestions were mostly uninspired.

Or take the case of Rep. Wayne L. Hays (D-Ohio). On the one hand, he chairs the Democratic congressional campaign committee which, with its Senate counterpart, raked in at least $600,000 from its annual $500-a-plate dinner last week. On the other hand, the congressman from Ohio runs the House Administration Committee, which has jurisdiction over campaign reforms—and which is finally being convened today, after months of delay, to start considering the subject.

Winning elections does not always make politicians so resistant to reforms. The Senate is an encouraging case in point. Many Senators can milk money from contributors as well as anybody else. In fact, according to public reports compiled by the Center for Public Financing of Elections, political committees for Senators and Senate candidates had $5 million on hand on February 28, and 91 per cent of that was for the benefit of incumbents—including several who are not up for re-election this year. Yet somehow most Senators have come to realize that the old ways of raising and spending money in politics are so demeaning, so susceptible of abuse, and so mistrusted by the public that basic reforms are imperative. Thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strengthen the enforcement of the elections laws. And today the Senate begins debate on a very ambitious bill to extend public financing to all federal primary and general-election campaigns.

If the goal of reforms is to make federal campaigns more open in every respect—above-board, broadly based and genuinely competitive—then some degree of public financing is an important complement to limitations on private funds. Outlawing large private contributions will reduce, or at least make more perilous, the domination of the political marketplace by well-heeled individuals and special interests. Public financing, direct or indirect, will broaden public participation in campaigns and enable challengers to combat the large advantages which incumbents now enjoy. That principle lies behind the existing dollar check-off and provisions for tax credits or deductions for small private contributions. It is an approach worth expanding in a sensible and incremental way.

The problem with the latest Senate bill is that it tries to do too much, too soon, and goes beyond what is either feasible or workable. For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries. No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries. Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense. As for congressional primaries, they are so varied in size, cost and significance among the states that no single system of public support seems justifiable without much more careful thought.

This is not to say that the pending Senate bill is frivolous. It makes useful improvements in the existing check-off plan for public funding of presidential general-election drives. Moreover, Senate passage of any kind of public financing for congressional general elections, such as a matching plan, would make it harder for the House to duck consideration of that matter entirely. Finally, the new Senate bill reemphasizes that body's commitment to the other crucial aspects of reform: strict limits on private contributions, and strong independent enforcement.

Whatever the Senate ultimately decides to do this time around, the real battle is coming in the House. One key issue there will be the ceiling on spending in House campaigns; Rep. Hays has recently been talking in terms of $60,000, an amount low enough to make challenges to most incumbents very difficult. The hardest fight, however, may come on the question of enforcement, for Rep. Hays and others have fiercely resisted the creation of a non-partisan elections commission with independent enforcement authority. But to leave enforcement in the Justice Department would be to render all reforms suspect at best, and ineffective at worst. Unfortunately, the House Democratic leadership has so far seemed inclined to let Rep. Hays toy with the issue as he likes. This lackadaisical approach by Speaker Carl Albert and his team can only reinforce public cynicism about the prospects for meaningful reform.

AMENDMENT NO. 1013

At the request of Mr. CLARK, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of amendment No. 1013, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1014

At the request of Mr. CLARK, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of amendment No. 1014, to Senate bill 3044, supra.

NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, April 2, 1974, at 10:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nominations:

Joseph W. Morris, of Oklahoma, to be U.S. district judge for the Eastern District of Oklahoma, vice Edwin Langley, deceased.

Murray M. Schwartz, of Delaware, to be U.S. district judge for the District of Delaware, vice Caleb M. Wright, retired.

At the indicated time and place, persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Nebraska (Mr. HRUSKA), and myself as chairman.

ANNOUNCEMENT OF HEARING ON GAS AND ELECTRIC RATES

Mr. HUMPHREY. Mr. President, today I wish to announce that I will chair a hearing of the Subcommittee on Consumer Economics of the Joint Economic Committee to examine the reasons for the sharp increases occurring in gas and electric rates. The hearing will take place on Thursday, March 28, beginning at 10 a.m. in room 4200 of the Dirksen Senate Office Building—the Senate Public Works Committee hearing room.

Up through 1969, gas and electric rates had been remarkedly stable for many years. Then a rising trend set in, and the present energy crisis has turned that trend into a torrent. The worst may be

yet to come, if prices of coal and natural gas rise toward the present prices of oil, and if the utilities fail to get a better grip on their nonfuel costs.

Now utilities are even applying for rate increases to compensate them for revenue lost because of energy conservation by consumers. I think this is outrageous, and granting such increases would be a dangerous precedent for the future. The Library of Congress has compiled a study for me of these particular rate requests, and I will release the study at the hearing.

The hearing witnesses will include:

John Nassikas, Chairman, Federal Power Commission;

Charles Cicchetti, professor of economics, University of Wisconsin, accompanied by Edward Berlin, general counsel, Consumer Federation of America; and

Alan Roth, Commissioner-designate, New York Public Service Commission.

ANNOUNCEMENT OF HEARINGS BY DISTRICT OF COLUMBIA COMMITTEE ON H.R. 12109, RELATING TO ADVISORY NEIGHBORHOOD COUNCILS

Mr. EAGLETON. Mr. President, the Senate Committee on the District of Columbia will hold a public hearing on H.R. 12109, a bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils, on Tuesday, April 2, at 9:30 a.m. in room 6226, Dirksen Senate Office Building. Persons wishing to present testimony at this hearing should contact Mr. Andrew Manatos, associate staff director of the District Committee, by the close of business on Monday, April 1, 1974.

ANNOUNCEMENT OF HEARING TRANSPORTATION AND THE ELDERLY: PROBLEMS AND PROGRESS

Mr. CHURCH. Mr. President, as chairman of the Senate Special Committee on Aging, I would like to announce that the committee will hold a hearing on "Transportation and the Elderly: Problems and Progress," April 9, 1974, beginning at 10 a.m. in room 6202, Dirksen Senate Office Building.

This hearing is a continuation of the inquiry conducted by Senator CHILES in February on behalf of the committee. During the earlier hearing, a number of important questions concerning the impact of the energy crisis and how it is affecting older Americans were raised. We will have testimony from the administration on how they are responding to the needs of the elderly during this period of shortages and rising costs. There are also a number of questions about administration policies in reference to mobility problems of older Americans.

ADDITIONAL STATEMENTS

MR. JOHNSON AND MR. HEARST BACK MR. ERVIN

Mr. HANSEN. Mr. President, two distinguished observers have commented recently upon the wisdom of our learned colleague from North Carolina (Mr. ERVIN).

Mr. William Randolph Hearst, Jr., of California, has taken note in his editorial that the Senator's remarks concerning impeachment generally were not printed by the Nation's newspapers or broadcast by the Nation's radio and television networks, although he cited the several exceptions.

Mr. Harold M. Johnson, a Wyoming attorney, in his letter of March 20 to Congressman RODINO, of New Jersey, noted that:

> There is no more respected authority on constitutional law than Senator SAM ERVIN, and he has always held and undoubtedly will continue to hold that the President can only be impeached for an indictable offense.

Mr. President, the information in Mr. Hearst's editorial and in Mr. Johnson's letter is pertinent to a major issue in this Nation today, and I ask unanimous consent that both the editorial and the letter be printed in the RECORD.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

HAROLD M. JOHNSON,
ATTORNEY-AT-LAW,
Rawlins, Wyo., March 20, 1974.

Hon. PETER W. RODINO, JR.,
Chairman of the House Judiciary Committee, House of Representatives, Washington, D.C.

MY DEAR MR. RODINO: I request that this letter be filed as part of the records of your committee for the impeachment of the President, not that it will even be read or considered, or scoffed but that maybe some Historian someday may see what the whole affair looks like from way out here.

The grounds for impeachment adopted by your committee is the American equivalent of the storming of the Bastille.

The Constitution spells out the grounds by the use of technical words. Your committee has gone far beyond this and included political grounds and moral differences. In doing this you violate two cardinal rules of construction; first, that technical words are given their usual and primary meanings; second, that a solemn instrument embodying the final intentions and agreements of the parties must be interpreted according to the legal import of the terms.

There is no more respected authority on constitutional law than Senator Sam Ervin, and he has always held and undoubtedly will continue to hold that the President can only be impeached for an indictable offense. It is inconceivable that the Senate would not support his views. How, then does your committee come up with a position at the opposite end of the legal spectrum from Senator Ervin?

Well at first the only mention of impeachment came from the news media and a handful of radical reds in the House. Next, there were statements by a radical group of lawyers in New York. Once the idea that impeachment could be based upon conduct beyond the clear limitations of the Constitution had been given currency by this group the news media had what it wanted and it repeated it over and over again all over "Snobovia" in continuous repetition without contradiction until it began to take on the semblance of truth. ("Snobovia" is that area of the country between the Potomac and Canada on the coast, and the Appalachians on the West). All this time you waited for the news media to twist and sell, twist and sell until you could bring in a liberal enough council for the minority to agree with the majority council and the ax was formed.

What you have done is to mold your committee into a political hatchet man for the news media. You have abdicated your right to govern to news commentators, it is they who are running the country, it is they who have set the stage, it is they who have defined the terms, prescribed the mores and fixed the penalties. Your footnote in history, Sir, will be that "they (the media) made you an offer you couldn't afford to refuse."

You are embarked on a course that could destroy the legitimacy of this country's government and in turn its legal system. A treachery intentional or otherwise much worse than Benedict Arnold because once the legitimacy of power is destroyed, revolution and anarchy are not far behind.

I would recommend that you, and every member of your staff and committee read very carefully, "The Principles of Power" by Ferrero, as I think you would be changed men. Permit me to offer a few quotations from this monumental book for your consideration.

"Of all human inequalities none is as important in its effects or has greater need of logical justification than that established by power. Except for certain rare enough individuals, one man is as good as another; why then do some men have the right to command and others the duty to obey? The answer to this lies in the principles of legitimacy." Page 22.

"The right to govern can only be justified by superiority." Page 23.

"Every principle of legitimacy establishes a certain number of rules for the acquisition and the exercise of power; the implied contract bears on these rules and on the reciprocal agreement that as long as the power is acquired and exercised by these who govern according to the rules, the subjects will obey it."

"There, now, is the explanation for the awful fear of dictators. It is the fear inherent in government, the primordial fear of revolt on the part of its subjects, which rises to the surface as soon as the government violates the principle of legitimacy that up till then has justified it. We have seen that principles of legitimacy are only defenses against the active and passive fear of the government-man's greatest dread after the sanguinary and cruel divinities that his imagination conjures up. Men struggled so hard to invent these principles and to put them into practice as they progressed and became more civilized because it became more and more repugnant to them to be tormented by governments that were afraid of them as well as to obey frightful deities who ordered them to throw their children into the fire. But, if by some chance the principle of legitimacy meant to eliminate fear is no longer respected, then primordial fear, the fear inherent in the nature of government, the fear of ever-possible and imminent revolt by the subjects, breaks out anew, with the violence of a sudden reversion to barbarism. No other phenomenon is so extraordinary and yet so simple, so easy and yet so difficult to understand." Pages 42–43.

"These answers seemed pertinent and incontrovertible because they recognized the sole justification of the right to govern, which within its limits is clear and precise, comprehensible, and capable of guiding people instead of bewildering them." Page 136.

"But there a difficulty that we have already touched upon rises up once more, this time redoubled. That legitimacy of government depends on the respect for these rules and principles, that it is the sovereign remedy against fear, the foundation of universal order, and the source of the City's happiness, is a fact that can be verified both in the past and in the present." Page 137.

"What is a legitimate government? We have seen that it is a government in which the power is established and exercised according to rules long predetermined, recognized and accepted by everyone, interpreted and applied without vacillation or hesitancy but with unanimous agreement, in accordance with the letter and the spirit of the laws, re-enforced by traditions." Page 187.

"The revolutions that have destroyed legal systems have always had one never-failing effect: they have all given rise to an access of fear. That is an almost astronomically perfect law: as soon as the legal system of a society is destroyed, even if the destruction is justified by the vices and weaknesses of the system, panic sweeps over everyone. The first to be affected as the destroyers; the panic originates in them and from them spreads to all." Page 286.

"The Russian Revolution is neither the unprecedented marvel that sends its admirers into transports of delight nor the unprecedented monstrosity that terrifies its adversaries; it is a new performance, in a slower tempo, on a larger stage, and in modern dress, of the drama of the French Revolution." Page 303–304.

"The task is a hard one, but without it there is no hope of salvation. What is necessary so that the elite of mankind may succeed in accomplishing it? Two things, complementary to each other, are needed: that those who will have the fearful task of ruling according to the formula know that they must make untiring efforts to minimize as far as possible the faults and disadvantages of the formula, and that, in view of these efforts, all classes realize that they have the duty to tolerate the inevitable faults and disadvantages of the government to the extreme limits of human patience before destroying the system and, in pursuit of the myth of a nonexistent perfection, delivering themselves into the hands of a revolutionary government. Above all both government and subjects must realize that, principles of legitimacy being human, limited, and conventional, they must be applied in loyalty and good faith for what they are, and not with deception in the intent to use them as instruments of domination and obtain results contrary to their nature." Page 316.

"The 'immortal' principles, the Declaration of the Rights of Man, become a scourge if the government makes use of them as a pretext to increase the burdens and taxes of the subjects, or if the latter take advantage of them to substitute the right to disobey for the duty to obey. In many countries, in France, in Italy, in Germany, during the nineteenth and twentieth centuries, the principles of the French Revolution have undergone that heinous falsification, for reasons and under circumstances that varied. It is one of the causes of the great catastrophe that is now upon us, but the principles themselves are innocent. It is the fault of those who applied them badly, with evil intentions, and more often than not, with their hearts full of hatred and fear." Page 317.

History is replete with examples of governments that have fallen because they have lost their legitimacy.

In a democracy legitimacy starts to crumble when the legal system starts to fall apart and that occurs when those in control of government "fail to exercise their legal powers according to rules long predetermined, recognized and accepted by everyone, with unanimous agreement in accordance with the letter and spirit of the laws.

So long as the House and Senate have not agreed upon the central element of impeachment there is no way that the majority and minority can have confidence in your proceedings. Not even you can say that you respect the laws you have sworn to uphold until there is complete agreement within Congress as a whole.

What your committee has done is to level charges of impeachable offenses from time to time none of them as yet indictable but you have said they need not be indictable although Senator Ervin says they must, but the news media repeats your thesis over and over again until Senator Ervin's voice of wisdom is drowned out and you proceed then when the media has destroyed or intimidated all opposition.

This, I understand, is exactly the way that Stalin purged trials were accomplished in Russia, there, however, the media was the servant of the dictator, here it is the news media that is dictating to the liberals, and radicals. It might be more accurate to say its a colossal conspiracy between the two for the purpose of destroying the President who has dared criticize the "press".

Freedom of expression is a big element of liberty but those in power in our government must not allow themselves to be moved into irrational action by the euphoria of unanimous praise and propaganda.

You have announced your goals and your guidelines, it is you who have undertaken to destroy the legitimacy of our government by destruction of the legal system. Stability in government as we knew it is fading fast away. The rule of law is gone, the age of the mob is here.

Very truly yours,

HAROLD M. JOHNSON.

ANGLES IN THE NEWS

(By William Randolph Hearst Jr.)

NEW YORK.—There were two unconnected, non-headlined stories this week which struck me as commentable (if that's a word) here today. One involves that now well-known Washington character Sen. Sam Ervin, while the other concerns the faceless masters of Marxism in the Kremlin who are supposed to be cooperating with us in the spirit of détente.

Both stories are noteworthy for what they reveal, but the first one has the added attraction of being something of a mystery story. It started, for me, when I was looking through a copy of the New York Daily News of last Tuesday. There, on page 6, was a picture of Big Sam and another man. The caption below it said:

"Sen. Sam Ervin Jr. and Sen. Howard M. Metzenbaum leave Severance Hall, Cleveland, on Sunday after speech by Ervin. Ervin said the Watergate investigation did not indicate to him that President Nixon had committed an impeachable offense."

To me that was pretty startling news. Big Sam, after all, is the Bible-quoting sage from North Carolina who presided over the Senate Watergate hearings and delighted anti-Nixonites with his pointed sermonettes on the evils of sin and power in high places. And here he was declaring in summation that impeachment is unwarranted.

Real front page stuff, right?

A real break for the President in his desperate battle against political enemies determined to topple him, right?

Certainly as important as the headline stories when Rep. Wilbur Mills predicted that Mr. Nixon would be forced to resign over undisclosed tax trouble, right?

Wrong, almost a thousand per cent wrong. No New York newspaper carried the Ervin bombshell on the front page. A careful search of editions for several days, in fact, disclosed no stories at all in any other New York paper—unless they had been buried some place in want-ad size and thus defied detection.

To a life-long newspaperman, the absence of attention to the Ervin declaration was all but incredible. A check with United Press International and the Associated Press showed both had covered the extemporaneous speech. Here, for the record, is the UPI night lead on the story, sent on Monday, March 11:

"Cleveland—(UPI)—No evidence was produced in the Senate Watergate hearings to support impeachment of President Nixon, Watergate Committee Chairman Sen. Sam Ervin, D-N.C., said Sunday.

" 'I think this is one section of the Constitution on which Dick Nixon and I agree,' he said."

So the mystery of the all-lost-story remains. You can't charge that there was any kind of deliberate plot to kill it. It COULD have been lost in the shuffle, as many extemporaneous Sunday night speeches are. Remember that the picture in the Daily News didn't appear until Tuesday.

On the other hand it certainly is no secret that many members of the press and electronic media, including editors, have it in for Dick Nixon. He is quite right in charging that their hostility has produced a widespread overplaying of anything unfavorable to him, and vice versa.

You will have to draw your own conclusions as to what happened to the Ervin story and why it was so generally ignored.

I have done so—and on the evidence before me must cast my vote for impeachment of the news media.

The other story which got my goat this week told how the Soviet Union, in Arabic broadcasts throughout the Middle East, was hammering away at one central theme—do not give in to American pressure to lift the oil embargo. The broadcast barrage, of course, was intended to influence the Arab leaders who were then meeting to consider ending the oil cut-off.

As monitored in London, according to the UPI, one such broadcast typically underscored the fact that the embargo was imposed primarily to force Israeli withdrawal from Arab lands. It continued:

"If today some Arab leaders are ready to surrender in the face of American imperialist pressure and lift the ban on oil before those demands are fulfilled, they are challenging the whole Arab world and the progressive forces of the whole world, which insist on the continued use of the oil weapon."

How's that as a sample of Communist-type detente in action—this free swing at the United States and all its allies?

PRAISE FOR GEN. GEORGE S. BROWN, AIR FORCE CHIEF OF STAFF

Mr. PROXMIRE. Mr. President, for years I have been asking "who will stand up for the U.S. Military Establishment." Every year the only tune we hear is how strong and menacing the Soviet Union has become. We are told that the Soviet fleet is driving us out of the oceans of the world; that Soviet land forces in Europe are increasing in size and firepower and posing a direct threat to U.S. forces stationed there; that new Soviet long-range bombers are being built and that their ICBM program is without parallel in the history of warfare.

It is no mistake that this comes at budget time. No one has a good word for how strong this country is. No one speaks of the weaknesses of the potential adversaries. The only word is gloom and doom.

That is, until now. Now the Air Force Chief of Staff has put some of these dire predictions into the proper context. For the first time in recent memory a high ranking military officer has seen fit to talk about the strengths of this country and the weaknesses of the Soviet Union. We are now able to view the strategic relationship in a balanced perspective.

General Brown is willing to say what we have known but have not been able to coax out of former Chiefs of Staff—that the U.S. Air Force is a strong, overwhelmingly powerful force without equal in all the world.

It is more experienced. Our tactical forces are more proficient. We are offensively minded. A substantial number of U.S. planes could penetrate Soviet air-

space. The Minuteman system remains viable. Soviet accuracy lags behind the United States and this gap will not be easy to redress. MIRVing Soviet land based missiles will not degrade our Minuteman fleet without a dramatic improvement in accuracy. The U.S.S.R. does not have an aerial refueling tanker force so necessary for an intercontinental bomber strike.

General Brown tempers these observations by citing the need for new weapons by the United States. But his analysis of the relative balance of forces is thoughtful and reasonable.

It is about time we stopped running our Military Establishment into the ground for budgetary reasons. I am proud that the Air Force Chief of Staff has seen fit to talk about the military strength of this country and I applaud his efforts. Obviously there will be differences of interpretation between Congress and the Air Force at times but General Brown is to be commended for laying out the facts in a manner that does not contribute to a fear psychosis.

Mr. President, I ask unanimous consent that the interview with the Air Force Chief of Staff conducted by Michael Getler of the Washington Post be printed in the RECORD.

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

U.S. AIR FORCE IS "STRONGER" THAN SOVIETS', CHIEF CLAIMS

(By Michael Getler)

Air Force Chief of Staff George S. Brown says that the service he heads "overall is a stronger . . . more proficient and professional force" than the Soviet air arm and that combat-experienced leadership is a big factor.

The four-star general's enthusiasm for the capabilities of his service comes at a time when military leaders in other branches, particularly the Navy, are painting grim comparisons between U.S. forces and their Soviet counterparts.

During a wide-ranging interview in his Pentagon office, the Air Force's top officer focused on measures other than hardware as a way to equate rival forces.

Without getting into the pros and cons of Vietnam, the general simply pointed out that "that war lasted a helluva long time."

One result, he says, is that "we don't have anyone in any echelon of command in a responsible position who isn't combat experienced. That means a lot in terms of being used to the equipment, the tactics and the people. They've all been exposed to gunfire."

The Soviet Union has stayed out of combat since the end of World War II.

All things considered, the general stated, "our tactical forces are far more proficient than those of the Soviet Union." In contrast to what Brown sees as a Soviet fighter force oriented to defense, he said "our tactical forces are trained and equipped to work offensively" in carrying the battle to an enemy.

The general's assessment of U.S. Air Force superiority extends into the airlift and bomber fields as well.

The Soviets, as is well known, "have no bomber force comparable" to the large 496-plane U.S. fleet of long-range B–52 and FB–111 strategic bombers.

The Russians do, however, have a very large bomber defense network of anti-aircraft guns, missiles and fighters. But, under questioning, Brown acknowledged that U.S. estimates indicate that 70 to 80 per cent of the American planes—assuming they are not destroyed on the ground in a surprise attack—could either get through or go around those defenses, attacking from various points around the huge Soviet land mass.

In fact, Brown—a former bomber pilot—said his intuition tells him that the real penetration figures would probably be even higher than those worked out in war game studies.

"It's not like the 10 a.m. and 2 p.m. attack every day against North Vietnam," he said. In a one or two-raid strategic attack, he said, "the defense is just never ready."

As for airlift, the general said "There is just no question we have a far greater capability, not only in performance of equipment but in flexibility. We know how they [the Soviets] operate."

When it comes to the critical comparison of opposing long-range missile forces—an area where the Soviet Union has both a larger number of missiles and weapons with greater weight-lifting power—Brown reflects some of the concern being expressed in the Pentagon.

But even here the Air Force chief contended that it is far from certain that new Soviet missiles now being tested will be accurate enough any time soon to seriously threaten to knock out the 1,054 U.S. land-based Minuteman and Titan intercontinental ballistic missiles buried in concrete-and-steel silos.

The Air Force, of course, has a vested interest in preserving its traditional role as part of the U.S. nuclear-tipped missile deterrent, along with the Navy's missile-firing submarines.

But Brown feels that fears being publicly expressed in some quarters that Minuteman will soon become vulnerable to attack are overstated.

After it was announced last summer that the Soviet Union was flight-testing the multiple, independently guided warheads for their new missiles, Brown said, "There was a lot of handwriting that Minuteman was dead. Well, that's not so. We know a lot about targeting and laying out attack plans and we don't know how to take out the Minuteman force with a rocket attack. We can get some, but not all of them."

To the extent that there is concern, the general said, "It is not for today, and not for the time when we see deployed those things which we see in test today. In other words," he continued, "MIRVing alone won't do it. Accuracy is the other key element and we haven't seen evidence of accuracy improvement in their work which we would expect to see."

Thus, while the new Soviet missiles being tested do carry multiple warheads and carry a bigger atomic punch than U.S. weapons, Brown said they do not yet appear accurate enough to deal a death blow to Minuteman. If the new Soviet weapons were actually deployed operationally at present accuracy levels, Brown estimated that a "significant" number of Minuteman missiles would still survive an attack.

Aside from the accuracy question, he said that a major but little-known problem eroding confidence in a massive nuclear attack is the potential damage that one exploding nuclear warhead will do to another passing through its blast en route to another target.

Brown said he didn't know whether the Soviet Union would achieve the type of improved accuracy needed for a more significant threat to Minuteman.

"I think it's a normal progression," he said, "but I'm not so sure they will be able to solve some of the problems in a hurry. Given time, they'll probably solve them. They've solved about everything else and they're pretty sophisticated in engineering when they have had to be.

"But achieving the refinements that we are talking about is no easy trick. It takes a damn sophisticated engineering performance. The first part [of achieving fairly good accuracy] can be done with rather crude means. But that last increment, those last few percentage points of accuracy, are very tough to come by."

If the Soviet Union is successful, Brown said, then "we've got a helluva problem." Thus, he argued, it is worth doing the research and development work in new techniques to keep the missile force from being knocked out.

Unless there are new restraints agreed to in the strategic arms limitation talks with the Soviet Union, he believes that either land or air mobile ICBMs will be introduced into the U.S. arsenal in the 1980s to further complicate Soviet targeting plans.

Brown also feels, however, that a portion of the U.S. force—perhaps the largest part—will remain in fixed silos.

Brown, 55, took over the top Air Force job last August, but he is known to be Defense Secretary James R. Schlesinger's choice to become the next chairman of the Joint Chiefs of Staff. Thus, his views on the potential next round of strategic weaponry may be especially important.

On the question of mobility, for example, Brown said that studies are not far enough along to make any real choices, but that "conceptually" he personally favors putting long-range missiles like Minuteman in big cargo planes ready for launching.

He said these planes would not be kept in the air, but would sit on a "strip alert" at the end of runways and take off on warning of an impending attack.

Once in the air, he said, they would be invulnerable to attack and able to launch their missile payloads.

Brown said current C–5, 747 or DC–10 transports can probably be modified as missile carriers.

The general's views, if carried forward in years to come, could touch off a considerable controversy within the defense establishment. Some other officials believe the airmobile concept has the worst part of bomber vulnerability—the possibility of being destroyed on the ground in a sneak attack—and might be very costly.

Brown said "we hope to reach equivalency" with the Soviet Union in terms of overall numbers of nuclear weapons (including bombers) "by bringing the Soviets down. But if that doesn't work at SALT, then we'll go toward equivalency by increasing the capabilities of our forces."

Without further SALT agreements, Brown sees a major shift in emphasis within the Air Force.

"I think the balance will change to an emphasis on strategic nuclear forces that we haven't seen in a great number of years," he said.

On other points, the general said it is only "prudent" to assume that the new Russian bomber code-named "Backfire" can be used at intercontinental range "if they want to operate it that way." Many officials still view the bomber as primarily meant for use over shorter ranges in Europe or Asia.

Brown said the Soviet Union does not have an aerial refueling tanker force—which would be needed for long-range Backfire missions—in the sense that the United States has.

"Can they refuel a few bombers? The answer is yes," he said.

Other top Air Force officers say the whole "Backfire" project is still a question mark. "Today it's not much. They have a few, but we're not even sure it's in serial production," one officer said.

As for the new Air Force B–1 bomber now in development, Brown insists it is still the right plane despite rapidly rising costs, and that the need for a weapon that can be launched and then recalled—in contrast to a missile—is still essential for a President to have.

TIME FOR A TAX CUT

Mr. CLARK. Mr. President, the economy of the United States is in a perilous position. The dual problem of inflation and unemployment continues to erode the standard of living. And at the same time, the tax burden of most people continues to rise.

Although the wages of most working men and women have gone up, inflation and tax increases have gone up even faster—so much so that in the last year, the real spendable earnings of working families in the country fell 4 percent. In effect, they have less money to spend, and they are getting less for it. In the first 2 months of this year alone, prices have increased by more than 2 percent. The unemployment rate is now 5.2 percent, and both of these figures promise to get worse before they get better.

Congress can make a difference. We should provide tax relief for those families whose real income has fallen and will continue to fall unless action is taken. Over the past few months, I have supported a proposal to increase the personal tax exemption to $850 and a proposal to provide an optional tax credit of $200. Both of these would concentrate tax relief where it is needed most—the low- and middle-income families who have had to shoulder the burden of inflation.

A tax cut will not only provide needed relief from inflation, but it also would generate the additional stimulus necessary to prevent an unemployment rate of more than 6 percent and a serious recession.

The President's budget calls for a "full employment" surplus of $8 billion. This is too optimistic an estimate when we are faced with a probable recession, increasing unemployment, and the unique nature of the oil market. Such a surplus might be justified if it were not for the effects of high oil prices on aggregate demand. High oil prices will soak up an additional $15 to $20 billion of consumer purchasing power this year. Since most of this money will not soon return to the economy, it will have the same depressing effect upon unemployment as a substantial tax increase. A tax cut would offset this.

There is concern that a tax cut will cause more inflation. In normal times, perhaps it would; but this year, we face an abnormal situation—with inflation caused by a variety of factors, especially the oil shortage, rather than by excessive buying power.

Some experts feel that demands for higher wages in the coming months will drive prices up. If Congress enacts a tax cut to restore some of the lost buying power of American workers, it may moderate those wage demands. Under these conditions, a tax cut may actually help restrain inflation.

The Joint Economic Committee has called for rapid action to decrease taxes. Its recommendations are explained in an article in the Washington Post on Monday, March 25, 1974. I ask unanimous consent that this article be printed in the RECORD.

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

FEDERAL TAX CUT ASKED

(By Peter Milius)

The Democratic majority in Congress' Joint Economic Committee called yesterday for a quick $10 billion federal tax cut to keep the economy from going deeper into a recession they said it has already entered.

The committee's Republicans replied that there isn't a recession ahead, that the greater danger now is inflation, and that "fiscal stimulus in the form of a tax cut would be ill-advised and inflationary at this time."

The opposing viewpoints were laid out in the joint committee's annual commentary on the economic report the President sends Congress every January. The committee's report is a guide to the major economic issues over which Congress is likely to be fighting the rest of this year. Cutting taxes may turn out to be the most important.

An increasing number of congressional Democrats have begun to advocate lowering federal taxes this year to prevent recession and restore to low-income families especially some of the purchasing power lost in the last year or so through inflation. An added inducement may be that this is an election year.

The Senate has already voted, 53 to 27, in January, for a rollback in federal income taxes, and the Finance Committee is scheduled to take up the subject again in executive session later this week.

Which way Congress finally votes on the issue will depend in part on which way the economy heads in the next several months. Presently, industrial production is going down and unemployment up.

The administration says, however, that these trends will reverse themselves later this year without added federal stimulus. It also says that if it has to, it would rather stimulate the economy by increasing spending than by cutting taxes, because spending is easier to turn on and off.

President Nixon said the $304 billion budget he sent to Congress earlier this year was "neutral" in that it would neither pump up the economy further, adding to inflation, nor slow it down, adding to the risk of recession.

Democrats on the joint committee said the spending plan wasn't neutral but ought to be, that it would actually be "more restrictive" than this year's budget rather than about the same.

The President's plan, they said, would mean a rising full-employment surplus over this year and next, meaning there would be a growing gap between actual government spending and what the government would have to spend to bring the economy up to full employment.

They advocated keeping this surplus the same, which would keep the budget restrictive but not as much so.

To do this—hold the surplus down and thus, hopefully, hold the economy up—they called for a tax cut of "approximately" $10 billion, to be partly offset by a variety of revenue-increasing tax reforms, including eliminating the oil depletion allowance and two other sections of the tax code that help lower the oil industry's taxes.

On the spending side, they also advocated taking some money away from defense and putting it into higher unemployment benefits and a program of public service employment, under which the government would act as an employer of last resort.

One of the possible tax cuts they proposed was a lower Social Security rate for lower-income workers. Another would give taxpayers the option of taking $200 tax credits instead of the familiar $750 exemptions they are now allowed for themselves and each of their dependents.

Exemptions are subtracted from the income on which tax is figured; credits are subtracted directly from taxes due. Credits generally are worth more than exemptions to lower and middle-income taxpayers.

The Democrats said a tax cut might actually help reduce inflation by making labor less insistent on big wage increases to catch up with rising prices.

The administration has said inflation will subside in the second half of the year. The Democrats said they doubted that, but still advocated getting rid of wage and price controls, They did, however, say Congress should give the President stand-by power to reinstitute controls if necessary later. The present controls law is to expire April 30. The President has said he does not want it extended, except on the cost of medical care.

One influential Democrat, Sen. William Proxmire (D-Wis.), dissented from his colleagues' view in part. He, too, would lower taxes, but would lower spending also, he said.

"We may have a recession," Proxmire said, "or we may be in one, but the objective evidence does not at this time make it a certainty.

"Inflation is here," he said, making much the same argument the administration has. "It is rampaging . . . It is not going away.

"Recession is not yet here. It may come." But lacking further evidence, "We should emphasize the problem we actually face rather than the problem we may face . . ."

He noted, among other things, that an end to controls "will . . . produce an additional rise in prices . . . a price bubble on top of the price bubble."

Retail prices have risen 10 per cent in the last 12 months, and rose 8.8 per cent last year.

The committee said this meant a normal middle-income family had to spend "an extra $1,200 in 1973 just to maintain 1972 living standards."

SUGGESTS NATO NEEDS PATCHING

Mr. HELMS. Mr. President, the Wilmington, N.C., Star-News recently ran a very perceptive editorial about Europe's attitude toward NATO, and the American attitude toward Europe. "Freedom," says the Star-News, "demands reconciliation." The editorial contends, as I do, that NATO is worth a little work. I want to commend the Star-News for taking a stand that is, at least in some circles, superficially unpopular.

Mr. President, there are now three decades separating us from World War II. In those 30-odd years, we have seen America break old ties and establish new ones; make allies out of former enemies and be confounded by former friends; desert certain liberty-loving peoples while wooing the Communists East and West. And now there are some, weary with international exercise, who advocate a concentration on domestic issues approaching neoisolationism.

The United States currently has 319,000 troops stationed in Europe. The approximate cost of our part in the defense of Europe was estimated at $17 billion last year. However, massive Soviet troop increases in Eastern Europe demand that every member of NATO strengthen his position vis-a-vis the Communists. This Soviet buildup is a direct threat to the liberty of the European member nations. We must make every effort to effect a strong, unified posture—for the sake of our European allies and our own.

President Nixon has been critical of the European countries in NATO for their lack of cooperation on economic

and political issues. While this is undeniably important, we cannot allow these considerations to hinder our common defense effort. Germany's recent agreement to pay the full cost of U.S. troops stationed in her territory is indicative of a positive, cooperative attitude which should ideally be a characteristic of a mutually beneficial community of nations. Unhappily, this has not always been present—we hope that this new spirit demonstrated by Germany will be contagious and a trend of cooperation established among all the member countries. But we must do more than hope—we must continue to work diligently for our common interests, and in particular, maintain an effective defense force.

Mr. President, I ask unanimous consent that the editorial "NATO Needs Patching" from the Wilmington Star-News of March 19, 1974, be printed in the RECORD at the conclusion of my remarks.

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

NATO NEEDS PATCHING

Rudyard Kipling exposed the hypocrisy of a nation's attitude toward its guardians of freedom in his poem "Tommy", in which the British soldier is regarded as a second-class citizen until time comes for him to be sent into battle.

"For it's Tommy this, an' Tommy that, an' 'Chuck 'im out, the brute!'

But it's 'Savior of 'is country' when the guns begin to shoot."

Thus has been the lot of the United States in its role as "guardian of freedom," in Europe. Three decades ago, thousands of young men from all over America went to Europe to lay their lives on the line for the preservation of liberty in the civilized world. Many fell in this defense. To assure freedom's constant vigil against the rise of tyranny in the Nuclear Age, the free nations of Europe joined with the United States in forming the North Atlantic Treaty Organization (NATO). The United States' troubles in Europe had just begun.

Complacency was quick to set in over there. Before long, it was clear that the United States was an unwelcome presence in many European nations, including those which the Americans had given so much to liberate during World War II.

The United States maintains an enormous troop and equipment contingency in Europe, most of it concentrated in Germany. Through the years, European hostility toward these troops, and other military installations in other European countries, grew and developed into such a squabble the President of the United States threatened to cut back drastically on American military power in Europe. This would have increased the vulnerability of the European nations to attack from the East.

This situation was recognized for what it is by several European leaders. But in no way was it dramatized more than by Michel Jobert, foreign minister of oft-hostile France, who noted that "NATO stands on two pillars—the United States and Europe" and called to a meeting of the minds on the troop level dispute. Jobert reminded other Europeans that the United States is still a very vital factor in the security of free Europe, and if differences between Europe and the U.S. deteriorate much further, the entire NATO concept can be endangered. He pleaded with both parties to seek a common understanding before things get too far out of hand. This will mean the swallowing of a lot of European nationalist pride, and probably some re-arrangement of American priorities across the sea, but freedom demands reconciliation.

VIETNAM VETERANS—THEY NEED HELP—NOW

Mr. INOUYE. Mr. President, Parade, the Sunday newspaper magazine, which is distributed across the Nation with millions of Sunday papers, provided a very useful public service on Sunday, March 24, 1974, in publishing "Vietnam Veterans—They Need Help—Now" by Jonathan Braun.

This article clearly and dramatically explains the difficulty facing Vietnam veterans as they reenter society. It also details the need for expeditious and favorable congressional action on (S. 2789) the Comprehensive Vietnam Era Veterans Educational Benefits Act which I had the honor of introducing along with Senators MCGOVERN, MATHIAS, and DOLE. Over one-third of the Senate has joined us in support of this legislation.

I ask unanimous consent that the Parade article be printed in the RECORD.

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

VIETNAM VETERANS: THEY NEED HELP—NOW

(By Jonathan Braun)

For seven days in 1968 William Taliaferro was a prisoner of war. Today, more than five years after that nightmarish ordeal, he is again a prisoner—of peace.

He is one of thousands who have been locked into lives of hardship, disappointment and despair after service in Vietnam.

"Everyone's glad the war is over," says Taliaferro, a 24-year-old ex-Marine corporal, "but no one gives a damn about the veterans who are still fighting to survive."

Now they fight on welfare and unemployment lines in government hospitals and psychiatric wards—these Americans who faced death in the jungles and rice paddies of Indochina. Some fight for jobs, decent housing, education and training, others just to be accepted as good citizens, and still others to be free of terrifying memories and the chains of drug addiction. Says one vet: "We're up against a whole system."

It's a system of arbitrary justice, insensitive bureaucracy and endless red tape, and for those who see themselves as its victims, feelings of bitterness and betrayal can be doubly intense. "Many of us volunteered to go to Vietnam," said Taliaferro. "Now we can't help but wonder if we should have gone to Canada instead."

ENLISTED AT 17

But Taliaferro knows that for him Canada was never really in the cards. The son of an Army officer, he enlisted in the Marine Corps at 17.

He turned 18 in "Nam," became a combat radio operator, was wounded in the chest and taken prisoner in August, 1968, during a bloodbath known as the "Tet Offensive."

Because he refused to reveal his "call signs" and "thrush points"—radio codes used to direct air and artillery strikes and coordinate troop movements—his captors cut off the middle finger of his left hand.

"They wrapped my hand in a bandage," he says, "but didn't do a thing for the hole in my chest, so I covered it with a plastic cigaret wrapper and some tape . . . On my seventh day as a prisoner the village we were in came under attack and in the confusion I managed to escape.

In Danang doctors pulled 11 pieces of shrapnel from his chest—and one year and two hospitals later, he was a 19-year-old vet with some medals and a monthly disability check.

"I wanted to be a cop before I went into the service," he says, "but the police didn't want someone with a disability on his record. The only job I could get was running a Xerox machine. Finally, I decided to go to school—I figured it was better than going nuts."

He commutes now from a small, sparsely furnished garden apartment in Elizabeth, N.J., which he shares with another vet, to the neighboring campus of Kean College, where he is a junior majoring in psychology.

INADEQUATE GI BILL

Ironically, Bill Taliaferro is one of the "lucky" vets who can afford an education. "Since I'm officially 100 percent disabled," he explains, "I'm entitled to $495 a month, money for books and tuition and a monthly stipend of $170. If all I had to count on was the GI Bill I could never make it."

Because the present GI Bill does not meet today's soaring living and education costs, only 21 percent of the eligible Vietnam vets are enrolled in college programs as compared to around 50 percent of eligible World War II vets.

"The Vietnam vet has been shortchanged," says Jim Mayer, president of the National Association of Concerned Veterans. "All you have to do is look at the benefits his father received after World War II."

World War II vets received sufficient education allowances—up to $500 a year for books, tuition and fees—plus $75 a month for subsistence. Vietnam vets, on the other hand, get $220 a month—or $1980 per school year—to cover everything, obviously far from the amount needed in these inflationary times.

A CHANCE FOR ALL VETS

Recognizing the need to achieve some kind of father-and-son parity, over a third of the Senate—including Minority Leader Hugh Scott (R., Pa.) and Majority Leader Mike Mansfield (D., Mont.)—has co-sponsored the comprehensive Vietnam Era Veterans Educational Benefits Act (S. 2789), a five-bill education and job training package that would provide vets with annual tuition subsidies of up to $600. The act also carries an accelerated payments provision that would provide greater monthly subsistence payments spread over a shorter period. Thus, a vet who is now restricted to $220 a month for 36 months could receive $440 a month for 18 months.

"Acceleration would enable vets to attend law, medical and graduate schools," says Rusty Lindley, an ex-Special Forces captain who runs the Vietnam Veterans Center in Washington, D.C. "More importantly, it would allow educationally disadvantaged vets—who are either unprepared or unable to complete four-year college programs—to enter productive careers through two-year technical and vocational programs.

"The comprehensive act is really the only chance we have to grant an equal opportunity to all Vietnam era veterans."

SENATE BILL MAY BE OUR "ONLY CHANCE" TO GRANT VIETNAM VETS EQUAL RIGHTS

Although roughly 2½ million men actually served in Vietnam, there are over 3 million veterans of the entire Southeast Asian theater. A total of nearly 7 million men are veterans of what is known as the Vietnam era—including more than 340,000 who are disabled.

"I'm just happy to be alive," says Tom Bratten of Silver Spring, Md., who lost his left leg and right arm when he stepped on a land mine, and spent 3½ years in Walter Reed Hospital. "Because I was an officer I was well taken care of. It's the enlisted men who need more attention."

"I'd have to agree," said a Veterans Administration spokesman, "that officers usually do a little better while they're in the military—but that's not true in VA hospitals."

The Veterans Administration, however, has been the target of criticism. Delays in sending out checks are common, and some vets angrily say they've had to wait for six months or more. A special Ralph Nader report has accused the federal agency of operating with a fundamental orientation toward older vets. Written by a Harvard University graduate student, the report concludes that "many of the basic services the nation has committed itself, at least rhetorically, to providing Vietnam vets, are simply not reaching them."

Some critics have even questioned whether the present bureaucratic setup is capable of meeting the needs of Vietnam vets. Rep. Mario Biaggi (D., N.Y.), for example, has proposed the creation of a new office of assistant administrator for Vietnam veterans affairs. According to Biaggi, "The assistant administrator would serve as an ombudsman where Vietnam veterans could go and know they'd receive help."

UNEMPLOYMENT AND WELFARE

But all this is only part of the story. "Hard-core unemployment is the most acute of all the problems facing today's vet," says Carl McCarden, Commissioner of New York City's Mayor's Office for Veteran Action.

Nearly 10 percent of vets in the labor force are unemployed, and in the low-income areas of the country—rural and urban—more than 20 percent.

On certain days set aside each month, increasing numbers of Vietnam vets join special early morning lineups to get on the nation's welfare rolls. Most come from the poorest levels of society; few acquired any useful skills while serving in the military.

Even for skilled vets, however, landing a job can be a futile task—mainly because vets, like other minorities, are victims of prejudice and stereotyping. "I looked for work with about 15 different concerns," reports one vet," and every one of them asked if I had taken part in an atrocity."

Uneasiness and discomfort felt by civilians in the presence of the men they have sent to war is nothing new; but never before, it seems, have so many Americans been so scared and so suspicious of their vets. Says Bill Taliaferro: "I get the feeling people are afraid a vet might do something wrong or crazy at any moment."

TIME-BOMB IMAGE

The time-bomb image of the Vietnam vet has been reinforced by the unpopularity and controversial nature of the war in which he fought—"a war with no friends and no fronts," as one vet put it.

"In Vietnam," says Yale psychiatry professor Robert Jay Lifton, "where atrocity and combat were almost indistinguishable, the GI was made into both victim and executioner . . . Whatever his struggles upon his return, many Americans continue to see him in terms of those roles . . . rather than as the lovable GI who came back from the wars."

"When I came home a lot of people criticized me for going to Vietnam," says Tom Aiken of New York, who is now blind in one eye because of wounds suffered during an artillery blast. "They told me they thought the war wasn't just."

"I had the feeling that nobody knew or cared why I was over there—that it was all a big waste of time," says Terry Campbell, coordinator of veterans affairs for Southern Illinois University at Edwardsville, Ill. "The whole attitude of the country is really the biggest problem vets have."

"COMING TO TERMS . . ."

"The country simply hasn't come to terms with Vietnam," adds Max Cleland, who lost both his legs and an arm in a grenade explosion and is now the only Vietnam vet in the Georgia State Senate. "How then can it come to terms with its veterans?"

And Joe Garcia, an Air Force vet who is now administrative assistant to the City Manager of San Jose, Calif., asks: "How do you get a nation to accept people they hold responsible—or at least partially—for a war that no one wants to remember?"

Even the veterans' organizations, which lobbied successfully for the rights of World War II vets, seem to have difficulty accepting the boys from Vietnam. In a study commissioned by the VA, the prestigious Educational Testing Service concludes that both the American Legion and the Veterans of Foreign Wars have not demonstrated enough concern over the plight of today's vets.

"I'd go to one of the veterans organizations," says Taliaferro, "and all I'd get would be talk about the big war, the great war, World War II. Nobody even wanted to hear about Vietnam—after all, we didn't win that war."

Public rejection combined with the haunting, personal memories of combat have led to the problem of "Post Vietnam Syndrome." It's a loose term, coined by psychologists to cover the feelings of rage, persecution, alienation and apathy shared by many vets.

"I felt people wanted to sweep us under the rug when I got back," says former combat medic Jack McCloskey of San Francisco. "Especially in college—a lot of my classmates hadn't been in the service, didn't know what it was like and didn't care."

SHAME AND GUILT

Dr. Chaim F. Shatan of New York University emphasizes the guilt that plagues many vets. "The shame and guilt of being alive," he writes, "how few of us know what that *feels* like, how it makes a man feel less than whole unless he can feel an identity with the dead."

A confidential memo from the VA's department of medicine and surgery estimates that "serious and prolonged readjustment problems exist in one out of every five new veterans, but, to a lesser degree, were experienced by all."

"A friend of mine hasn't been out of his house in two years," says one vet. "He just can't seem to move—not even to the corner."

But perhaps the darkest cloud hanging over the Vietnam vet is the drug problem, since a great many Americans wrongly assume that all vets have abused drugs. "Some of my oldest friends accused me of being a dope addict when I came home," says Randy Taylor, who opened a restaurant in his small Virginia hometown after serving four years as a combat medic in Vietnam. "They even spread rumors that I wore long sleeves to cover needle marks on my arms . . . It finally got so bad that I had to close up my business."

Although the drug problem has been grossly exaggerated, there is no denying that many vets came to depend on drugs in Vietnam, some to relieve the pain of wounds, others to escape the cruel realities of war.

"OTHER THAN HONORABLE"

A government study states that many of the vets using drugs require immediate help if they are to avoid becoming hard-core addicts. Among them are those who received "Other Than Honorable" discharges for drug abuse—and are now denied treatment because of VA regulations!

But the more than 22,000 vets who were given "bad paper" for drug abuse represent only a small fraction of the vets who—often for the most petty reasons—have been branded with a range of Other Than Honorable discharges. Effectively shut out of most employment and education opportunities, they have even been deprived of veterans benefits; instead of getting them automatically, Other Than Honorable vets must have their benefits granted by a special VA review board. Favorable decisions are rare.

"CATCH-22"

Many vets with "Undesirable" discharges did not originally contest them because they were told by the military that the designations could easily be changed in civilian life. In the best Catch-22 tradition, they were later informed that one of the requirements for upgrading an Undesirable discharge is holding a job for at least one year. The "catch," however, is that Undesirable vets have little or no chance of being hired by anybody.

"Vietnam vets bought a dream," says Carl McCarden, who saw action as a Green Beret and served as an adviser to Ambassador Ellsworth Bunker." They largely bought the star-spangled dream of serving one's country and trusting the judgment of those in power to do the right thing. Tragically and inexcusably, that dream has disintegrated into a nightmare, and is now dissolving into a red, white and blue struggle for survival—a struggle by forgotten Americans."

SENATOR B. EVERETT JORDAN—ONE OF NATURE'S NOBLEMEN

Mr. HELMS. Mr. President, the family of our late friend, former Senator B. Everett Jordan, is immensely grateful for all of the expressions of sympathy that came from Members of the Senate at the time of the death of Senator Jordan on March 15.

Needless to say, all of us who knew Everett Jordan are distressed about the loss of such a fine friend and great citizen. He and I had been friends for the better part of three decades. He was a gentleman in every sense of the word. He was a man of kindness and loyalty and dedication. In his quiet, unassuming way, he could always be counted upon to lend a hand to those less fortunate than he. He had a great sense of humility.

But I was most impressed, Mr. President, with Senator Jordan's faith. I never had the privilege of serving with him in the Senate, so it was not until he left this body that I learned of his deep interest in the weekly Wednesday morning Senate Prayer Breakfast. Even after he left office, he often came to Washington, and attended the Prayer Breakfast.

So, Mr. President, Everett Jordan was an inspiration to all of us, in many ways. I miss him, as do all other Senators who served with him here. As the saying goes, he was one of nature's noblemen.

I ask unanimous consent, Mr. President, that several editorials and newspaper articles, published following Senator Jordan's death, be printed in the RECORD at the conclusion of my remarks.

Without objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

[From the Greensboro Daily News, Mar. 18, 1974]

SENATOR JORDAN

Former Senator B. Everett Jordan, who died March 15, at the age of 77, was one of the few North Carolinians who have combined successful careers in business and national politics. He came to elective office relatively late in life. But he started at the top—through appointment to the U.S. Senate in 1958—and stayed there until 1972 when he lost his bid for renomination.

His rise in the business world was not as sudden, yet he had a long and profitable

career in the textile industry before going to the Senate. There was nothing about him to suggest the hard-driving businessman and public official. In looks and manner he fitted more nearly the traditional American idea of the calm, patient and kindly small town minister. And in fact he was the son of a Methodist minister and grew up in various parsonages in the state.

He was, however, a highly effective senator for his constituents in North Carolina. He looked after the interests of the state's two biggest industries, tobacco and textiles, but he also found time to do small favors for the uninfluential, and he had few rivals in the Senate when it came to getting federal appropriations for his state. Among his successes were dozens of beach, harbor, river and watershed projects, and a huge environmental health center for the Research Triangle Park.

The senator's appointment to fill the unexpired term of the late Sen. Kerr Scott in 1958 stirred considerable controversy. Some critics of the appointment said Gov. Luther Hodges had only picked Sen. Jordan to warm the seat until the 1960 election. It turned out they were wrong. Sen. Jordan ran and won.

His years in the Senate were in general more peaceful than his entry had been. He was soon at home in the Senate's clubby atmosphere and eventually became chairman of the powerful Senates Rules Committee, where he soon found himself in the spotlight because it fell to him to head the Senate investigation of Bobby Baker. Although some Republicans accused the investigators of doing a whitewash job, the committee actually found that Mr. Baker had "committed gross improprieties." It recommended a number of reforms designed to prevent future irregularities by Senate employes. Largely as a result of the committee's findings, Mr. Baker was later indicted and then convicted of fraud and income tax evasion and sent to prison.

Sometimes Sen. Jordan disagreed with his party's policies, particularly some of its more liberal ones, but he never broke with it or attempted to disassociate himself from it. He once compared his feeling about the Democratic Party with his feeling for the church. "I live in a small village," he said. "We've had a lot of preachers come and go. I didn't like some of them, but I never thought once about leaving the church."

He was generally associated with the conservative wing of the party, but Sen. Jordan modified some of his views as time passed. He was capable of admitting he had been wrong when the evidence persuaded him that was the case. Originally he supported U.S. policy in Southeast Asia, but in 1971 he came out against the war in Vietnam. Further, he was a co-sponsor of the war powers bill which limited the President's power to extend American participation in the war. He also went in the opposite direction from most of his Southern Senate colleagues when he voted for gun control legislation and against U.S. development of a supersonic plane.

But although he could and did change with the times, Sen. Jordan remained to the end faithful to this state's perhaps fading traditions of government by "progressive plutocracy." His character and integrity are attested to by the fact that he also remained true in a rude and turbulent time to his own ideals of decency and civility in his private life and his public role.

[From the Wilmington (N.C.) Star-News Newspapers, Mar. 17, 1974]

A Public Servant

Funeral services are being conducted this afternoon in Saxapahaw for a man who played a truly major role in the growth and progress of North Carolina in the last decade.

The man—B. Everett Jordan—served in the United Sttaes Senate from 1958 until 1973. His service was marked by the fact that Mr. Jordan served as North Carolina's spokesman and representative in the highest legislative body in the land, and not as the Senate's delegate to North Carolina.

Everett Jordan never forgot the reason he went to Washington and it marked his terms of office with milestones that will stand as silent memorials to him as tribute to his energy and perseverence.

It is all too easy for someone to go to the nation's capital and become completely involved in the national affairs circles there, usually to the detriment of interest in and concern for hometown problems and projects.

The Senate service of Mr. Jordan was just the opposite. There were scores of other senators willing to take the foremost positions in the political spotlight on Capitol Hill, but there were far fewer who were genuinely concerned with backhome issues like agriculture, or textiles or rivers and harbors and dams.

Mr. Jordan did not neglect his national responsibilities, he just placed the emphasis on North Carolina projects.

And you seldom heard about this or that fiery speech from the Senate floor by the Tar Heel solon, for he favored the quiet and more efficient path of public service: working on committees and subcommittees dealing with specifics.

This hard work earned him the respect and confidence of industry leaders and farmers, of working people and municipal officials.

In a way he exemplified the common touch, for he offered his concern, interest and attention to all facets of the nation and the state.

The Port of Wilmington, for example, never had a better friend. A lot of people have done a lot of things over the years to build, develop and promote the port. But the support of Mr. Jordan in rivers and harbors projects often was the determining factor in whether or not this or that work was done in the Cape Fear River.

In a tough primary campaign, Mr. Jordan lost out to Nick Galifianakis yet he was never bitter. He accepted the defeat with the same quiet courage with which he faced the illness that finally took his life.

North Carolina historically has been blessed with many fine citizens and statesman, with men who labored long and hard in her behalf. To that list of honor is now added another name—B. Everett Jordan; a man who will be long remembered by his fellow Tar Heels.

[From the Charlotte (N.C.) Observer, Mar. 17, 1974]

He Knew His State's Needs

When B. Everett Jordan was appointed to succeed the late Kerr Scott in the United States Senate in 1958, many North Carolina Democrats were outraged. They saw Mr. Jordan, a millionaire textile manufacturer, as a representative of the State's oligarchy, hardly the man to replace Sen. Scott as the "people's man" in the Senate.

Sen. Jordan, a kindly, avuncular man who, as the son of a circuit-riding Methodist preacher, had known sacrifice and hard times, never complained of those misjudments, but he spent the rest of his life trying to live them down. He, too, had loved and followed Kerr Scott, and he wanted to do all that he could to carry out the Scott program: one that was grounded in a knowledge that this is a poor state in need of help from an activist federal government. That may seem elemental, but it has been forgotten by many who have represented North Carolina in Washington.

He appointed Sen. Scott's key aides, William Cochrane and the late William Whitley, to his own Senate staff, and depended upon their experience and counsel. He maintained close ties with Scott leaders throughout the state, including Kerr Scott's widow, "Miss Mary;" his brother, Ralph Scott; and his son Robert, who became governor. He also was close to Terry Sanford, the inheritor of the Scott political organization.

In the Senate, Mr. Jordan carried out the Scott program for aiding North Carolina farmers with roads, price supports and agricultural experiment stations. He also pressed on with the Scott plan for systematically harnessing the rivers through eastern North Carolina—the Cape Fear, the Neuse and the Tar—to provide water for irrigation, lakes for recreation, and attractions to industry.

A Moderate Progressive

Sen. Jordan tended to be more moderate and progressive in his views than most other members of the conservative North Carolina contingent in Washington. He voted for education and anti-poverty bills, as well as other major pieces of social legislation that many Carolinas congressmen opposed. He worked for the small farmers of this small-farm state; he opposed, for instance, the nomination of Earl Butz to be secretary of agriculture, regarding him as a spokesman of big agribusiness interests. Ultimately he opposed the Vietnam war, not a small turnaround for a man of his age.

The fact that he was a member of the state's textile elite helped him accomplish his goals. He served the textile industry, sometimes in ways more advantageous to owners than to employee. But his connections with that industry helped him to become a bridge between the liberal and conservative wings of the state's Democratic Party, a man both factions depended upon to get things done for them in Washington.

He Won Trust

That Jordan role was all the more important because the state's other senator, Sam J. Ervin, Jr., cared little about political fence-mending back home. Though the two men liked and admired each other, they often voted on opposite sides.

Sen. Jordan was neither a good speaker nor a backroom strategist. He was simply a man senators learned to trust, and he constantly put himself in positions to do favors and collect favors in return. In the Senate, he was chairman of the Rules Committee, a housekeeping group that oversaw the budgets of all other offices. He also served on the Agriculture and Public Works Committees, which handled "pork-barrel" legislation of interest to all senators.

His defeat in the Democratic primary two years ago came as a bitter blow. It must have seemed to him a rejection of all his efforts in behalf of both the big and the little people of the state. We did not see it that way. His age stood against him; he would have been 81 years old by the end of another term, and he already was suffering from an experience with cancer. He was not as alert as he had been in earlier times. Many of his friends of the past simply thought it was time for him to retire.

Sen. Jordan was never among the biggest men of the Senate, but he worked humbly and with dedication for the state. His death Friday left a great many North Carolinians sad and appreciative of his unstinting service.

[From the Washington Star-News, Mar. 15, 1974]

Ex-Senator Jordan Dies in Carolina

Saxapahaw, N.C.—Former Sen. B. Everett Jordan, D-N.C., who led the 1964 Senate probe of former Senate Democratic secretary Bobby Baker, died today at his home. He was 77.

A spokesman for the family said Mr. Jordan had been in declining health for five months. He underwent surgery several years ago for cancer.

Mr. Jordan, a textile millionaire, served 15 years in the Senate before his defeat by

former Rep. Nick Galifianakis in the 1972 Democratic primary.

The Senate seat was the only political office ever held by the stooped, soft-spoken son of a Methodist minister.

In his Senate career, Mr. Jordan did not seek the public spotlight, preferring, as he said, to "do the little things, many of which people wouldn't even think about, for people."

Mr. Jordan was thrust into controversy in 1964 when the Senate Rules Committee which he chaired was given the task of investigating the activities of Baker, a $19,600-a-year Senate aide who accumulated a $2 million fortune.

The hearings dragged on for 18 months, and Mr. Jordan was assailed by Republicans, who called the hearings a "cover-up."

The committee found that Baker was guilty of "gross improprieties." He was indicted in 1966 and convicted a year later of income tax invasion, larceny and fraud, and sentenced to one to three years in prison.

Mr. Jordan's normal activities as Rules chairman were mostly housekeeping chores for the Senate operations themselves, and he gained a reputation as a tireless behind-the-scenes worker.

Mr. Jordan had a key role in passage of acreage-poundage controls on tobacco and was instrumental in legislation producing a number of dams and lakes in his home state.

A native of Ramseur, Mr. Jordan moved with his wife, Katherine, in 1927 to Saxapahaw, a tiny town south of Burlington, to take over a bankrupt textile mill that had been closed for four years.

He organized Sellers Manufacturing Co., which developed into a prosperous textile firm and made him a millionaire.

Mr. Jordan became a tireless worker in the North Carolina Democratic Party, becoming state chairman and a national committeeman, but did not run for office before his Senate bids.

He was first named to the Senate in 1958 to fill the unexpired term of the late W. Kerr Scott. The appointment by then Gov. Luther Hodges was widely criticized, with opponents contending that Mr. Jordan would be only a "seatwarmer" for an expected bid by Hodges.

Hodges did not run, and Mr. Jordan was elected to a two-year term later in 1958 and was re-elected in 1960 and 1966 with only token opposition.

Mr. Jordan was defeated in 1972 by Galifianakis, a young Democratic congressman who reminded voters of Mr. Jordan's advancing years, and argued it was time for a change.

In addition to his wife, survivors include two sons, Ben E. Jr. of Burlington and John M., of Saxapahaw; a daughter, Mrs. Roger Gant of Burlington; a brother, Dr. Frank Jordan of Florida, and a sister, Mrs. Henry Sprinkle of Florida.

The funeral will be at 3 p.m. Sunday in Saxapahaw Methodist Church, with burial in Pine Hill Cemetery, Burlington.

[From the New York Times, Mar. 16, 1974]

EVERETT JORDAN; EX-SENATOR DEAD

SAXAPAHAW, N.C., March 15.—Former Senator B. Everett Jordan, Democrat of North Carolina, who led the 1964 Senate investigation into the activities of Bobby Baker, the Senate aide accused of influence peddling, died at his home today.

Mr. Jordan, who was 77 years old, had been in ill health for some time. He underwent surgery for cancer several years ago.

He leaves his widow, the former Katherine McLean; two sons, a brother and a sister.

There will be a funeral service Sunday at 3 P.M., in the Saxapahaw Methodist Church.

A SENATOR 15 YEARS

B. Everett Jordan, a shy person who disliked the Capitol Hill spotlight, had been a textile-manufacturing executive until his appointment to the Senate in 1958. He liked to do what he called "the little things, many of them which people wouldn't even think about, for people."

He was thrust into the center of the Washington stage when the Senate Rules Committee, of which he was the chairman, was assigned the job of investigating Mr. Baker's activities.

Mr. Baker, who earned $19,600 a year in his Senate post, had accumulated $2-million. The committee found he had committed "gross improprieties." He was indicted in 1966 and convicted the following year of income-tax evasion, larceny and fraud. He was sentenced to one to three years in prison and was paroled in 1972, after having served 17 months.

Mr. Jordan held the Senate seat, the only elective public office of his career, until his defeat in the 1972 Democratic primary by Representative Nick Galifianakis.

BEHIND-THE-SCENE WORK

He worked largely behind the scenes on such matters as tobacco acreage and poundage controls, important for his tobacco-growing constituency, and on lakes and dams in North Carolina.

He had been an early backer of this country's Vietnam policy, but became critical in 1971, expressing himself as "disillusioned."

Mr. Jordan, who was born at Ramseur, N.C., moved to Saxapahaw, in the north central part of the state, in 1927 to take over a closed textile mill. The mill did well, and Mr. Jordan became a millionaire.

He was appointed to the Senate in 1958 to fill the unexpired term of the late W. Kerr Scott and was re-elected in 1960 and 1966.

[From the Washington Post, Mar. 16, 1974]

EX-SENATOR B. EVERETT JORDAN DIES; LED BAKER PROBE

(By Megan Rosenfeld)

Former Sen. B. Everett Jordan, 77, who as chairman of the Senate Rules Committee headed the 1964 Senate investigation into the activities of former Senate Democratic secretary Robert G. (Bobby) Baker, died yesterday at his home in Saxapahaw, N.C.

Sen. Jordan had a malignant tumor removed from his colon three years ago, and had been in declining health since last summer, when he underwent additional surgery at Duke University Hospital.

A millionaire textile manufacturer from North Carolina, Sen. Jordan was appointed to the Senate in 1958 by Gov. Luther Hodges to fill the unexpired term of the late Sen. W. Kerr Scott. He was elected to the seat in 1960 and was re-elected in 1966.

A member of the committees on agriculture, public works and printing, Sen. Jordan was a quiet figure on Capitol Hill until the Baker investigation by the Rules Committee thrust him into the spotlight.

Baker, then a $19,600-a-year Senate aide and protege of President Lyndon B. Johnson, was accused of influence peddling. The Senate Rules Committee found that Baker had committed "gross improprieties." Baker was later indicted and convicted in 1967 of fraud, theft and tax evasion, and sentenced to three years in a federal penitentiary. He served 1½ years before being paroled.

The 18-month investigation of Baker was criticized for its length, and Republicans accused Sen. Jordan and the other members of the Committee of a whitewash.

Before releasing the Committee's final report, Sen. Jordan said the investigation was a "hard task and a disagreeable task. . . . Maybe I'm not enough of a lawyer and prosecutor type to go ahead and do some of the things some people felt should have been done."

The Committee's recommendations included a rule that senators and Senate employees earning more than $10,000 a year supply a list of their financial holdings and business associations; a suggestion that "moonlighting" by Senate employees be limited, and the comptroller general should have authority to police congressional lobbying laws.

Originally a supporter of U.S. policy in Southeast Asia, Sen. Jordan came out against the war in Vietnam in 1971, and was a co-sponsor of the war powers bill, which limited the President's power to extend American participation in the war. He was no longer in the Senate when the House overrode President Nixon's veto in November, 1973, and forced the war powers bill into law.

"The longer the thing (the war) drew on, the more I became disillusioned with the handling of it," he said. "All we were doing was bombing the hell out of everybody's rice paddies and killing people—Americans and thousands of natives."

During his 14 years in the Senate, Sen. Jordan also chaired the Agriculture, Public Works and Inaugural Ceremonies subcommittees.

Sen. Jordan was defeated by a 44-year-old Durham lawyer in the 1972 Democratic primary election, Nick Galifiankis. Galifiankis lost the senatorial election to Republican Jesse Helms.

While Sen. Jordan was campaigning during the 1972 primary, a 23-year-old high school janitor killed five persons and wounded six others outside a Raleigh, N.C. shopping mall where the senator was shaking hands with constituents. Sen. Jordan's executive secretary, Wesley Hayden, was shot in the chest and seriously injured. Sen. Jordan suspended his campaign until he was sure Hayden would survive.

Sen. Jordan had a long and profitable career in textile manufacturing before going to the Senate. Born in Ramseur, N.C., the son of a traveling Methodist minister, he organized his first company, the Sellers Manufacturing Co., in 1927. He eventually owned mills that grossed more than $15 million a year.

He attended Trinity College (which later became Duke University and which awarded him an honorary degree in 1940), and Elon College. He served with the Army Tank Corps from 1918 to 1919, and with U.S. occupation forces in Germany in 1919.

He was a recipient of the Silver Beaver award from the Boy Scouts of America in 1965. Sen. Jordan was a trustee of Duke University, American University and Elon College, and of the U.S. Capitol Historical Society.

Since 1972, Sen. Jordan had spent most of his time at the rambling white house in the village of Saxapahaw, his home for 46 years.

He is survived by his wife, the former Katherine McLean; two sons Ben E., Jr. of Burlington, N.C., and John M. of Saxapahaw, and a daughter, Rose Anne Grant of Burlington.

THE IMPACT OF PRICE AND WAGE CONTROLS ON WORKERS

Mr. PROXMIRE. Mr. President, the administration's price and wage control program has had a disastrous effect on the American worker. It has failed miserably in holding down prices while it has been more than successful in keeping the lid on wage increases. As a result, the real income of workers has declined. The average working man is worse off today than he was a year ago; and he is even worse off today than he was just 6 months ago when phase IV began.

Just how badly have workers fared under the administration's program?

Let us look at the figures. During the last 13 months, from January 1, 1973 to January 31, 1974, the Consumer Price Index rose at an annual rate of 9.1 percent. In other words, the cost of living for the average family rose by 9.1 percent. During this same period, average weekly wages of nonfarmworkers increased at an annual rate of only 4.5 percent. Real purchasing power for the average working family thus declined by 4.6 percent.

If we look at what happened during phase 4, the picture is even worse. During the last 6 months under the price and wage control program from August 1, 1973 to January 31, 1974, the Consumer Price Index rose at an annual rate of 11.4 percent while average weekly earnings for nonfarmworkers actually declined at an annual rate of 1 percent. This represents a 12.4 percent drop in the purchasing power of the average working family. How long can workers endure this intolerable erosion of their real wages?

While workers have been clobbered by wage controls, others have done well. After tax corporate profits in the third quarter of 1973 were up 29 percent over the third quarter of 1972. Personal interest income, most of which goes to wealthy savers, was up 15.9 percent during 1973; dividend income was up by 12.5 percent. It is the rich who have benefitted from price and wage controls. They have been a disaster for the workingman.

Given this background, the Congress must now make a decision on whether to continue the authority for price and wage controls. Virtually everyone agrees that price and wage controls should be phased out as soon as possible. However, there is disagreement over whether the President should be given standby authority to reimpose controls on particular sectors of the economy. Those who favor standby authority argue that controls may still be needed to check intense inflation which might erupt in a particular sector of the economy. It has also been argued that the existence of standby control authority will serve as a so-called "club in the closet" to bolster the jawboning activities of the Cost of Living Council.

Whatever the theoretical merits of these arguments, I believe there are overwhelming practical reasons for not giving the President standby control authority.

First of all, the very existence of standby controls is likely to be counterproductive. Business firms, knowing that controls can and might be reimposed at any moment, will try to beat the deadline by raising prices even more than they otherwise would have in the absence of the control authority. Thus standby control authority can bring on the very resurgance of inflation it is designed to prevent.

Second, the passage of standby control authority can lead to the unwarranted use of controls in situations where they are not absolutely necessary. The President has flip-flopped on the question of controls more times than a beached whale. There is no predicting how he might use the standby authority if it were given to him by the Congress. It is entirely possible that the President has been so weakened by the Watergate scandals that he would succumb to political pressure to reimpose controls when controls were not justified.

Third, even if a reasonable case could be made that controls were needed in a particular sector of the economy, there is no assurance that the present administration has the inclination or the capacity to impose price and wage controls in a fair and equitable manner. Indeed, the record indicates just the contrary. When controls have been used, they have operated more severely on wages than they have on prices. There is no reason to assume that these inequities would somehow disappear in the future if the President used his standby authority.

Mr. President, some of my Democratic colleagues may think it is smart politics to give the President standby authority to reimpose price and wage controls. Then if the President did not use the authority, he could be blamed for inflation.

Mr. President, this is exactly the type of political game playing which led to the passage of the original Economic Stabilization Act of 1970. In retrospect, the Congress made a colossal blunder in giving the President this authority. We should not repeat the error by giving him standby control authority.

Public opinion polls reveal that respect for Congress as an institution is at an alltime low. According to the most recent survey, only 21 percent of the people think Congress is doing a good job. It is little wonder that the Congress is held in such low repute. How can we command the respect and confidence of the public if we give away our powers to the President? How can we improve our image if we engage in transparent political buckpassing? We do not fool anyone but ourselves when we play those games.

Mr. President, I find it somewhat surprising that some Members of Congress are seriously considering standby controls when they are opposed by nearly everyone. The administration does not want standby control authority. The AFL–CIO does not want standby authority. The chamber of commerce does not want standby control authority. Other business groups do not want standby control authority. Economists are divided, as is generally the case, but many economists oppose standby authority. Given the overwhelming record made against the need for standby controls, I hope the Congress will refrain from giving this dangerous and unnecessary power to the President.

The time has come for the Congress to exercise responsibility. Price and wage controls have been a monumental failure. They have been unfair and ineffective. They should not be continued and the President should not be given standby authority to reimpose controls in any shape, manner, or form.

KILPATRICK RECONSIDERS, URGES PRESIDENT TO VETO LEGAL SERVICES BILL

Mr. HELMS. Mr. President, during consideration of the Legal Services Corporation bill in December and January, the proponents of that bill frequently buttressed their arguments with newspaper columns written by the distinguished editor and writer, James Jackson Kilpatrick.

It is now clear that Mr. Kilpatrick was merely endorsing the concept of legal services for the poor—a concept, incidentally, which I also vigorously supported, and, along with the distinguished Senator from Tennessee (Mr. BROCK) worked hard to implement in our bill, S. 1990. Mr. Kilpatrick was by no means endorsing the specific text of S. 1423, the bill jointly sponsored by Senators NELSON and JAVITS.

Indeed, in a column which was published in the Washington Star-News yesterday, Mr. Kilpatrick takes strong issue with the Nelson-Javits bill, calling it an abomination, and a perversion under the law. This is a vigorous condemnation of the bill, and it is not surprising that Mr. Kilpatrick calls upon the President to veto it if the Senate and House should agree to the proposition.

Mr. President, I also urge the President to veto this bill, should it be brought to his desk for signature. Whatever comes out of the conference—and the House conferees have not even been named—is almost certain to be a far cry from the kind of bill which the President proposed last year. Neither the House bill nor the Senate bill meet the President's specifications, so it is hard to see how the conference report, being a reconciliation of the two, can measure up either.

Mr. President, I ask unanimous consent that Mr. Kitpatrick's column, "Reconsidering the Legal Aid Bill," from the Washington Star-News, Monday, March 25, 1974, be printed in the RECORD at the conclusion of my remarks.

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

RECONSIDERING THE LEGAL AID BILL

(By James J. Kilpatrick)

It is a familiar rule of parliamentary procedure that a motion to reconsider can be made only by a member of the prevailing faction. Because I have long supported the concept of legal services for the poor, perhaps I am qualified to turn against the bill soon to be reported from a conference committee. Mr. President, I would like to say, I move to reconsider.

By every indication, the compromise legal services bill will be fairly close to the Nelson-Javits bill approved by the Senate in December. The bill is an abomination. It is a perversion of the whole concept of giving the poor person a chance at equal justice under the law. If the Senate and House should agree to this devious proposition, the President will have to be asked to use his veto power.

In supporting a legal services act, I have been guided by certain principles and observations that seem to be almost beyond dispute. The first is that the concept of equal justice under law is among the greatest ideals of our political system. The second is that our nation has served that concept poorly. Despite impressive improvements in recent years, especially in the appointment of public defenders in criminal cases, we still have two systems of law—one for the rich, another for the poor.

A system of federally subsidized legal aid should have but one purpose, and that is to redress the imbalance. The poor family that

has been bilked into a usurious installment contract should not be helpless at the hands of a well-heeled merchant. The poor person wrongly evicted from his home should have some aid in standing up to the slumlord. The ignorant or illiterate citizen, struggling with the complexities of a highly regulated society, often needs legal advice that he cannot possibly afford.

A revitalized program of federal legal aid ought to have these aims in mind, and these aims only. Because the possibilities for abuse are quite real, a new Legal Services Corporation should be bound down by chains of law. At the very minimum, the corporation should be federally chartered for a limited term of no more than five years, at which time Congress could review the entire operation.

The Senate bill that now prevails is a far cry from the administration's recommendation. It bears no resemblance to a House-approved version that has some faults, largely as the result of fatuous floor amendments, but has many virtues also. The Senate bill erects no more than paper barricades against the activism of super-liberal legal eagles who would be free to pursue social reform behind a camouflage of aid to the poor.

These mischievous provisions are not immediately apparent. On the surface, the Senate version seems unalarming. It is only when the bill is examined line by line, as Senator Jesse Helms of North Carolina has examined it, that the shortcomings emerge.

Two examples may suffice to indicate the slippery business here afoot. The Senate bill contains a provision that could make available to legal aid attorneys "particular support functions of the federal government, such as the General Services Administration, the federal telecommunications system and other facilities." Helms calls this a "mind-boggling blank check," and it is. This loosely drawn authorization could equip the activist attorneys with everything from office supplies to free long distance telephone service, all at the taxpayers' expense.

For a second example: The House version wisely prohibits the proposed Legal Services Corporation from using private funds for purposes for which public funds could not be spent. The Senate version ominously omits this safeguard.

The concept of equal justice remains valid. Nothing is wrong with the idea of providing legal aid to the poor. But the disappointing and deceptive bill that now heads back toward the Senate floor, while it doubtless would accomplish many good things, would constitute an invitation to legal activists to come have a ball. This is not the idea. It is not the idea at all.

JUSTICE WITHOUT POLITICS

Mr. ERVIN. Mr. President, the Progressive magazine, in its April issue, has published an article by Arthur S. Miller, professor of constitutional law at George Washington University, entitled "Justice Without Politics."

In his article, Professor Miller, who is a consultant to the Subcommittee on Separation of Powers and who also serves as chief consultant to the Select Committee on Presidential Campaign Activities, has made some very penetrating observations concerning the dangers inherent in the politicization of the Department of Justice.

A few days ago, I announced that the Subcommittee on Separation of Powers, which I chair, will hold hearings on March 26, 27, 28, and April 2, on two bills that relate to the operations of the Department of Justice and which, if enacted, would help to reverse the trend of abuses and improprieties that the country has witnessed, with such shock, in recent months. These bills are S. 2803, which would establish the Department of Justice as an independent establishment of Government, and S. 2978, which would create a special commission to study the establishment of an independent prosecutor.

Professor Miller's article speaks vigorously and with candor concerning transgressions in the exercise of power in the administration of justice. While some may not wholly endorse the implications in his assessment of the acts and circumstances surrounding certain officials and individuals, his article points out forcefully the need to take politics out of justice. I believe his article deserves wide dissemination and that it merits the earnest consideration of all Americans who are concerned with the fair and impartial administration of justice—who believe that justice must be dealt with an even hand to all, without political influences or pecuniary considerations.

For this reason, I ask unanimous consent that the text of the article be printed in the RECORD.

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

JUSTICE WITHOUT POLITICS

(By Arthur S. Miller)

"The place of Justice is an hallowed place," Sir Francis Bacon, Britain's lord chancellor, said in 1612, "and therefore not onely the bench, but the footpace and precincts and purprise thereof ought to be preserved from scandall and corruption." Americans who were shocked by last October's "Saturday Night Massacre," when Special Prosecutor Archibald Cox was summarily sacked by an acting Attorney General appointed for that purpose, should realize that the episode merely illustrated how far the American system has deviated from Bacon's ideal. In the wake of the sordid Watergate affair, the Department of Justice, charged with the solemn responsibility of furthering the rule of law, finds itself under heavy attack for having become unduly "politicized." An insistent cry is being raised in many quarters to take the politics out of the Department.

To place that question—whether the Attorney General and his subordinates can be "depoliticized"—in some perspective, we must examine the historic background. The office of the Attorney General was created in 1789 and the Department of Justice in 1870. Both the office and the Department derive all of their powers from Congress. Even so, they are in the Executive Branch, which means that in legal theory the Attorney General, as a Cabinet official and Presidential appointee, serves at the pleasure of the Chief Executive. President Nixon's 1968 campaign pledge to appoint a "new Attorney General," one not "soft on crime," merits mention only because the statement was reported deadpan by the press, without reference to the fact that every new President routinely appoints a new Attorney General.

Since at least the days of Andrew Jackson, the Attorney General has been regarded as the President's lawyer. It is often said that the Department of Justice has only one client—the Government—but that is true only insofar as there are no disputes between the Executive and the other branches. As the Chief Executive's lawyer, the Attorney General occupies the ambiguous position of being a *political* officer charged with *legal* duties.

Tensions have erupted at times. In the national bank controversy of the 1830's, for example, President Jackson wanted to have certain banks named as depositories of U.S. funds, only to learn that his Attorney General had doubts about the validity of that policy. Jackson is said to have drawn himself up and declared: "Sir, you must find a law authorizing the act or I will appoint an Attorney General who will." Jackson prevailed, just as Nixon did in the Cox firing. The task, then, of an Attorney General (and of other government legal advisers, such as State Department lawyers who justified American intervention in Vietnam) is not to say no to policymakers, but to find some way to say yes.

Not all top legal officers have taken the view that they are partisan advocates for the Executive or another branch of the Government. Edward Bates (who didn't last long as Lincoln's Attorney General) said: "The office I hold is not properly *political*, but strictly *legal;* and it is my duty, above all other ministers of State, to uphold the law and to resist all encroachments, from whatever quarter, of mere will and power." Bates was atypical; A. Mitchell Palmer represented the norm. Palmer, who led the infamous Palmer Raids of 1920 against aliens and other "suspect" persons, said:

"The Government was in jeopardy. My private information removed all doubt." Paranoia on the Potomac, as disclosed in the Senate Watergate hearings and manifested in the savage overreaction to the "March on Washington" in May 1970, is not a new invention.

When Attorney General Robert H. Jackson was called upon to justify President Roosevelt's plan to trade fifty "overage" destroyers to Britain shortly before World War II, he did so by ignoring the Constitution and bending some statutes beyond recognition. In 1941, Jackson, signed an Attorney General's opinion legitimizing government seizure of the North American Aircraft plant during a strike, an action that rebounded eleven years later when it was cited to him as a precedent for President Truman's takeover of the steel industry during the Korean war. Jackson by then a Supreme Court Justice, neatly sidestepped the question in his concurring opinion outlawing the seizure: "I do not regard it as a precedent for this, but, even if I did, I should not bind present judicial judgment by earlier partisan advocacy"—a classic acknowledgment of the politicization of the Department of Justice.

So Robert Bork, the Solicitor General who became acting Attorney General and hatchetman on Archibald Cox, merely stands at the end of a line of numerous predecessors who, in Robert Jackson's terms, are "partisan advocates" for the President. The naive may believe that because the people pay the salaries, through taxes, of government lawyers, then they—the people—should be their client. Not so: The "Government" is the client of the government lawyer, in and out of the Department of Justice, and it is not always true that the interests of the Government and of the people (however defined) coincide.

There has been a tendency since the Truman Administration for Chief Executives to appoint their campaign managers or other political cronies as the highest law officers of the Government. Campaign managers Herbert Brownell under President Eisenhower and Robert Kennedy, named by his brother, antedated John Mitchell, the municipal bond lawyer turned political manager who took over at Attorney General in 1969 (and who, at this writing, is being tried in New York on criminal charges). In consequence, that precinct of justice that is the Department of Justice is hardly "an hallowed place."

Though they are theoretically responsible for administering the nation's laws fairly and impartially, Departmental lawyers often

are mere instruments of a burgeoning Executive power, there to serve their masters a few blocks away at the White House. The problem has become so acute that voices throughout the legal profession are calling for change. Their concern, however, is prompted not so much by what Bacon called "scandal and corruption"—although that consideration is not absent—as by the almost unrestrained directionary powers that reside with Departmental officers.

"Politics" is particularly evident in the appointment of judges, of U.S. attorneys (ninety-five in all), and of the thousands of marshals and other functionaries of the judicial system. About fifty per cent of the U.S. attorneys, who are recommended by the Department after clearance from their state's Senators (the "blue slip" system), become Federal judges—which means that they carry Departmental preferences with them to the bench. Judgeships are the province of the Deputy Attorney General (for the Supreme Court, the Attorney General himself gets into the act), and a Federal district judge aspiring to be an appeals judge not only starts out with the attitudes of a U.S. attorney but, more subtly and of more importance, knows that his elevation must be approved by the Department. How much that knowledge might tip the scales of justice in favor of the Government is unknown—but *certainly it* argues for taking the appointing function out of the Department. (It is not unheard of, for example, for a Federal judge to telephone the Department and ask what sentence should be imposed on a convict.)

At least three levels of impropriety exist within the Department of Justice: 1) crime and corruption, 2) unrestricted discretion, and 3) overzealousness of lawyers. As for the first, Assistant Attorney General Lamar Caudle was sent to jail in the 1950s for taking part in tax frauds, and Attorney General Harry Daugherty barely escaped prosecution over Teapot Dome. Without commenting on John Mitchell's trial, I can note his own admission that as Attorney General he failed to tell the President about "the Watergate horrors," an action which, though not a crime, surely was a gross dereliction of duty.

Justice Louis Brandeis uttered the classic statement warning against official illegality: "In a government of laws, existence of the Government will be imperiled if it fails to observe the law scrupulously. Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy." It was John Mitchell, aided and abetted by William Rehnquist and Solicitor General Erwin Griswold, who produced the theory that the Government could resort to wiretapping on domestic criminal matters without judicial approval—a notion so extreme that a Supreme Court dominated by Nixon appointees unanimously outlawed it.

Mitchell and Griswold, plus Deputy Attorney General Richard Kleindienst and the head of the Antitrust Division, Richard McLaren, also stage-managed the much criticized ITT "consent decree" whereby ITT got what it wanted (the cash flow of the Hartford Insurance Company), while being required to slough off some subsidiaries. Government spokesmen defend the settlement partly on the basis of the likelihood of eventual loss in the Supreme Court, but that does not explain why ITT was so willing to go along. To believe the Justice Department's apologists is also to believe that ITT's executives and lawyers were stupid. The decision not to take the ITT case to the Supreme Court is a prime example of the second level of Justice Department impropriety—the almost uncontrolled discretionary powers the Department all too often exercises.

Of those powers, whether to prosecute or not to prosecute is particularly worrisome. Seen in full glare in the ITT settlement (once a consent decree is entered by a Federal judge, there is no review—as Ralph Nader found out when he tried to get the ITT decree overturned), it hits hundreds of thousands of Americans at the local level. Plea bargaining in criminal law matters is routine (although it is unique to find a Vice President engaging in that process).

Some discretion is, of course, necessary. The problem is to limit it so as to eliminate abuses. The essential question is how to make discretionary power as tolerable or decent as possible. One aid to stopping abuse of discretion would be openness—the elimination of unnecessary secrecy—in the process. "Openness," says law professor Kenneth Davis in his book, *Discretionary Justice*, "is a natural enemy of arbitrariness, a natural ally in the fight against injustice."

The third level of Justice Department overreaching is the way in which government lawyers, often but not always from the Department's corps of 3,000 attorneys, fail to realize the disproportionate amount of power they have *vis-à-vis* individual litigants. I do not speak here of the ITT settlement or of the antitrust action against IBM. There, as elsewhere (for example, before the Federal Communications Commission or the Federal Trade Commission), the government attorneys are overwhelmed by the legions of high-powered and high-priced lawyers from the corporate bar. But when it is an individual, not a corporation, against whom the Department is proceeding, the power imbalance is reversed. Then the citizen often finds himself bowled over by the Department's overzealous energies.

Jimmy Hoffa, powerful as he was as head of the Teamsters, learned that fact of life when Attorney General Robert Kennedy set up the "Hoffa Squad" to get Hoffa; get him they did. The Hoffa case shows the Government's broad discretion in deciding whether or not to prosecute and how zealous the prosecution can be. Hoffa's early release from prison by President Nixon indicates that discretion also works at the other end of the criminal law pipeline.

When an individual confronts the Immigration and Naturalization Service (part of the Justice Department), unreviewable discretion is often the norm and arbitrariness often the rule. That was shown, for example, when Ernest Mandel, a leading Marxist scholar in Belgium, was denied admission into the United States, where he had been invited to give some university lectures. The Supreme Court upheld that bit of Departmental arbitrariness. In obscure cases, such as contract claims, land-condemnation actions, or tort claims against the Government, the Justice Department lawyer also often acts with excess zeal against the individual. One example will illustrate: Several years ago, a patient at a Veterans Administration hospital was erroneously injected with embalming fluid by an orderly who had the duty of giving injections. Result: total paralysis of the patient. The patient sued the Government, only to be met with the defense (from technical "agency" law) that the orderly acted beyond the "scope of his employment." Thus a weak, even silly, legal stratagem was used by government attorneys in an effort to stave off paying a few thousand dollars.

Multiply that case by thousands and the pattern of overzealous action by the Department of Justice takes on added meaning. It is a proud tenet of the Solicitor General's office that the Government's case is won when justice is done, but all too often that precept is forgotten; the game is to win, by using every technicality and legal stratagem.

Elliot Richardson, during his brief tenure as Attorney General, vowed to take politics out of the administration of justice, but that laudable goal was one of the victims of the Saturday Night Massacre. Richardson's intent may yet be achieved, however, if Congress will be sufficiently influenced by the Watergate disclosures to reassess the Department of Justice. The Senate is about to take the first step toward such a re-evaluation. Senator Sam J. Ervin's Subcommittee on Separation of Powers has scheduled hearings on S2803, introduced by Ervin on December 12, 1973. If enacted (in present form or amended), S2803 would "establish the Department of Justice as an independent establishment of the United States." Scheduled to testify, among others, are former Attorneys General Ramsey Clark, Richard Kleindienst and Katzenbach; former Supreme Court Justice Arthur Goldberg; former U.S. Attorney Whitney North Seymour, Jr.; Lloyd Cutler, well-known Washington lawyer; Archibald Cox, and a number of law scholars.

Cutler has proffered a different suggestion —that a permanent office of special prosecutor be established to ride herd on improprieties in the Executive Branch, including the Department of Justice. Others, such as Professor Paul Mishkin of the University of California School of Law, have advanced the more radical notion that an office of "counsel general" be established completely independent of the President—an office that would take over most of the present functions of the Department of Justice and would, in addition, act as an ombudsman for citizens' complaints against improper government actions.

Watergate has clearly contributed to a growing distrust of the Government and a lack of faith in the fairness and impartiality of the system of justice. Watergate has proved that governmental lawlessness can and does occur. The Ervin hearings may help us find our way out of an intolerable situation, for we must face the fact that our present system of justice through *politics*—often corrupt politics—cannot stand much longer without eroding our constitutional democracy beyond the point of no return.

AIR FORCE HAIRCUT POLICY

Mr. THURMOND. Mr. President, as a result of investigations made by staff members of the Senate Armed Services Committee, it appears that the Air Force haircut policy has impacted unfavorably on the Air Guard and Air Reserve programs.

In this connection I have asked the Secretary of Defense to review the entire Defense Department policy looking toward some uniformity among Guard and Reserve forces. Presently Navy and Army Guard and Reserve haircut policies are more lenient than those being followed by the Air Force Guard and Reserve.

In support of my views that this is an important matter, I have obtained a copy of a letter dated February 21, 1974, to Air Force Secretary John L. McLucas. This letter reports on a survey conducted by the National Guard Association of the United States.

The survey clearly shows that serious command, morale, enlistment and reenlistment problems are resulting from the fact that Air Guardsmen are under more stringent haircut policy regulations than Army Guardsmen who sometimes drill on the same installations.

Mr. President, I ask unanimous con-

sent that this letter be printed in the RECORD.

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

NATIONAL GUARD
ASSOCIATION OF THE UNITED STATES,
February 21, 1974.

Hon. JOHN L. MCLUCAS,
Secretary of the Air Force, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: The impact of Air Force grooming standards on enlistments and re-enlistments in the Air National Guard (and, consequently, the Air Force Reserve) was examined in detail during the ANG session of the 95th General Conference of the National Guard Association of the U.S., held 8–11 October 1973 in Oklahoma City, Oklahoma.

Approximately 300 Air Guard officers unanimously agreed on the validity of the statement that: "A reasonable modification of the hair style regulation to be more in conformity with acceptable civilian styles would enhance recruiting and retention in my organization."

Following the voiced opinion that modification of current grooming standards would be beneficial to the Air Guard and Reserve, Dr. James P. Gilligan, Deputy for Reserve Affairs and Education, Office Secretary of the Air Force, observed that: "The significant thing to me, however, has been in the course of a rather repeated examination of the question, at least in the Pentagon, is that the Reserve and the Air Guard and the Associations that are attendant thereto really have not come forward, in my view, with a very strong positive position, that would be reflected in the vote I saw in this room."

In response to the challenge by Dr. Gilligan, I established an NGAUS "Grooming Standards" committee to study the problem and report its findings and recommendations to the NGAUS Executive Council. Appointed to the committee were:

Chairman, Major General Duane L. Corning, Vice President, NGAUS, and Adjutant General, South Dakota.

Members, Brigadier General William W. Spruance, Asst. Adjutant General, Air, Delaware ANG.

Brigadier General William R. McCall, Jr., Chief of Staff, Air, District of Columbia ANG.

First Lieutenant Ronald Prox, Delaware ANG.

First Lieutenant Conrad Slate, Tennessee ANG.

Second Lieutenant Alexander T. Mahon, Ohio ANG.

Advisors, Colonel James C. Hise, NGB Legal Advisor.

Technical Sergeant Marvin S. Lessin, Delaware ANG.

Recorder, Colonel Merle F. Allen, Jr., Ret., Executive Assistant, Air, NGAUS.

The "Grooming Standards" committee convened on 7 December 1973 to study the subject. It presented a briefing and recommendations to the NGAUS Executive Council on 29 January 1974. (Report is attached as Inclosure #1 and Briefing as Inclosure #2.)

The NGAUS Executive Council approved the "Grooming Standards" committee report and voted to forward the recommendations of changes to AFM 35–10 to the Secretary of the Air Force.

The recommended changes to AFM 35–10 (attached as Inclosure #3) would:

A. Allow hair to touch the ears, but not cover any part of the ears when groomed.

B. Allow hair to extend on the back of the head to the middle of the collar.

C. Allow up to 2 inches in bulk, instead of 1¼ inches.

D. Allow sideburns to extend to a horizontal line at the lowest part of the ear lobe and to a width not exceeding 1½ inches at the widest point.

E. Allow mustaches to extend horizontally beyond the corners of the mouth, but not beyond the natural hair growth line nor downward beyond a horizontal line drawn from the corners of the mouth.

F. Allow members of the ANG to wear wigs which conform to grooming standards during unit training assemblies and periods of active duty of 30 days or less.

To further define the problem and justify the NGAUS recommendations, the opinions of forty-four Adjutants General are attached in response to a survey conducted by the NGAUS. The survey posed the following questions:

Question No. 1: What percentage of Air Guardsmen fail to re-enlist because of present hair styling regulations?

Answer: Forty-one States responded with an average of 39%.

Question No. 2: What percentage of *non-prior service* contacts fail to enlist because of present hair styling regulations?

Answers: Thirty-seven States responded with an average of 36%.

Question No. 3: Would you prefer more lenient standards in the ANG than presently authorized under AFM 35–10?

Answer: Forty-three States responded with thirty-eight "yeas" and five "nays."

Question No. 4: Would a more lenient regulation allow recruiting of a "higher category" of non-prior service individual than we are presently enlisting?

Answer: Thirty-four States responded with twenty-eight "yeas" and six "nays."

A compilation of responses from the forty-four States is attached as Inclosure No. 4. Also attached are copies of responses from Adjutants General, ANG Base Detachment Commanders and Group Commanders.

Mr. Secretary, the National Guard Association of the United States is pleased to respond to Dr. Gilligan's challenge by submitting these recommendations and observations for your consideration. We are strongly convinced that a positive, enlightened approach to bringing current Air Force grooming standards in line with those of today's society, wherein lies our source of young men and women in the years ahead, will be of mutual benefit to the Air National Guard and United States Air Force alike.

This Association earnestly elicits your serious consideration of these recommendations as both reasonable and constructive, and in the best interest of both the Air National Guard and U.S. Air Force. We stand ready to contribute in any way possible toward resolving modifications to grooming standards as currently prescribed by AFM 35–10.

Sincerely,

HENRY W. MCMILLAN,
Major General, FlaARNG President.

FEDERAL JUDICIARY SALARY LEVELS

Mr. McGEE. Mr. President, the Pennsylvania Committee for an Independent Judiciary is but one of many thoughtful organizations now concerned about the Government's ability to obtain and retain competent, qualified men and women to serve in high office. Its concern runs deep and runs to the problems arising within the Federal judiciary as the result of a freeze on the compensation for judges.

Recently, in a letter to the editor of the Washington Post, the Pennsylvania Committee made the inescapable observation that judges are on a parity with all others when it comes to paying rent, buying food, paying taxes, and other living expenses, even though they have received no salary increase for more than 4 years.

"This is hardly fair treatment," said the committee, whose appeal is simply for a concept of fair play.

This argument, of course, covers others in the Executive Salary Schedule of our Government, as well as numerous so-called supergrade employees in the upper reaches of the General Schedule. They, too, have their pay frozen at rates well below comparability with the salaries paid for equal work and equal responsibility in the private sector.

We have not dealt fairly with these servants of the public interest by denying them overdue raises which are all the more warranted because of the general inflation in our economy. So the question of fair treatment remains before us, Mr. President, and Senators will before too long be called upon to further examine this entire question, which so deeply concerns the Pennsylvania Committee for an Independent Judiciary. I ask unanimous consent that the committee's letter to which I have referred be printed in the RECORD.

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

PENNSYLVANIA COMMITTEE FOR AN
INDEPENDENT JUDICIARY,
Philadelphia, Pa., January 21, 1974.

EDITOR: *"Washington Post"*
Washington, D.C.

DEAR SIR: The Pennsylvania Committee for an Independent Judiciary congratulates the Washington Post in connection with the coverage of proposed "catch-up" salary increases for Cabinet officials, federal judges and congressmen and calls the attention of the Post and the public to the fact that a comparison of governmental and non-governmental salary structures and the concept of fair play must lead to the conclusion that a substantial salary increase for the federal judiciary is long overdue.

While other federal employees have been receiving cost of living adjustments increasing their salaries by approximately 30 percent, federal judicial salaries have been frozen since 1969 despite the substantial increase in cost of living during this period.

No doubt, you will agree that judges are on a parity with all others when it comes to paying rent, buying food, paying taxes and other living expenses. Yet, it is a matter of record that the federal judiciary has received no salary increase for over four years. This is hardly fair treatment.

The Pennsylvania Committee for an Independent Judiciary is deeply concerned with low federal judicial salaries and realistic compensation in today's inflationary economy. Therefore, we strongly recommend that Congress shall provide federal judges with just compensation increase. It is imperative that Congress understands the necessity for a prompt salary increase in order to attract to the federal judiciary and retain for the federal judicial system learned men of high ability and dedication.

Sincerely,

HAROLD BERGER, *Chairman.*
PHILIP KLEIN, *Vice Chairman.*

VETERANS INSURANCE ACT OF 1974
(S. 1835)

Mr. BUCKLEY. Mr. President, as I review proposed legislation designed to reconcile veterans' benefits and programs with the realities of the civilian problems

facing the Vietnam veteran, it becomes increasingly clear that major adjustments need to be made in existing laws. As a first step toward correcting inequities and deficiencies which exist in present policies as compared with the assistance awarded veterans of past wars, I intend to support the Veterans Insurance Act of 1974.

This legislation permits the veteran to postpone important life insurance decisions for a 5-year period, allowing ample time for readjustment to civilian life and ample opportunity to assess his potential insurance needs in the future. The increase in the maximum amount of life insurance coverage to $20,000 demonstrates an appreciation of the realistic needs of the present-day veteran. The increase to $20,000 brings veterans' insurance close to the average coverage sought by American families and makes it possible to convert his insurance at those levels when the 5-year term insurance expires.

Mr. President, it is gratifying to note that the veterans' insurance act seeks to correct another injustice. Since these insurance programs, with the exception of the service-disabled veterans insurance, are not only self-sustaining but have added to the coffers of the U.S. Treasury, I completely concur with the provisions of this act which insist that overpayments be returned to veterans in the form of dividends.

In addition to initiating the first attempt to come to grips with the limits of current veterans programs, this legislation acknowledges that the elimination of the draft has resulted in a serious decline in enlistments in the Reserves and in the National Guard. Although additional incentives should be considered to correct this decline, broadening the veterans' insurance program to include Reservists and Guardsmen is another step in the right direction.

As I have said earlier, the evidence is clear that Congress has failed until now to begin to come to terms with the serious inequities suffered by the men who served their country so faithfully during the Vietnam war. I am confident that all my colleagues will join with me in seizing this opportunity to demonstrate that this Nation's indebtedness to our Armed Forces for their extraordinary endeavors in Vietnam will be reflected in legislation that will adequately express our gratitude.

RECESSION OR INFLATION: THE DEFENSE CONNECTION

Mr. PROXMIRE. Mr. President, the Federation of American Scientists has published a public interest report on the fiscal year 1975 military budget. The FAS makes an extremely interesting proposal. After discussing the relationship between inflation and the defense budget, the FAS subtly points out that the Defense Department and the administration seem to share one basic tenet of Marxist doctrine—that capitalist countries need the continuing stimulus of defense spending in order to have economic vitality.

The FAS then proceeds to offer a suggestion for holding Defense Department budget authority in check. Essentially the FAS argues that the defense budget should be increased by a factor determined by the rate of inflation minus the rate of desired increase in efficiency. Using a 6-percent inflation rate and a desired efficiency improvement rate of 3 percent, the fiscal year 1975 budget would be established at $85.1 or $9.9 billion lower than the $95 billion in budget authority requested.

This public interest report also discusses the various methods used to sell the Pentagon budget. Citing the declining percentage of GNP strategy, the defense-budget-is-not-rising technique, and the we-own-what-we-waste game, FAS pinpoints how the Defense Department organizes its line of attack.

The concepts explored in this report deserve a close reading.

Mr. President, I ask unanimous consent that the FAS Public Interest Report be printed in the RECORD.

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

MANAGING THE DEFENSE BUDGET: A CONGRESSIONAL STRATEGY

During a quarter century of cold war, Congress has never come to grips with the Defense Department budget except through its Committees. From 1949 to 1968, not a single authorization or appropriation bill for military spending was cut on the floor of either house.

In 1969 and in 1970, amendments to the Defense Department budget focused on the anti-ballistic missile. While they paved the way for the SALT Treaty prohibiting ABM (except at two sites) they did not pass.

In 1971, Senatorial critics of defense spending each concentrated on studying a particular questionable weapons system and offering related amendments. With isolated exceptions, these efforts were turned back.

Efforts were also made to place overall ceilings on appropriations, or to cut authorizations across the board, but without success. In 1973, the Senate opposition returned to considering a single weapon system, Trident—but failed to modify the program—while the House passed an overall cut in authorization, which the Senate rejected.

To some extent, the Armed Services and Defense Appropriations Committees have responded to general criticisms by Members outside the Committees by pre-emptively cutting the budget while in committee. But generally, the views of the House and Senate at large have not significantly modified the Defense budget.

We think they should. The Defense Department budget is too large and too important to be left to the oversight Committees alone. And these Committees, like all Congressional Committees, invariably find themselves somewhat stacked in favor of the agencies for which they are responsible. There has to be a viable mechanism for general Congressional involvment in the military budget. But what?

Apart from a few projects that are dangerous, destabilizing, or otherwise counterproductive, the Defense Department budget poses primarily the question of waste and inefficiency. It is our considered opinion that Congress cannot cope with this problem without imposing some kind of overall limit. The budget is too large, Congressional time is too short, and the problems of achieving consensus on specific cuts are usually overwhelming.

That the Defense Department *could* economize substantially, if so required, seems to us self-evident. DoD is a classic example of uncontrolled civilian and military bureaucracy; its redundancy, cost overruns interservice logrolling, and general waste are cliches.

That the Department *should* economize is equally self-evident—it spends, after all, 30% of the Federal budget and 70% of the immediately controllable part of that budget. If every other agency is being forced to economize the Defense Department should too; that is, after all, where the big money can be found. And DoD is under far less control from the Office of Management and Budget than other agencies.

Obviously, the Department of Defense provides us with a very special benefit—security against attack. But, equally obviously, much that DoD is doing has no direct relevance to our security. And efforts to economize, with the reorganizations they engender, often strengthen overall efficiency.

It is easy enough to describe the many areas of defense spending that could be cut, and over the years we have. The problem, evidently, is getting Congress to agree. This year, we have decided to propose a means and mechanism for Congressional action—a Congressional strategy as it were of cutting the budget. Leaving aside our own views about the degree of waste, and thinking instead of how to organize the cuts, we suggest the following approach.

In the first place, the Congress would note the rate of inflation applicable to Defense Department spending e.g. this year it was 6%. Thus a 6% increase in appropriations would essentially hold the Defense Department budget constant in purchasing power. Congress would then reach a consensus on a percentage of desired economy which we might call an economy dividend e.g. 3%. The Department would be given the inflation increase minus the economy dividend rate or 3% (6%−3=3%). (In cases involving supplemental appropriations, we would allocate the supplementals to the earlier year or later year budget as seemed appropriate.) For this year, in which enormous increases have been asked, our approach would urge a $10-billion cut in a $95 billion proposed budget. But it would result in an increase in dollars over the last year's budget. (For the treatment of the supplemental appropriations asked see the table on page 4.)

Our approach has several advantages. First, it is not a one-time affair. Congress could repeat this process each year until it was satisfied that the fat in the Defense Department budget had been squeezed out. Five years of such 3% cuts would provide a 14% cut in real dollars and would go a long way toward slimming down a defense establishment that has grown without comparable restraint for 25 years.

Second, after a first year, the process is gradual, providing the DoD leadership with fair warning of the need to economize. Third, no Congressman need ever vote to cut the Defense budget below the year before since inflation is likely to stay higher than the economy factor.

Fourth, the Congress need only reach consensus on the 2%, 3% or 4% level of economy it desires rather than on some necessarily arbitrary figure of $80 or $90 billion.

Above all, it bases spending firmly on the spending of the year before, a procedure that is traditionally emphasized in Congressional considerations. Finally, it permits a minority of sympathetic Congressmen to propose this constant refrain until the approach is accepted by a majority, rather than requiring them to start anew each year with new numerical limits—confronting new and invariably padded proposals of the Defense Department. (Needless to say, it does not

preclude other cuts or increases favored by a majority because conditions have changed.)

Underlying this approach is an observation that must have struck every thinking citizen during the President's State of the Union Address. The President emphasized peace abroad and new relationships with former adversaries. Was there any justification in the emerging world environment for ever higher defense expenditures? This is a question which Congress should answer as a whole. Expecting, as we do, that a majority of Congressmen agree with us that the answer is "no", we recommend to them the mechanism set forth above: constant dollar limits modified by economy incentives.

Approved by the FAS Executive Committee, this statement was reviewed and endorsed by the following specialists on various aspects of the problem:

Dr. George B. Kistiakowsky, Mr. William Capron, Dr. Morton H. Halperin, Mr. Walter Slocombe.

RECESSION OR INFLATION: THE DEFENSE CONNECTION

The main question posed by this year's military budget is "why?" Why did the President approve an almost $100 billion budget carefully, but fraudulently, disguised as a $92.6 budget with two supplemental requests to the past 1974 request? By artificially inflating the 1974 request, while reducing the 1975 request, he has tried to make them seem more equal. But an examination of projected defense purchases of goods and services reveals that the economy will be absorbing a 9% increase—an unprecedented increase for peacetime, one exceeded since World War II only during the Korean and Vietnamese build-ups.

The reason does not lie in an increasing threat. Generally the threat is declining and the first paragraph of the Defense Department's main release boasts "For the first time in 10 years the Defense budget does not include funds to support combat operations of U.S. forces any place in the world". There is, as always, something to complain about in the Soviet missile program. But the pace of that development program is actually slower that DoD expected, though more broadly based, and our own programmed modernization is going more swiftly and being done more effectively. Moreover, the changes in the Soviet missile program have at most very moderate strategic significance, and less financal import.

It has to be an economic motivation. They must have decided, at the last minute, to prime the pump with the defense budget to fight the expected recession. This is, of course, traditional. In the large military budget such additions are more easily hidden and are protected by the President's rather greater relative primacy in foreign affairs.

But still, why? One searches the Economic Report of the President in vain. Indeed, it opens by saying:

"For eight years economic policy and the news about the economy have been dominated by inflation. The story has been a frustrating one . . . During the 8 years the inflation came in various forms—sometimes led by wages, sometimes by prices, by foods, by oil; sometimes it was domestic and sometimes imported. Many programs have been launched to stop it—without durable success. Inflation seems a hydra-headed monster . . ."

Is not inflation a more serious problem today than unemployment measured the only way one can—politically? Won't this increase in defense spending first fuel the inflation? Can the President gain support in this way in a year projected to have an 8% increase in GNP of which only 1% is real production?

Anyway, why take such a drastic step when no one has any real idea which way the economy is going to turn? The Council of Economic Advisors refers repeatedly to an "unusual degree of uncertainty" and suggests three possibilities that do neither more nor less than cover the entire waterfront: a) increase in production and new price pressures; b) contraction and rising unemployment; and c) moderate expansion. In short, anything can happen. The report notes pathetically: "After some period, probably after the first half of the year, the course of the economy will be influenced more by policies still to be adopted."

The President seems to be following the principle: When in doubt, spend, and do it on the military. Karl Marx must be smiling.

CAN DOD COMPLY WITH THE FAS STRATEGY?

According to the adjoining table, the net budget cost of fiscal 1974, including genuine supplemental items, and a pay supplemental, was $82.6 billion. The Department of Defense calculates that $5.1 billion should be added to this year's budget to absorb inflation and pay increases. Thus a "constant" defense establishment would require $87.7. The three percent cut would reduce this amount by $2.6 billion to $85.1 billion.

In short, the FAS strategy would ask DoD to get along with only $2.5 billion *more* this year than last year plus any genuine supplementals arising out of unpredictable necessity. Is this so difficult? The Vietnamese war, unlike every other war in American history, is going to turn out—in any case—to be the first war which ended without any decline whatsoever in U.S. military spending!

As all Congressmen know, a great many analyses have shown the feasibility of cutting the defense budget by substantial percentages. In 1971, the National Urban Coalition review called for more than a 20% cut in the first year followed by another 15% cut in the next year; it detailed where these cuts might be made.

A well worked out McGovern Budget, in 1972, proposed specific cuts totaling one-third over a period of three years.

Little can be said directly about the Fiscal 1975 budget because the Administration has as yet provided so little information on it. But cuts proposed on the Fiscal 1974 budget would be of continuing applicability and they were substantial.

FISCAL 1974 BUDGET CUTS

A report to the Congress on the FY 1974 budget presented by 13 former government officials recommended a reduction of +14 billion. It was endorsed by former Deputy Undersecretaries of Defense, Roswell L. Gilpatric and William C. Foster, as well as former Assistant Secretary of Defense for International Security Affairs Paul C. Warnke, and former Acting Assistant Secretary of Defense for Systems Analysis Ivan Selin. The authors emphasized the changing international situation. They wrote:

"Now is the time when the defense budget should decline, not increase, to reflect a changing world. The President, in his cordial exchanges with Chinese and Soviet leaders, has repeatedly stressed the need for a relaxing of international tensions. The Nixon doctrine states that foreign allies are primarily responsible for their own security. The SALT negotiations should have begun to curb a dangerous nuclear arms race. The U.S. and Russia have begun to develop economic ties, with large-scale business exchanges, which imply the existence of long-term, stable relationships.

"As the President has repeatedly stated, we are indeed moving from an era of confrontation to one of negotiation. We still need a defense fully adequate to ensure our physical safety, but a general reduction in military funding would be consistent with that purpose in this new era. The Administration's proposal for increased military spending would, at best, mean a diversion of U.S. resources from urgent domestic needs. At worst, it could re-ignite the arms race, bring about new international crises, and jeopardize our national security."

The reductions they propose include $4 billion for general purpose forces deriving in part from a reduction in Asian-oriented forces; $3 billion in manpower efficiencies and $3 billion from slowing down the modernization of strategic forces.

But it is not necessary even to adjust the defense budget to new emerging political relationships in order to provide substantial economies. In reviewing the Administration's Fiscal Year 1974 Budget, the Brookings study of national priorities considered three alternatives. Alternative two accepted the Administration's definition of American interests but suggested economies might nevertheless be made totaling $3 billion in the first year, $6 billion in the next year and $10 billion by the fifth year. In effect, it called for holding the defense budget constant, in constant dollars, throughout the decade. The Brookings study summarized the option as follows:

"Alternative 2 is a defense posture designed to serve present purposes at lower cost. It is based on the view that large economies can be made in defense costs without modifying the U.S. definition of its interests abroad or appreciably affecting present military capabilities to protect or advance those interests.

"Major cost reductions would be concentrated in strategic forces and in manpower. In the case of strategic forces, the pace of modernization would be substantially moderated and the more marginal force elements, including the older model B–52 bombers and selected air defense units, would be eliminated. Manpower savings would arise from moderate reductions in support services and reserve forces and from changes in military pay policies, including retired pay benefits. The number of major force components—both strategic and general purpose—however, would remain virtually unchanged. But there would be reductions of over 100,000 in active military manpower and slightly less than 100,000 in defense civilian employment."

Still further reductions are possible if assessments of force requirements are changed. If forces provided for Europe were earmarked for a short, rather than a protracted, conflict, 50,000 men in Europe could be withdrawn. Strategic forces might rely upon a diad composed of bombers and submarine-launched missiles. Disengagement in Southeast Asia might be coupled with security alliances is Asia limited to Japan alone. Following this train of thought, a third Brookings alternative envisaged one-third cuts in conventional forces. Overall reductions were considered to be $7 billion in the first year rising to $26 billion by the fifth. To these cuts could be added, for this year, the $5 billion increase *not* related to inflation or higher wage rates.

And it is noteworthy that these and other proposals to cut the defense budget, or hold it constant in constant dollars, pinpoint necessary cuts. They overlook the very real possibility that *efficiencies* can make economies unnecessary. It ought to be a preeminent goal of Congressional limits on the defense budget to induce the Defense Department to squeeze more out of the funds provided, to think of ways to keep old commitments with fewer resources. Thus the Brookings alternative two, plus efforts to provide forces with more efficiency, might well be expected to provide the savings associated with the FAS proposal.

THE EFFICIENCY/ECONOMY REDUCTION IN CONSTANT DOLLARS: THE NUMBERS

(DEFENSE DEPARTMENT AND MILITARY ASSISTANCE)

[Billions of dollars budget authority]

Fiscal year 1974 budget costs:	
Appropriated by Congress	80.7
Pay supplemental	3.4
Readiness supplemental (Genuine supplemental items)[1]	.7
Fuel price increase	.5
Middle East paycheck	.2
Israel Emergency Aid [2]	−2.2
Net cost of fiscal year 1974	82.6
Proposed fiscal year 1975 budget (FAS):	
Fiscal year 1974 cost	82.6
Inflation and pay increases [3]	5.1
Investment programs	1.5
Operating programs	4.6
Fiscal year 1975 "constant dollar" cost	87.7
Less 3 percent efficiency/economy cut	−2.6
Proposed budget authority	85.1
Administrative fiscal year 1975 request:	95.0
Fiscal year 1975 budget "readiness"	92.9
Supplemental[1]	2.1
Proposed fiscal year 1975 budget authority:	85.1
Net Saving	9.9

[1] The Administration has requested an FY74 Supplemental of $2.8. Of this, two items—fuel price increases ($480 million) and a Middle East paycheck ($231-million)—are legitimately supplemental items reflecting unanticipated increases in the cost of approved forces. These items are included in the FY74 budget. The remainder of the supplemental to purchase new equipment is treated as part of the FY75 budget request.

[2] The FY75 request contains no funds for Israel but the budget notes that a supplemental request might be made. Thus for purposes of comparing the 74 and 75 budgets this item should be excluded.

[3] Department of Defense Press Release 43–74, Feb. 4, 1974.

SELLING THE BUDGET: GAMES THE PENTAGON PLAYS

The sleight of hand engaged in by the Defense Department to sell the present $100 billion budget has aroused a certain degree of cynicism. The seven stratagems described below are mostly new. Trying to sell the Congress and the country on a budget of this size in the midst of a much-advertised detente has elicited considerable Pentagon ingenuity.

1. THE DECLINING-PERCENTAGE-OF-GNP GAME

As has recently become a perennial phenomenon, the Administration proclaims that "national security" will take a lower percentage of the GNP in FY 75 than in any prior year since 1951. An unstated premise is that the Pentagon is showing self-restraint in not insisting on a permanent right to some fixed share of the output of the nation. But in constant conditions, defense should take a constantly declining share of a growing economy's output.

2. THE THE-DEFENSE-BUDGET-ISN'T-REALLY-RISING GAME

The Administration claims that the FY 75 budget, though at record levels "in real terms means doing no more than holding our own as compared with FY 1974, for the $5.5 billion increase is wholly consumed by pay and price increases." That argument, obviously, makes sense only if the increase is just $5.5 billion—a figure credible only if you ignore the efforts of the Pentagon to retroactively increase the FY 74 budget by last-minute supplementals" to make last year look high compared to FY 75. (See adjoining box).

3. THE WE-OWN-WHAT-WE-WASTE GAME

The FY 75 budget plans a one-third division increase in the size of the Army, as the first stage of a three year "manpower efficiency" program that will eventually increase the Army by a full division. This unauthorized increase is admitted not to be based on any change in the threat or the need for ground forces. In Secretary Schlesinger's words, the extra division is an "incentive" to the Army to cooperate with his program to shrink swollen headquarters, manpower, and other support costs. This amounts to giving the Army—and one assumes the other services, as well—a permanent claim on every dollar saved by eliminating their past waste and inefficiency, lest they sabotage the efficency program!

4. THE SUDDENLY-DISCOVERED-"READINESS"-REQUIREMENT GAME

The newly presented request includes $2.8 billion—almost half again as much as the $2.05 billion requested for energy research and development—for something described as "maintaining the desired readiness level of U.S. forces." This money is supposedly largely to correct "the most urgent deficiencies in the condition of our forces that were made apparent by the Middle East hostilities."

But on examination, it turns out that this new lesson of military science exposed among the sands of the Sinai is that if it is to be ready to fight, a military force needs ammunition, adequate maintenance, equipment that is ready to use, no bottleneck shortages of critical weapons and equipment, and a way to reach the combat scene quickly—for these are the "urgent deficiencies" most of the readiness money would be used for. It is easy to believe that the Pentagon has been neglecting real combat readiness—but impossible to accept that its past neglect justifies emergency increases in funds when the men who have been in charge of managing the Pentagon for years finally acknowledge their past failures.

5. THE WE'RE-WEAKER-THAN-64-AND-CAN'T-RISK-MORE GAME

Not even the Pentagon expects to scare people very much by saying that there has been some reduction in our military machine since the Vietnam peak. So, the preferred comparison is with 1964, the last "peacetime" year before Vietnam. Secretary Schlesinger says "We maintain a much more modest defense establishment in 1974 than was considered necessary in peacetime only a decade ago."

Even in crude "bean-counting" terms, that claim is not very convincing. We have 70% more strategic missiles than in mid-1964, more than compensating for the decline in bombers. We maintain essentially the same numbers of tactical air wings. The Navy has the same number of attack carriers and three and one-half times as many nuclear submarines. The Pentagon itself explains the decline in the number of surface warships as due to the retirement of "marginally effective ships." (Incidentally, as a recent Brookings Institution study showed, the much-vaunted Soviet Navy has also spent the 1960's retiring elderly vessels).

The number of ground divisions has declined from nineteen and one-third to sixteen and one-third, reflecting, one would assume, such facts as the Berlin build-up included in the 1964 force, the vastly increased cost of manpower relative to equipment, and the abandonment of plans to fight major land wars simultaneously in both Asia and Europe. Moreover, the 1974 forces are vastly more powerful than those maintained in 1964. To give just two examples, the 1964 missiles mounted about one thousand warheads. The force planned for the end of 1975 will have approximately 7,000 warheads. Similarly, only one of the 1964 carriers was nuclear powered and only 8 were post-World War II designs. Now, ten are post-World War II designs and two are nuclear powered. In general, the Pentagon "peacetime" forces for the 1970's are larger and more powerful than the 1964 establishment.

6. THE STILL-READY-TO-FIGHT-ANYWHERE GAME

Secretary Schlesinger justifies maintaining so large a force in "peacetime" on the grounds that the threat has increased and "so have our foreign interests," while "our political commitments remain essentially constant." He adds, "Now we constitute democracy's first line of defense" and "deterrence must operate across the entire spectrum of possible contingencies." That we have world-wide interests and concerns one may agree. But that the events of the last decade have in no way changed the requirements that those interests put on our military force seems very doubtful. From other proclamations by the Administration, one would have thought that something had been learned in the last ten years about how much the United States really needs to maintain military forces to intervene directly in foreign countries. It turns out that, except for a modest reduction in ground divisions, that is not the case.

7. THE EVER-SHIFTING-RATIONALE GAME

No Pentagon procurement project ever lacks a rationale. The problem is that the rationale in one year does not necessarily relate to those of the previous or subsequent years. A particularly vivid example this year is AWACS, the airborne warning and command system, a radar-loaded Boeing 707 which would, at a cost of about $55 million, provide command and control for air defense. This hugely expensive project was originally touted as an essential part of the United States continental air defense system against Soviet strategic attack. This year the Department of Defense has finally decided (as FAS has urged for years) that since we have no defense against the much larger Soviet missile threat, there is little point in spending huge amounts to defend against the much smaller threat of 140 obsolete and obsolescent Soviet strategic bombers. But this decision is not allowed to interfere with spending an additional $770 million for the program in FY 75. Only now, the same, AWACS system is declared to be for support of tactical air.

SALT, SCHLESINGER AND STRATEGY

On SALT, FAS ideas are having considerable success. The February Report urged bilateral negotiated reductions of land-based missiles and was well covered by, among others, the New York Times, Washington Post and International Herald Tribune in their January 27 edition. On February 2, the Washington Post reported, in an exclusive interview, that the Director of the Arms Control and Disarmament Agency, Dr. Fred Iklé "said he would agree with a recent recommendation by the Federation of American Scientists to negotiate with the Soviet Union for a reduction of one-third of each side's land-based ICBM force over the next five years, with subsequent reductions to follow". The article surmised that the interview would not have been given without the approval of Secretary of State Henry A. Kissinger, to whom Dr. Iklé reports (when he does not report directly to the President).

On February 5, after the Secretary of Defense's opening summary of the Defense Department budget requests to the Senate Armed Services Committee, Dr. Schlesinger was asked by Senator Strom Thurmond (D. South Carolina) what he thought of the views expressed in the interview by Iklé. He indicated that "we are prepared to reduce if they are". And when asked why the Soviets would agree, he said it would be "reasonable

for them to do so" because, otherwise, the United States would be forced to buy more weapons. (Later the Wall Street Journal and L.A. Times had editorials referring to the FAS proposal and treating it with some sympathy.)

NO ONE AGAINST REDUCTIONS?

Thus there are indications that major political forces within the Administration are ready to support negotiated reductions of land-based missiles. This is not surprising.

The doves want the SALT talks to move in the direction of real disarmament; they fear a permanent freeze might become a *fait accompli*.

The technicians and strategists agree because they see "instability" as the two land-based missile forces become increasingly vulnerable to each other; in particular, these forces may move toward firing on warning rather than waiting to ride out an attack. This is universally considered a dangerous development since, in such an event, a false alarm could trigger a war.

The hawks are agreeable because they consider the Soviet land-based force to be more powerful than ours (1610 missiles and some larger ones as opposed to 1054 on our side); they see reductions as a way of negotiating more equal numbers of land-based missiles.

Actually, the two land-based missile forces are probably startlingly equal in real overall effectiveness. The customary formula of missile effectiveness against hard targets is $M^{2/3}/(CEP)^2$ in which M is megatonnage and CEP is the standard measure of accuracy (i.e. radius of that circle in which 50% of the missiles will fall). Using .5 mile CEP for Soviet missiles, .25 mile CEP for U.S. missiles, and measures of warhead capability as provided by the Institute of Strategic Studies, one readily calculates that the effectiveness of the U.S. force is between 18,500 and 23,500 while that of the Soviet force is between 18,000 and 20,500. This is astonishingly close equality. (For Soviet SS–11s, and for some Minuteman, the tables show 1 *or* 2 megatons and this gives rise to the variance in these estimates. These estimates of effectiveness are much more sensitive to uncertainties in accuracy than in megatonnage.)

Of course, the hawks are worried that Soviet accuracy will increase from .5 miles to something better—but so will ours. Ultimately, every warhead on both sides will have such good accuracy that each will account for a high probability of destruction of a target. By then, with more than 8,000 warheads on our side, what difference will it make how many the Soviets have—especially since they are projected to have fewer? There will be more than enough even for destroying all Soviet land-based targets, even including 1600 S.U. missiles and all S.U. cities!

What we are witnessing is the capacity of the Defense Department to get itself excited over things that matter only to Defense Departments—and then to bargain accordingly. Today only generals consider the President disadvantaged by a missile imbalance—indeed one that doesn't exist! In a world of nuclear plenty, if anything matters to Soviet confidence, it is Watergate, our energy crisis, and our faltering economy.

By February 8, Senators Charles McC. Mathias and Edward M. Kennedy had introduced a resolution calling in effect for "equality through reductions"; it suggested that SALT negotiations disagreements should be resolved by *reducing* weapons rather than by building more. Twenty-six co-sponsors signed up promptly, including Senators Fulbright and Mansfield. Hearings are planned in both the Foreign Relations and Armed Services Committees.

The resolution defines equality as an "overall balance" of such disparate factors as quantitative factors, qualitative factors, and geographical asymmetries. These factors being incommensurable, it effectively leaves equality to the eye of the beholder where indeed it should lie.

SCHLESINGER: AN INTELLECTUAL HAWK

The new Secretary of Defense is certainly a unique character. He is intelligent enough to speak extemporaneously to the Senate Armed Services Committee; this leaves these much less articulate gentlemen somewhat laughably awed. And he is an intellectual, rather than a military, hawk freely conceding that the Soviet Union has a record of being "prudent and sober." An individualist whose bird-watching and hanging-out shirttails are widely celebrated, he seems unlikely to be talked out of anything of which he has become convinced.

His major contribution to strategy seems destined to be the addition of a new rung on the nuclear escalation ladder—limited (i.e. isolated) missile attacks as shows of force and resolve. In this regard he reflects quite a narrow segment of U.S. strategic thinking, a throwback to that Herman Kahn era of expect-anything and prepare-for-everything. Like that experienced debater, he loves attacking from the blind side and hectors the Senate Armed Services Committee on the dangers of "automaticity" in nuclear response, even pounding lightly on the table. It is quite a performance.

Not only in technology, but also in strategic analysis, America forces the pace in the arms race. Not a word in Soviet strategic literature suggests that isolated nuclear attacks might work as shows of force. Quite the contrary; the Russians show every indication that all-out (spasm) war would result from anything like that. But in the name of being prepared for their acting in this way, we are planning to take the lead in doing so—this can only lead them to give the matter more consideration and to plan for such attacks themselves.

Why talk so much about it? Why not just do it? Indeed, we have done it already. The flexibility of being able to hit more than one target has long been with us. According to *MIRV and the Arms Race* by Ronald L. Tammen, even our Minuteman II had the memory necessary for eight different targets!

It is argued that we need very high accuracy so that we can save civilian lives in our show of force. How absurd can you get—playing games with hundreds of millions of lives and talking of saving a few hundred? Why not just choose the targets for the show of force so that no civilians live nearby—isolated dams and such? For shows of force, the specific target does not much matter. One can always fit the target to the technology.

The accuracy part of the problem is under intense debate in the Administration because it costs money and because it will lead to substantial instability in the arms race. It is not clear whether Schlesinger is intensely wedded to buying the higher accuracy.

But he does want the ability to hit the Russians in limited attacks and he does want to talk about it. The net result will be to make nuclear war more likely by providing—through this new rung—a nice series of escalatory steps where there had been one big firebreak.

First we could have limited strategic attacks—isolated uses of nuclear weapons. Then there would be pre-emptive wide-scale attacks by land-based missiles, firing on warning at each other. Finally we would have esoteric low-confidence efforts to destroy command and control centers and nuclear submarines. These attacks would be undertaken in a spirit of desperation, in a world that seemed likely to be blowing up anyway.

Secretary Schlesinger thinks that the nuclear situation is stable. It would be if one did not lay on limited strategic attacks and, by adding this rung, complete the escalation ladder. Of the decision to start a nuclear war he says that there is "no danger that decision will be made lightly so long as we can rely upon the rationality of decisionmakers". With statements like that, who needs Dr. Strangelove?

SO-CALLED "AGGRESSIVE DEVELOPMENT PROGRAM" HAS SLOW PACE

Dr. Schlesinger is fond of saying that the "pace set by the Soviets will determine how fast we go" but of course this is not the whole story, since the two paces in question are not exactly objectively timed by impartial observers. For example the Secretary says that the "depth and breadth" of the Soviet advance has been surprising to us. Later he says that the "pace" has been slower! Evidently for purposes of alarming the public, "pace" can mean "depth and breadth" and not "pace". The same Pentagon that is applauding itself for pulling ahead an unexpected five years in MIRV is screaming about the rate of Soviet technological advance. With double standards like this, the mere existence of the Soviet Union would be enough to trigger U.S. procurement programs.

Of course, Dr. Schlesinger says he wants to avoid "undue alarm"; the Soviet missile programs only give the "potentiality" of supremacy. But when has the Pentagon ever complained about the *existence* of Soviet supremacy? As Congressman Mahon once noted, "the year of maximum danger is always two years hence". Today, it is 1980 or six years hence. This is progress—but not progress that the public will notice.

NAVAL ARMS CONTROL: INDIAN OCEAN

The Navy is asking again for a base in Diego Garcia, an isolated island owned by the British in the midst of the Indian Ocean. The late Senator Richard Russell apparently opposed the base, much as he opposed fast deployment logistic ships, because he considered such capabilities too prone to encouraging unwise foreign interventions. (He did not oppose, however, airborne equivalent of these ships, the C–5A, which was being built in his own state, Georgia).

When the Senate Armed Services Committee heard Secretary of Defense Schlesinger on February 5, the first question asked by Chairman John Stennis was whether naval arms control negotiations in the Indian Ocean might not be possible. Saying the "race is on" for the Indian Ocean, he warned of the need to be "hard-headed" about where it might lead.

The Soviet Union's General Secretary, Mr. Brezhnev, apparently shares Senator Stennis's concerns about the ultimate course of naval rivalry. In June 1971, he said:

"We have never considered, and do not now consider, that it is an ideal situation when the navies of the great powers are cruising about for long periods far from their own shores, and we are prepared to solve this problem, but to solve it, as they say, on an equal basis. On the basis of such principles, the Soviet Union is ready to discuss any proposals."

He then referred to the Indian Ocean, as well as to the Mediterranean. There has been no public U.S. response.

WHAT ABOUT ARMS CONTROL?

The Indian Ocean does indeed lend itself to some kind of naval agreement. It contains at present little U.S. or Soviet naval activity. The littoral countries are interested in having some kind of "sea of peace" maintained. And the Arab oil situation raises potential tension and provides immediate motivation. But time is urgent. Both the United States and the Soviet Union have begun a build up in the Indian Ocean and will soon have acquired vested interests in that area.

VIETNAM VETERANS GI BILL

Mr. McGOVERN. Mr. President, last Sunday Parade magazine ran a special article devoted to Vietnam era veterans.

It gives an accurate description of the plight of millions of young men who returned from Vietnam to find that they were not to be afforded the same educational and job opportunities granted those of us who fought in World War II.

It is a particularly timely piece of journalism in that hearings are to begin this week in both the House and the Senate on a variable tuition payment plan first introduced by Congressman WALSH and incorporated in the Vietnam Veterans GI bill which I introduced last December with the cosponsorship of Senators MATHIAS, INOUYE, and DOLE. Specific mention is made of our bill, S. 2789, and how it would help to correct inequities in the present educational benefits program available to young veterans. I ask unanimous consent that a copy of the article be printed in the RECORD.

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

VIETNAM VETERANS: THEY NEED HELP—NOW

(By Jonathan Braun)

For seven days in 1968 William Taliaferro was a prisoner of war. Today, more than five years after that nightmarish ordeal, he is once again a prisoner—of peace.

He is one of thousands who have been locked into lives of hardship, disappointment and despair after serving in Vietnam.

"Everyone's glad the war is over," says Taliaferro, a 24-year-old ex-Marine corporal, "but no one gives a damn about the veterans who are still fighting to survive."

Now they fight on welfare and unemployment lines, in government hospitals and psychiatric wards—these Americans who faced death in the jungles and rice paddies of Indochina. Some fight for jobs, decent housing, education and training, others just to be accepted as good citizens, and still others to be free of terrifying memories and the chains of drug addiction. Says one vet: "We're up against a whole system."

It's a system of arbitrary justice, insensitive bureaucracy and endless red tape, and for those who see themselves as its victims, feelings of bitterness and betrayal can be doubly intense. "Many of us volunteered to go to Vietnam," says Taliaferro. "Now we can't help but wonder if we should have gone to Canada instead."

ENLISTED AT 17

But Taliaferro knows that for him Canada was never really in the cards. The son of an Army officer, he enlisted in the Marine Corps at 17.

He turned 18 in "Nam," became a combat radio operator, was wounded in the chest and taken prisoner in August, 1968, during a bloodbath known as the "Tet Offensive."

Because he refused to reveal his "call signs" and "thrush points"—radio codes used to direct air and artillery strikes and coordinate troop movements—his captors cut off the middle finger of his left hand.

"They wrapped my hand in a bandage," he says, "but didn't do a thing for the hole in my chest, so I covered it with a plastic cigaret wrapper and some tape . . . On my seventh day as a prisoner the village we were in came under attack and in the confusion I managed to escape."

In Danang doctors pulled 11 pieces of shrapnel from his chest—and one year and two hospitals later, he was a 19-year-old vet with some medals and a monthly disability check.

"I wanted to be a cop before I went into the service," he says, "but the police didn't want someone with a disability on his record. The only job I could get was running a Xerox machine. Finally, I decided to go to school—I figured it was better than going nuts."

He commutes now from a small, sparsely furnished garden apartment in Elizabeth, N.J., which he shares with another vet, to the neighboring campus of Kean College, where he is a junior majoring in psychology.

INADEQUATE GI BILL

Ironically, Bill Taliaferro is one of the "lucky" vets who can afford an education. "Since I'm officially 100 percent disabled," he explains, "I'm entitled to $495 a month, money for books and tuition and a monthly stipend of $170. If all I had to count on was the GI Bill I could never make it."

Because the present GI Bill does not meet today's soaring living and education costs, only 21 percent of the eligible Vietnam vets are enrolled in college programs as compared to around 50 percent of eligible World War II vets.

"The Vietnam vet has been shortchanged," says Jim Mayer, president of the National Association of Concerned Veterans. "All you have to do is look at the benefits his father received after World War II."

World War II vets received sufficient education allowances—up to $500 a year for books, tuition and fees—plus $75 a month for subsistence. Vietnam vets, on the other hand, get $220 a month—or $1980 per school year—to cover everything, obviously far from the amount needed in these inflationary times.

A CHANCE FOR ALL VETS

Recognizing the need to achieve some kind of father-and-son parity over a third of the Senate—including Minority Leader Hugh Scott (R., Pa.) and Majority Leader Mike Mansfield (D., Mont.)—has co-sponsored the comprehensive Vietnam Era Veterans Educational Benefits Act (S. 2789), a five-bill education and job training package that would provide vets with annual tuition subsidies of up to $600. The act also carries an accelerated payments provision that would provide greater monthly subsistence payments spread over a shorter period. Thus, a vet who is now restricted to $220 a month for 36 months could receive $440 a month for 18 months.

"Acceleration would enable vets to attend law, medical and graduate schools," says Rusty Lindley, an ex-Special Forces captain who runs the Vietnam Veterans Center in Washington, D.C. "More importantly, it would allow educationally disadvantaged vets—who are either unprepared or unable to complete four-year college programs—to enter productive careers through two-year technical and vocational programs.

"The comprehensive act is really the only chance we have to grant an equal opportunity of all Vietnam era veterans."

Although roughly 2½ million men actually served in Vietnam, there are over 3 million veterans of the entire Southeast Asian theater. A total of nearly 7 million men are veterans of what is known as the Vietnam era—including more than 340,000 who are disabled.

"I'm just happy to be alive," says Tom Bratten of Silver Spring, Md., who lost his left leg and right arm when he stepped on a land mine, and spent 3½ years in Walter Reed Hospital. "Because I was an officer I was well taken care of. It's the enlisted men who need more attention."

"I'd have to agree," said a Veterans Adminstration spokesman, "that officers usually do a little better while they're in the military—but that's not true in VA hospitals."

The Veterans Adminstration, however, has been the target of criticism. Delays in sending out checks are common, and some vets angrily say they've had to wait for six months or more. A special Ralph Nader report has accused the federal agency of operating with a fundamental orientation toward older vets. Written by a Harvard University graduate student, the report concludes that "many of the basic services the nation has committed itself, at least rhetorically, to providing Vietnam vets, are simply not reaching them."

Some critics have even questioned whether the present bureaucratic setup is capable of meeting the needs of Vietnam vets. Rep. Mario Biaggi (D., N.Y.), for example, has proposed the creation of a new office of assistant administrator for Vietnam veterans affairs. According to Biaggi, "The assistant administrator would serve as an ombudsman where Vietnam veterans could go and know they'd receive help."

UNEMPLOYMENT AND WELFARE

But all this is only part of the story. "Hardcore unemployment is the most acute of all the problems facing today's vet," says Carl McCorden, Commissioner of New York City's Mayor's Office for Veteran Action.

Nearly 10 percent of vets in the labor force are unemployed, and in the low-income areas of the country—rural and urban—more than 20 percent.

On certain days set aside each month, incerasing numbers of Vietnam vets join special early morning lineups to get on the nation's welfare rolls. Most come from the poorest levels of society; few acquired any useful skills while serving in the military.

Even for skilled vets, however, landing a job can be a futile task—mainly because vets, like other minorities, are victims of prejudice and stereotyping. "I looked for work with about 15 different concerns," reports one vet, "and every one of them asked if I had taken part in an atrocity."

Uneasiness and discomfort felt by civilians in the presence of the men they have sent to war is nothing new; but never before, it seems, have so many Americans been so scared and so suspicious of their vets. Says Bill Taliaferro: "I get the feeling people are afraid a vet might do something wrong or crazy at any moment."

TIME-BOMB IMAGE

The time-bomb image of the Vietnam vet has been reinforced by the unpopularity and controversial nature of the war in which he fought—"a war with no friends and no fronts," as one vet put it.

"In Vietnam," says Yale psychiatry professor Robert Jay Lifton, "where atrocity and combat were almost indistinguished, the GI was made into both victim and executioner. . . . Whatever his struggles upon his return, many Americans continue to see him in terms of those roles . . . rather than as the lovable GI who came back from the wars."

"When I came home a lot of people criticized me for going to Vietnam," says Tom Aiken of New York, who is now blind in one eye because of wounds suffered during an artillery blast. "They told me they thought the war wasn't just.

"I had the feeling that nobody knew or cared why I was over there—that it was all a big waste of time," says Terry Campbell, coordinator of veterans affairs of Southern Illinois University at Edwardsville, Ill. "The whole attitude of the country is really the biggest problem vets have."

"COMING TO TERMS . . ."

"The country simply hasn't come to terms with Vietnam," adds Max Cleland, who lost both his legs and an arm in a grenade explosion and is now the only Vietnam vet in the Georgia State Senate. "How then can it come to terms with its veterans?"

And Joe Garcia, an Air Force vet who is now administrative assistant to the City Manager of San Jose, Calif., asks: "How do you get a nation to accept people they hold responsible—or at least partially—for a war that no one wants to remember?"

Even the veterans organizations, which lobbied successfully for the rights of World War II vets, seem to have difficulty accepting the boys from Vietnam. In a study commissioned by the VA, the prestigious Educational Test-

ing Service concludes that both the American Legion and the Veterans of Foreign Wars have not demonstrated enough concern over the plight of today's vets.

"I'd go to one of the veterans organizations," says Taliaferro, "and all I'd get would be talk about the big war, the great war, World War II. Nobody even wanted to hear about Vietnam—after all, we didn't win that war."

Public rejection combined with the haunting, personal memories of combat have led to the problem of "Post Vietnam Syndrome." It's a loose term, coined by psychologists to cover the feelings of rage, persecution, alienation and apathy shared by many vets.

"I felt people wanted to sweep us under the rug when I got back," says former combat medic Jack McCloskey of San Francisco. "Especially in college—a lot of my classmates hadn't been in the service, didn't know what it was like and didn't care."

SHAME AND GUILT

Dr. Chaim F. Shatan of New York University empasizes the guilt that plagues many vets. "The shame and guilt of being alive," he writes, "how few of us know what that *feels* like, how it makes a man feel less than whole unless he can feel an identity with the dead."

A confidential memo from the VA's department of medicine and surgery estimates that "serious and prolonged readjustment problems exist in one out of every five new veterans, but, to a lesser degree, were experienced by all."

"A friend of mine hasn't been out of his house in two years," says one vet. "He just can't seem to move—not even to the corner."

But *perhaps the darkest cloud hanging over the Vietnam vet is the drug problem,* since a great many Americans wrongly assume that all vets have abused drugs. "Some of my oldest friends accused me of being a dope addict when I came home," says Randy Taylor, who opened a restaurant in his small Virginia hometown after serving four years as a combat medic in Vietnam. "They even spread rumors that I wore long sleeves to cover needle marks on my arms . . . It finally got so bad that I had to close up my business."

Although the drug has been grossly exaggerated, there is no denying that many vets came to depend on drugs in Vietnam, some to relieve the pain of wounds, others to escape the cruel realities of war.

"OTHER THAN HONORABLE"

A government study states that many of the vets using drugs require immediate help if they are to avoid becoming hard-core addicts. Among them are those who received "Other Than Honorable" discharges for drug abuse—and are now denied treatment because of VA regulations!

But the more than 22,000 vets who were given "bad paper" for drug abuse represent only a small fraction of the vets who—often for the most petty reasons—have been branded with a range of Other Than Honorable discharges. Effectively shut out of most employment and education opportunities, they have even been deprived of veterans benefits; instead of getting them automatically, Other Than Honorable vets must have their benefits granted by a special VA review board. Favorable decisions are rare.

"CATCH-22"

Many vets with "Undesirable" discharges did not originally contest them because they were told by the military that the designations could easily be changed in civilian life. In the best Catch-22 tradition, they were later informed that one of the requirements for upgrading an Undesirable discharge is holding a job for at least one year. The "catch," however, is that Undesirable vets have little or no chance of being hired by anybody.

"Vietnam vets bought a dream," says Carl McCarden, who saw action as a Green Beret and served as an adviser to Ambassador Ellsworth Bunker. "They largely bought the star-spangled dream of serving one's country and trusting the judgment of those in power to do the right thing. Tragically and inexcusably, the dream has disintegrated into a nightmare, and is now dissolving into a red, white and blue struggle for survival—a struggle by forgotten Americans."

Mr. McGOVERN. Mr. President, I also wish to announce at this time that Senator EAGLETON has asked to be named as a cosponsor to S. 2789. The addition of his name brings to 38 the total of Senators who have seen fit to lend their names to what we feel is a worthy and badly needed piece of legislation. Already listed as cosponsors other than those I have mentioned are Senators MCGEE, ABOUREZK, METCALF, HATHAWAY, TAFT, CHURCH, HUGH L. SCOTT, MONDALE, GRAVEL, RIBICOFF, JACKSON, BROOKE, CLARK, HUMPHREY, BAYH, TUNNEY, CASE, MONTOYA, JAVITS, KENNEDY, MANSFIELD, HART, MOSS, MUSKIE, SCHWEIKER, MAGNUSON, GURNEY, PASTORE, BEALL, NELSON, WILLIAMS, and CURTIS.

DEATHS OF DR. AND MRS. JOHN G. ULMER OF HEMINGWAY, S.C.

Mr. THURMOND. Mr. President, a double note of sadness befell the town of Hemingway, S.C., early this month with the deaths of both Dr. and Mrs. John Gordon Ulmer. They had been so much a part of that community and the broader areas of Williamsburg, Georgetown, and Florence Counties that their loss will be sorely felt.

Dr. Ulmer was a family physician in the finest sense of the profession. His practice in Hemingway had spanned a half century before illness forced his retirement last summer. During those 50 years he healed the sick, night and day, and made his calls wherever there was need. Additionally, he delivered nearly 6,000 babies in a farflung practice which often carried him many miles from home while others slept.

Throughout those years of dedicated service to all who sought his help, he was supported by his devoted wife, Ruth Harmon Ulmer. She was a gracious lady who complemented perfectly the role of her husband in the community. She provided high standards of personal achievement in all that she undertook and served as an exemplary person to all who knew her.

The people of Hemingway and surrounding areas had such deep affection for Dr. and Mrs. Ulmer that October 15, 1972, was declared Dr. John Gordon Ulmer Day with appropriate festivities. It was my pleasure to be present for that occasion and the Hemingway High School auditorium overflowed even beyond standing room as more people than the town's entire population came to express their affection for Dr. and Mrs. Ulmer.

It is all too seldom that we find people of their compassion and religious faith whose lives are such excellent testimony to their beliefs. Although their deaths have left a deep void in the community where they lived, they have left a legacy of service and love which will endure for succeeding generations.

Mr. President, Dr. and Mrs. Ulmer were truly outstanding people who attained the highest accolade of their community: the true affection of all who knew them. Accordingly, the outpouring of sympathy and tribute to Mrs. Ulmer who died March 2 and to Dr. Ulmer who died March 6 has been widespread and generous. It is fitting that a scholarship fund has been established in Dr. Ulmer's memory to assist some worthy medical student prepare for the same field of service which Dr. Ulmer followed.

I extend my deepest sympathy to the family of this distinguished couple. Surviving are a daughter, Mrs. Edward Dixon Harrill of Fairfax, Va.; a son, John Gordon Ulmer, Jr. of Chapel Hill, N.C.; three grandsons, Edward Dixon Harrill, Jr., Stephen Gordon Harrill and Paul Daniel Harrill; a granddaughter, Rebecca Elizabeth Ulmer; a sister, Miss Rumel Ulmer of Brunson, S.C.; and a brother, S. Eric Ulmer of Allendale, S.C.

Mr. President, at the time of their deaths, numerous newspaper articles appeared around South Carolina about Dr. and Mrs. Ulmer. I ask unanimous consent that two of these representative accounts be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks, as follows: "Mrs. Ulmer of Hemingway Dies Saturday," The State, Columbia, S.C., March 4, 1974; and "Dr. John G. Ulmer Dies in Florence," the State, Columbia, S.C., March 7, 1974.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) State, Mar. 4, 1974]

MRS. ULMER OF HEMINGWAY DIES SATURDAY

HEMINGWAY.—Mrs. Ruth Harmon Ulmer, wife of Dr. John Gordon Ulmer, died in a Florence hospital Saturday after a short illness.

She was born in Conway, a daughter of the late Roswell Thomas and Mary Gasque Harmon. She spent most of her adult life in Hemingway, where she was a member of the Priscilla Book Club.

Surviving are her husband, a son, J. G. Ulmer Jr. of Chapel Hill, N.C.; a daughter, Mrs. Edward Dixon Harrill of Fairfax, Va.; and four grandchildren.

Services will be 4 p.m. today in First UMC with burial in Old Johnsonville Cemetery.

The family suggests that those who wish may make memorials to the Dr. John Gordon Ulmer Scholarship Fund.

Morris Funeral Home is in charge.

[From the Columbia (S.C.) State, Mar. 7, 1974]

DR. JOHN G. ULMER DIES IN FLORENCE

HEMINGWAY.—Dr. John Gordon Ulmer Sr., 74, died Wednesday in a Florence hospital after a long illness.

Born in Brunson, he was a son of the late Henry Martin and Janie Free Ulmer. Dr. Ulmer was educated in Brunson schools, the College of Charleston and the S.C. Medical College.

Dr. Ulmer moved to Hemingway in 1923 after internship at Roper Hospital. He began his practice July 12, 1923, and finished his 50th year of practice prior to his illness.

During the 50 years, he delivered about 6,000 babies and was known as the "baby doctor." During one month he delivered 28 babies. In his family practice he came into

contact with almost every family in the tri-county area he served.

When he came to Hemingway in 1923 it had a population of 200 and no doctor. Dr. Hemingway had died earlier from injuries in an explosion of his sterilizing machine.

Dr. Ulmer opened his practice in the drug store in Hemingway, but had very little office practice. He mostly made house calls on the dirt roads of Williamsburg, Georgetown and Florence counties.

During the Depression, he delivered babies in homes lit by firelight or candlelight. He was often paid with produce or ham instead of money.

Dr. Ulmer was honored by the residents of Williamsburg, Georgetown and Florence Counties on October 15, 1972 when Dr. John Gordon Ulmer Day was held in Hemingway.

One of his many honors that day was the establishment of the Dr. John Gordon Ulmer Scholarship at the Medical University of Charleston.

He was a member of First Baptist Church of Hemingway.

Dr. Ulmer was a charter member of Hemingway Civitan Club. In 1967 he was awarded the Distinguished Citizen's Award by the Hemingway Jaycees. He was a member of Indiantown Masonic Lodge of Hemingway and the Hemingway American Legion Post.

Dr. Ulmer was a member of the American Medical Association, the S.C. Medical Association and the Williamsburg County Medical Society.

While at the Medical College, he was a member of John L. Dawson Medical Society.

Surviving are a son, John Gordon Ulmer Jr. of Chapel Hill, N.C.; a daughter, Mrs. Edward Dixon Harrill of Fairfax, Va.; a sister, Miss Rumel Ulmer of Brunson; a brother, E. Eric Ulmer of Allendale; and four grandchildren.

His wife, the late Mrs. Ruth Harmon Ulmer, died Saturday.

Services will be 4 p.m. today in First Baptist Church, with burial in Old Johnsonville Cemetery.

Morris Funeral Home is in charge.

The family suggests that those who wish may make memorials to Dr. John Gordon Ulmer Scholarship for needy medical students, P.O. Box 6, Hemingway.

CONSERVATION OF ENERGY

Mr. RIBICOFF. Mr. President, despite the controversies over responsibility for the Nation's energy problems, everyone recognizes that only by working together will America safely weather the "crisis." From the President to the apartment dweller with a small car, everyone must do his share in conserving the energy we have.

The campaign begun by Connecticut's insurance industry is a laudable example to other firms—and embodies the spirit which we must all follow.

I ask that the following statement, describing the "My Limits" program, be printed in the RECORD.

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

STATEMENT

WASHINGTON, D.C.—The U.S. Department of Commerce Thursday presented its first energy conservation award in Connecticut to the Connecticut insurance industry.

Secretary of Commerce Frederick B. Dent made the presentation to Roger Dove, executive director of the Insurance Association of Connecticut, and R. Channing Barlow, chairman of the IAC Public Relations Committee and vice president of The Hartford Insurance Group.

"The IAC's people-to-people program of seeking individual commitments and internal efforts by its member companies," Secretary Dent said, "can serve as an example for other firms around the country, and adoption of such programs would make our goals of energy savings infinitely easier to reach."

The IAC program was a statewide effort built around voluntary compliance with a 50-mph highway speed limit and a 68-degree maximum temperature in home and office. In addition, the Connecticut insurance companies initiated a variety of successful individual energy conservation measures.

In accepting the award, Dove said it honored the tens of thousands of Connecticut citizens who made individual commitments and personally participated in the campaign.

"As Secretary Dent so aptly described it, this was indeed a people effort," Dove said. "We are pleased that the Department's citation officially recognizes the outstanding voluntary response made by the people of Connecticut, the Connecticut insurance industry's 34,000 employees, and the many elected state officials who became involved in the drive. Without their enthusiastic support—and without the coordination and direction of the public relations departments of our companies and the hundreds of company people who worked so hard on the campaign—we could not have achieved such a high degree of success."

The IAC is a trade association representing Connecticut's domestic insurance companies in the areas of information, governmental relations and media relations. The Association and its member companies launched their campaign last Nov. 16 at a press conference called by Governor Meskill, and the state's top legislative leaders took leading roles in the program.

The campaign was built around the mass distribution of pledge cards and bumper stickers with the slogan "50 mph—MY LIMITS—68°." The cards pledge the signers to observe these limits and were mailed to the Governor, members of the Connecticut General Assembly and members of the Connecticut Congressional delegation.

A full-page newspaper ad announcing the bumper sticker campaign appeared in every daily newspaper in Connecticut. Smaller newspaper ads showed various state officials affixing the bumper sticker to their automobiles.

Radio spot announcements during drive-time hours featured approximately the same group of state officials.

More than 300,000 "MY LIMITS" bumper stickers were distributed throughout the state and elsewhere in the nation. Tens of thousands of pledge cards were signed and mailed to state and national officials. Governor Meskill later commended the IAC and the insurance industry for its "great work" in helping to educate the public regarding the energy crisis.

In addition to the cooperation given the IAC program, the Connecticut insurance companies initiated a variety of highly successful individual energy conservation programs such as organizing and encouraging car pools, setting up new bus runs and achieving marked reductions in fuel and electrical consumption. The car pool and bus programs have taken a minimum of 4,000 cars off Connecticut streets and highways each working day.

A REQUEST FOR AN INVESTIGATION OF THE CONSUMER PRODUCT SAFETY COMMISSION BY THE GENERAL ACCOUNTING OFFICE

Mr. TOWER. Mr. President, in recent weeks my staff has conducted an investigation of the extent to which the Consumer Product Safety Commission is implementing and enforcing the Consumer Product Safety Act. The Commission was established by that act which was passed by Congress in October 1972.

The findings of this investigation lead me to only one conclusion: The Commission has in many cases been operating without any procedures whatsoever and may totally be disregarding the due process guarantees in section 6 of the act and consequently the due process guarantees afforded every American under the U.S. Constitution.

Therefore, I have written a letter to the Honorable Elmer B. Staats, Comptroller General of the United States, requesting that the General Accounting Office undertake a thorough investigation of the Commission's practices.

I recognize that this is a most serious charge that I am lodging against this independent regulatory agency. The Commission's role is to protect the public "against unreasonable risks of injury associated with consumer products." We all support this laudable objective. At the same time, the Congress cannot allow any executive department or independent regulatory agency to disregard traditional due process safeguards by cloaking itself in an admittedly popular crusade to rid the Nation of all hazardous products. Furthermore, the fact that the Commission's overzealous actions and attitude falls into the pattern of any independent regulatory agency in its initial years of existence is not a reasonable excuse and must be rejected.

Mr. President, it is a well-known fact that the Commission has had its differences with the White House over personnel matters. This controversy does not really concern me; however, I do believe that it is indicative of the sheltered and isolated environment in which the Consumer Product Safety Commission has engaged in its activities. By cloaking themselves around a cause which we all support, the Commission is under the impression that Congress has given it carte blanche authority to do whatever it wants, regardless of the irreparable injury caused by those actions.

We are indeed living in an era of governmental abuse of the public trust. I can only conclude that this Commission has likewise seriously abused its discretion, thereby violating the public trust. It is acting in a vacuum by failing to recognize the basic safeguards which our society has recognized as being essential to our democratic institutions.

In the case with which I am most familiar, the Commission issued a press release to the effect that the product in question was hazardous. This was issued just 8 days after the Commission had received a single complaint. This action appears to be in violation of the act and was undertaken without the filing of a formal complaint or conducting any type of adjudicatory proceeding.

Mr. President, this case concerning one of my constituents represents on its face one of the most serious abuses of governmental discretion that has come to my attention during my 13 years in the Senate. Even if I felt that it was an isolated example I would still call for an investi-

gation and seek other corrective measures. However, I believe that the Commission's short history shows that a pattern of abusive actions causing irreparable damage to many Americans exists. One such case dealt with the Commission's handling of the ban on certain aerosol spray adhesives. This ban was announced in August 1973. Despite the fact that the Commission's investigation following the ban was unanimous in concluding that there was no causal connection between the product and the alleged hazard, it took more than 6 months for the Commission to lift the ban. Finally, when the ban was lifted, the Commission gave perfunctory notice that the products in question were safe despite the act's clear call for a retraction of the inaccurate information in a manner similiar to the method used to announce the original ban. In the meantime, I am informed that at least one small business was forced into bankruptcy and others were irreparably damaged.

I can only conclude that the Commission is more concerned with its public relations than with the legal requirements guaranteed by the act and by the Constitution.

Mr. President, I hope that my actions will lead to the Congress' engaging in a thorough review of the practices of the Commission. I am confident that the General Accounting Office investigation will shed further light on this matter. In the meantime, I intend to study various ways to clarify the Commission's procedures in a manner that is totally consistent with the aims and objectives of the statute. I would hope that all Senators will join me in evaluating the nature of the Commission's practices. Consumer product safety will be dealt a severe setback unless traditional procedural safeguards are given priority consideration by those charged with implementing the intent of Congress when it recognized this problem demanded Federal attention.

Mr. President, at this time I ask unanimous consent that my letter to the Comptroller General be printed in the RECORD.

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

MARCH 25, 1974.

Hon. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR MR. STAATS: The purpose of this letter is to apprise you of serious questions that have been brought to my attention concerning the implementation of the Consumer Product Safety Act by the Consumer Product Safety Commission. Consequently, for the reasons stated below, I respectfully request that the General Accounting Office undertake an investigation of the agency with particular attention given to the type of abuse briefly described herein.

Section 6 of the Act refers to the Commission's authority to disclose information to the public concerning a consumer product which it believes to be hazardous. In disclosing such information to the public, I am convinced that there is reasonable cause to believe that the Commission is violating section 6(b) of the Act by disregarding its built-in due process safeguards. The effect of this practice is contrary to the aims of the Act and to the rights of those citizens involved.

Section 6(b) provides that disclosure of information shall not be forthcoming unless thirty days prior to such disclosure "the Commission shall, to the extent practicable, notify, and provide a summary of the information to, each manufacturer or private labeler of any consumer product to which such information pertains, . . ." This section also states that "[t]he Commission shall take reasonable steps to assure, prior to its public disclosure thereof, that information from which the identity of such manufacturer or private labeler may be readily ascertained is accurate, and that such disclosure is fair in the circumstances and reasonably related to effectuating the purposes of this Act."

While there are exceptions to the 30 day notice requirement listed in section 6(b) (2), they are not controlling in the cases brought to my attention. It seems apparent that the Commission is flagrantly and without just cause taking action inconsistent with section 6, as well as traditional due process guarantees. For instance, on February 22, 1974, the Commission issued a press release informing the public that a welder manufactured by the Wel-Dex Manufacturing Company of Houston, Texas, "may contain defects capable of causing fatal electric shocks."

This press release, which, as you know, gives notice to the world that the Commission has found a defect in the product, was issued eight days after the Company was notified that the Commission was engaged in an investigation of the product. This investigation was prompted by a single complaint, and my own investigation leads me to believe that the complaint may indeed have been anonymous since the Commission has evaded my questions concerning the identity of the complainant.

In any case, my investigation has disclosed that the management and their attorneys have fully cooperated with the Commission, recognizing that the product may need to be refined and assuring the Commission that (1) the sale of the product would be temporarily suspended in its present form until the Commission was satisfied that defects in the product, if any, had been cured and (2) that management would immediately make the necessary determination whether such defects existed. Even so, the Commission issued the press release while one of the attorneys for the Company was further assuring the Commission of the precise steps that would be taken and was attempting to arrange with the Commission staff to discuss and possibly to settle the matter.

I want to emphasize that this request for you to investigate the Commission's practices does not relate to the substance of their activity. I am not an engineer and could in no way evaluate whether the product was safe. I might add though, that in the six years of sale the welder did not cause any reported serious injury from among the approximately 200,000 sold. Nevertheless, a press release was issued without the Commission filing a formal complaint or conducting any type of adjudicatory proceeding.

My investigation leads me to believe that the above does not represent an isolated example but rather a pattern of arbitrary and capricious disregard for due process and equitable administration of section 6. Regardless of the final outcome of the Commission's deliberations on the merits of the matter described, the Commission has peremptorily caused irreparable injury to one of my constituents and to his employees who may be laid-off. The Company has filed a suit seeking injunctive relief. At the same time, the Company intends to take action to perfect its product.

There is an excellent chance that the judicial branch may require the Commission to reform its practices and procedures. However, a court proceeding of this nature may take a great deal of time. More importantly, it is the function of Congress to insure that regulatory agencies are complying with the law. A private citizen should not be forced to involve himself in protracted litigation at great expense in order that the laws of the land be carried out in good faith. Furthermore, the purpose of the Act, to protect the public against unreasonable risks of injury associated with consumer products, is not advanced by bad faith harassment leading to endless litigation.

In summary, since it appears that the Commission is disregarding the intent of Congress as well as traditional due process safeguards aimed at protecting the individual rights of all Americans, I would appreciate a thorough review of this matter. Additionally, if you conclude that the law is written with such broad stroke that it invites, by its ambiguity, the abuse of safeguards which traditionally are granted as a matter of right, then I would welcome your recommendations on amendments to the Act.

If I can be of assistance to you at any time during this investigation, please feel free to call upon me.

Sincerely yours,

JOHN TOWER.

BYELORUSSIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, I wish to salute the brave people of Byelorussia, who, for a brief moment in history, were able to enjoy their freedom and independence after centuries of oppression and domination by outside nations.

On March 25, 1918, the Byelorussian National Republic was proclaimed. Indeed, it was a glorious moment when Byelorussian was formally declared the country's official language—a lifelong dream of many Byelorussians. Almost from its outset, independence sparked a revival of Byelorussian cultural institutions.

Tragically, that period of achievement was drastically cut short when the Russian army seized Minsk, the Byelorussian capital, on December 10, 1918. The end of World War I found the Byelorussian nation and its people hopelessly divided between Russia and Poland. And from that moment on, the Byelorussian National Republic has existed only as a proud memory.

Mr. President, like the people in so many eastern and northern European countries, the Byelorussian people are neither free nor independent. Therefore, on the occasion of the 56th anniversary of Byelorussian Independence Day, I ask that we look forward to the day when all oppressed people attain the cherished goal of freedom.

THE PROFESSIONAL STANDARDS REVIEW ORGANIZATION

Mr. BENNETT. Mr. President, the Professional Standards Review Organization program which I sponsored is now in the early stages of implementation on a national level. This is the program designed to give practicing physicians at local

levels an opportunity, on a voluntary and publicly accountable basis, to undertake a review of medical necessity and quality of care provided under the medicare and medicaid programs.

A model of the PSRO operation has been in existence for nearly 2 years in my own State of Utah. The Utah Professional Review Organization, under the leadership of Dr. Alan Nelson, has done an exceptional job in setting up this professional review process and developing an expertise in the operation of a local PSRO.

The Ogden Standard-Examiner has published an editorial on the UPRO, and I ask unanimous consent that it be printed in the RECORD.

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

UTAH PROFESSIONAL REVIEW ORGANIZATION SETS PACE IN MONITORING HEALTH CARE

More than 25,000 patients in five Utah hospitals have had a preview during the last 22 months of a unique organization that is helping to set the pace for an innovation in health care.

It's called Utah Professional Review Organization (UPRO). It currently has units in the McKay-Dee and St. Benedict Hospitals in Ogden, and the LDS, Holy Cross and University hospitals in Salt Lake City.

UPRO operations began in April 1972 under the sponsorship of the Utah State Medical Association. It has been funded, primarily, through a grant from the Department of Health, Education and Welfare.

The basic mission of UPRO is to monitor the quality of health care and the length of hospital stay of patients covered by cooperating insurance systems.

In the Ogden area this means government employes with Blue Cross-Blue Shield insurance, teachers with policies issued by Educators' Mutual and Medicaid patients.

But this is only the beginning.

Congress has enacted legislation to establish Professional Standards Review Organizations (PSROs) to evaluate health care being received nationally through the federal Medicare and Medicaid programs.

Utah Sen. Wallace F. Bennett is the prime PSRO sponsor. The nationwide organizations were initially to begin operation Jan. 1. But because of the plan's complexity its inaugural has been delayed until July 1—or later.

The Standard-Examiner feels an understanding of the professional review organizations—both the Utah system now functioning and the forthcoming federal program—is essential to Americans of all ages.

The most effective way to explain their mechanics and ramifications is to use a mythical case history as an example.

Let's assume that our patient is Hilary A.F. Base, a 47-year-old male federal employe—with Blue Cross insurance—who lives in Washington Terrace.

During the night, Mr. Base gets a stomach ache. Mrs. Base is worried. As her husband's acute symptoms intensify, she drives him to an Ogden hospital.

She calls the family physician to meet them in the emergency room. But she knows that if their regular doctor isn't available, one will be summoned from the list of "on call" physicians.

UPRO swings into action within 24 hours after Mr. Base is admitted to the hospital.

Each hospital in the program has specially-trained, experienced nurse-coordinators assigned by UPRO. They work under the direction of physician advisers, including specialists in various types of health problems.

The coordinator's first involvement with our Hilary Base is to determine if his admission is justified, according to the initial diagnosis—in this case that the patient has a gall bladder problem.

She makes her decision based on guidelines established by a physician committee. Then she follows the patient's progress—his further tests and preliminary treatment.

Should Mr. Base spend two or three days in the hospital without being discharged or sent to surgery, the UPRO nurse-coordinator would check to see if there was anything unique about his problem that necessitated a stay longer than established standards.

But, in our mythical situation, she finds that the government worker's symptoms have subsided sufficiently for him to be sent to the operating room to have his gall bladder removed. The operation is scheduled for his second day in the hospital.

As Mr. Base returns to his own room following surgery, an evaluation is made on the probable length of stay that is needed to complete the hospital phase of his recovery.

A probable discharge date is noted on a blue card attached to the patient's basic charts.

In most gall bladder cases the post-operation hospital stay should be six days, not including the day of the surgery. So if the operation was on a Wednesday his chart would be labeled "probable discharge: Tuesday morning."

If Tuesday noon came and Hilary Base was still in his room, the nurse-coordinator would check to see if there were complications or any other medical reason for his remaining beyond the standard period.

A surgical wound, for example, that would not heal properly would automatically be a reason for an extension for his hospital stay.

This is where the guidelines prepared by the medical experts come into play.

The nurse-coordinator may give an extension without further consultation. However, if there were no complications she must present the case to a specialty-consultant before the extension could be given.

If the consultant agrees that all is in order, he will contact the attending physician and together they will reach a conclusion on when the patient is to leave the hospital.

The patient may remain beyond the predetermined length of stay, with no valid reason, if he wishes. But at his own expense, not on insurance! This is one goal of the program—to free hospital facilities for those who need them the most.

Only 24 times in the 25,000 cases handled so far by UPRO has an attending physician's request for extension of stay actually been denied. If there is a denial, the patient is notified by his own doctor. He then can decide if he wants to remain—without insurance.

Meantime, the nurse-coordinator has worked with the physician in establishing a plan for the patient's departure so that necessary arrangements for his recovery after he leaves the hospital are made.

When Hilary Base leaves the Ogden hospital he should realize the advantages of the plan: He's had the best possible treatment at the least possible cost. And UPRO certification means his insurance claims will be paid quickly with a minimum of red tape.

The Utah Professional Review Organization is a pilot model that the soon-to-come National Professional Standards Review Organization could follow. If PSRO performs as effectively as UPRO, it could be a major U.S. advancement in quality of health care and utilization of medical and hospital facilities.

NUTRITIONAL PROGRAM FOR THE ELDERLY

Mr. McGOVERN. Mr. President, the Senate Select Committee on Nutrition and Human Needs, which I chair, recently held a field hearing to investigate the nutritional problems of the elderly.

We received excellent testimony from many State administrators, nutrition project directors, and concerned senior citizens. However, I would like to bring to the attention of my colleagues the testimony of Eunice Anderson, which I think is a particularly succinct summary of much of the testimony we heard.

I ask unanimous consent that her entire statement be printed in the RECORD.

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

TESTIMONY ON NUTRITION

I am Eunice Anderson, speaking as a member of the South Dakota Advisory Council on Aging and presenting testimony from that group.

We are approaching goal capacity in some of our programs and are developing the supportive services which are so necessary. We are having very good cooperation both from the communities and the senior citizens themselves.

Nutrition programs are operating in Sioux Falls, Vermillion, Rapid City, Watertown, Lake Andes, Sisseton, and the Cheyenne and Lower Brule Indian Reservations.

One of the most important supportive services for South Dakota is transportation. It is our greatest handicap toward a really successful nutrition program.

The 1971 White House Conference on Aging study pointed out that one-third of all illnesses are nutrition oriented.

Basically nutrition is the key to the maintenance of health and the prevention of illness.

The Nutrition Program demands supportive services for good physical and mental health and rehabilitation. This embraces the concept of treating the whole person.

I wish to emphasize the importance of nutrition from personal experience after many years with Bethany Home for the Aged. I can document a great number of older people who came into the Home by stretcher or wheel chair, weak, unable to walk, depressed and antisocial, but after, in many cases, only weeks of good food, social contact with others, and with the help of competent staff were able to leave the home on their own power, their health improved, the chronic diseases to which they were subject controlled; they were cheerful, better dressed, interested in their surroundings, able to make friends again, mostly due to increased nutrition and the supportive services such as we are trying to supply for our Nutrition Program. After returning home many came back a day or two a week to our Day Care Unit.

At Bethany, under the Older Americans Act, something like 6 years ago, we started a Day Care Facility for the elderly. The same thing happened there. Almost a miraculous change occurred in some of those people after having been supplied with good food, supportive services, etc. They were given something to live for. Some of these very elderly, later did come as patients to the Home, but the change was hardly noted, they accepted the services of the Home with joy, and many are living far beyond what they or their relatives thought possible, still with enjoyment.

The other comment I have to make on my actual experience, and which I can document is the change mentally, of these people who have had the experience of better nutrition and supportive services. A psychiatrist at the Wilmar State Hospital used to say to the relatives of the old senile people coming in, "And when will you come back and take Grandma home?" The natural answer in

most cases would have been "Never", but they had a system there that motivated older people, made them feel useful and important again, and to many the symptoms of senility disappeared.

So we have seen it at Bethany, with good nutrition, cheerful friendliness, something to do, status improvement, interest in others beside themselves and good medical attention, these senile people have improved. So it can be with our Nutrition Program. Loneliness, loss of status, no friends, all these add up to no interest in life with resultant senility. We can fight senility in the Nutrition Program.

We can keep many older people out of institutions longer by the implemented Nutrition Program.

The Nutrition Program has many salutory benefits:

1. Supplementation of income of the elderly.
2. Greater interest by the public in the elderly due to education by Media, Volunteers, Seniors themselves.
3. Provides employment for many elderly.
4. Opportunities to confront the elderly with positive information on Nutrition, Social Security, Welfare, Social Services, and other supportive programs.
5. Provides nutrition education to be used by older persons in their own homes.
6. Gives the centers a motivated thrust to provide opportunities for elderly to serve others.
7. Keep elderly in their own homes longer.
8. Enable Meals on Wheels to be established in more places.

Problems peculiar to South Dakota:

1. Tremendous areas to be covered with scanty population and great distances to be traveled like around Porcupine, Cherry Creek, and other places.
2. Many cannot leave homes to shop and communities do not provide shoppers services.
3. Higher cost of food and fuel due to transportation costs for delivery.
4. Shopping for food items in isolated communities is most expensive since supermarkets are not available and the limited small stores cannot offer competititive prices.
5. The near needy, including retired teachers, etc., who have meager retirement income are faced with no transportation for medical attention, shopping and other needs.
6. Laws need to be studied, interpreted, or changed in regard to transportation programs for the elderly.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, since the Genocide Convention was adopted by the United Nations General Assembly on December 9, 1948, 75 nations, including most of our NATO and SEATO allies, have ratified the treaty, the United States is not among these. This absence is even more surprising—and sad—considering the key role played by the United States in the drafting of this convention.

The efforts of our country were summarized in a September 1972 article by William Korey, director of the B'nai B'rith, U.S. office, entitled "On Banning Genocide: We Should Have Been First." Mr. Korey states:

Today it is all but forgotten that, in fact, the United States played a key role in the drafting of the treaty that was reflected in the text itself. Formulated in terms of familiar Anglo-American legal theory and couched in the language of traditional common-law concepts, the treaty drew upon the precise wording of common-law crimes long accepted in American jurisprudence. Most important, it was the United States that insisted that a specific intent to commit genocide must be proven before an offender could be punished. And the American delegation led the fight for its adoption. The chief of the delegation, Assistant Secretary of State Ernest A. Gross, shortly before the final vote, told the General Assembly:

"In a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My government is eager to see a genocide convention adopted at this session of the Assembly and signed by all member states before we quit with our labors here."

The U.S. delegation was among the first to sign. Only 2 days after its adoption, the formal American signature was appended to the treaty.

Mr. President, it is ironic that, after putting so much effort into formulating this treaty, we still have not ratified it in nearly 25 years. Let us hope that former Chief Justice Earl Warren was wrong when he said almost 5 years ago:

We as a nation should have been the first to ratify the genocide convention. . . . Instead, we may well be near the last.

I hope we can act on the Genocide Convention in the near future.

HOT LUNCH PROGRAM FOR SENIOR CITIZENS BEGINS IN DELAWARE

Mr. BIDEN. Mr. President, as a result of the enactment of the Older Americans Act of 1973, which I cosponsored, funds have been made available for nutrition programs for the elderly.

I am especially pleased that Delaware, in keeping with its tradition as the "First State," has again been a forerunner in making hot lunches available to its senior citizens. Last November Wilmington was among the first cities in the Nation to participate in the hot lunch program when the Wilmington Senior Center opened its doors to over 250 cenior citizens to serve them a hot meal of roast beef and mashed potatoes.

Before the first year of funding is over, it is expected that four project areas, Delaware's three counties and Wilmington, will be in full operation serving from 1,000 to 1,200 hot meals a day.

Mr. President, I commend the Delaware Division of Aging for its hard work, and our senior Delawareans who have contributed donations so that these nutrition programs may continue.

I ask unanimous consent that the text of an article, "Senior Hot Lunch Program Starts," which appeared in the Division of Aging's newsletter, Delaware Horizons, be printed in the RECORD.

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

SENIOR HOT LUNCH PROGRAM STARTS

Over 250 older citizens in Wilmington pulled up their chairs and tucked in their napkins before partaking of hot roast beef and gravy, whipped potatoes, and new peas with pimento as the federally funded hot lunch program for the elderly began November 19, 1973. Also on the menu at four local senior centers were salad, hot rolls, dessert and milk, with a choice of coffee or tea being offered.

St. Anthony's Community Center at 9th and Scott Sts. led the list with 101 elders participating, while Wilmington Senior Center at 1901 N. Market St. drew a crowd of 85. St. Patrick's Senior Center at 1414 King St. reported 36 on hand, and West Presbyterian Church had about 30 eating lunch at 8th and Washington Sts.

Wilmington is among the first cities in the nation to participate in the program following Congressional authorization in March 1973. It is important to emphasize that the program is not a handout (unacceptable to many independent elderly). The project was planned as a contributory one with participants donating according to their means. The more contributions taken in to offset the cost of the meal, estimated at 75 cents, the more people can be served.

Four other senior centers in Wilmington began during the first week of December. As the word spreads and participation reaches peak levels, the various feeding sites will shift to a daily sign-up basis.

Paul L. Buehrle, head of Wilmington Senior Center and responsible for the Nutrition Program, said each location plans to handle 70 persons a day, with the Wilmington area expected to serve from 500 to 560 daily meals when in full operation. Provisions are being made to begin delivery of meals at home to those immobilized by illness, accident or handicaps. Transportation is available to those needing it, although scheduling still presents minor problems. Buehrle expressed pleasure at the turn-out for opening day, pointing out that the goal for the four operating sites would be 280 meals daily when the project gets into full swing. With over 250 patrons appearing at the inaugural session, a full 90 percent of that target figure has already been reached.

The Wilmington area program is expected to cost $221,960 a year, of which $199,764 will come from federal money and the remainder from contributions in cash and in kind from local participating agencies. $493,000 in federal funds were made available to the State Division of Aging at the start of the 1973 fiscal year, and Delaware expects to earmark an added $25,000 for the state-wide project. Since the funds come from fiscal year '73 appropriations, they had to be obligated by December 31, 1973 or revert to the Federal government.

The Senior Services Division of the New Castle County Department of Parks and Recreation received its grant for the county area, on Dec. 15, 1973. It plans to serve a minimum of 150 meals daily at four proposed sites in Middletown, Odessa, Townsend and the New Castle area, beginning in early 1974.

The Dover Modern Maturity Center, cooperating with the Kent County Office on Aging, was funded on Nov. 1, 1973 and began operations early in December at the Dover Center, at the Milford Bi-County Center and at Harrington. Two additional sites, the Queen Manor Apartments in Dover and St. Paul's Episcopal Church in Wyoming, expect to begin feeding by February. When fully operational Kent County expects to serve over 300 meals a day.

The Methodist Manor House in Seaford received its grant on Dec. 31, 1973, and plans to serve a minimum of 250 daily meals at six proposed sites, beginning in early spring.

The program will provide a hot, nutritious meal once a day, five days a week, to eligible individuals. It will also make available, where needed, such supportive services as transportation, nutrition education, shopping assistance, escort service, health and welfare counseling, recreation, and information and referral.

Eligibles are defined as those aged 60 and over who do not eat properly because of

poverty or lack of the skills and knowledge to prepare nourishing meals; who have limited mobility which makes it difficult to shop and cook for themselves; or who, being isolated, rejected or withdrawn, have lost the incentive to prepare and eat nourishing foods.

Lacking funds to serve every eligible Delawarean, the Division of Aging has set up a target population of low-income and minority group elderly whose greater needs give them a higher priority. Each of the 3,000 persons over 65 on Old Age Assistance is probably eligible and in need of the benefits of this program. Money is available for up to 1,200 daily meals, although rising food costs may reduce this number.

Consumer advisory councils, established for each project area and for each meal distribution site, will set an expected contribution for the meals. However, no one will be turned away because of inability to pay.

Before the first year of funding is over, the four project areas—the three counties and the City of Wilmington—are expected to be in full operation, with a total of 1,000 to 1,200 meals a day being served statewide, and the necessary supportive services provided or made available to several thousand elderly.

WORLD FOOD CONFERENCE: MEETING THE THREAT OF FAMINE

Mr. PERCY. Mr. President, a news item in the Saturday edition of the New York Times reported on the deepening food crisis now threatening famine in parts of Ethiopia.

According to the Times, officials estimate "that at least 550,000 people will be 'at risk' of food shortage in parts of Gemu Goffa, Sidamo, Bale and Harrar Provinces. Other estimates go as high as two or three million people."

The tragedy of the Ethiopian situation is that perhaps as many as 100,000 persons died as the result of the 1973 famine. If this figure is at all accurate, then the human toll of the Ethiopian famine far exceeds that of the more widely-publicized multi-year famine in the six-nation Sahelian zone of West Africa.

These disturbing facts provided the background for a noteworthy editorial in yesterday's New York Times. The editorial, entitled "Thought for Food," correctly pointed out the seriousness of the developing world food crisis, the parallel of this situation to the early days of the energy crisis which emerged full-blown in the latter part of 1973, and the urgent need for joint action by the nations of the world to avert mass famine.

The editorial echoes my sentiments concerning the importance in this context of next November's World Food Conference and of the need for the United States to take the lead in preparing for the conference:

After months of foot-dragging, the United States is finally taking the lead in preparing for a world food conference to be held in Rome next November. One of the first tasks, in the American view, is to build up a more reliable system of food stockpiles so that one or two bad harvests in the larger grain producing countries will not create critical shortages. But after years of surplus conditions, demand is already pressing against production capacity, leaving little scope for building reserves against future needs.

Mr. President, I want to reiterate my view that the Congress and the American people attach great importance to the success of the World Food Conference and urge that the highest priority be given to the preparation for the conference. Positive proposals from the United States are vital to the success of the conference.

I ask that the article and the editorial from the New York Times, from which I have quoted, be printed at this point in the RECORD.

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

[From the New York Times, Mar. 23, 1974]

ETHIOPIAN FAMINE CONTINUES TO SPREAD

(By Charles Mohr)

ADDIS ABABA, ETHIOPIA, March 19.—The Ethiopian famine, which killed tens of thousands of people last year, is continuing to spread relentlessly to new areas in the southern and eastern areas of the country.

Plans and measures to deal with the crisis in the new areas are so rudimentary that some concerned foreign and Ethiopian officials and relief workers believe that another tragedy is possible.

An army mutiny and urban civil unrest, unrelated to the famine, forced Emperor Haile Selassie to replace his old appointed Cabinet on Feb. 27 and brought an unprecedented breath of reform and liberty to this East African nation.

MORE STARVING SEEN

But there are beginning to be doubts that the new government of Premier Endalkachew Makonnen will be any more effective in meeting the crisis in the southern and eastern areas than the old cabinet was in coping with the tragedy that hit the north-central provinces of Wallo and Tigre last year.

A foreign figure deeply involved in famine relief operations said: "Incredibly, it looks like they are going to do the same thing this year that they did last year, which means that many people are going to starve."

One of the most serious difficulties is that the magnitude, the nature and exact locations of any new famine are not really known because no comprehensive survey has been made of agricultural and pastoral people who may be running short of food as a result of drought.

"Partly because they don't know exactly what the problem is they haven't really made any plans or done anything," said one relief worker of the Government.

The lowest estimate, based mostly on guesses by missionaries and provincial administrators, is that at least 550,000 people will be "at risk" of food shortages in parts of Gemu Goffa, Sidamo, Bale and Harrar Provinces. Other estimates go as high as two or three million people.

The Government had already planned to feed 1.3 million to 1.7 million people in the previously affected areas, mostly in Wallo and Tigre Provinces, during 1974 with 164,000 tons of food donated by governments and relief agencies.

REQUESTS NOT REVISED

Although Ethiopian officials have known since at least early January that the famine was spreading to new areas, they have not revised their request for foreign grain donations or for logistical support to move food into affected areas.

Although no count of deaths in the 1973 famine has been made, and probably never will be, a wide variety of sources involved in relief believe that at least 100,000 people and possibly more died.

If so, this would indicate more people died in one year of the Ethiopian famine than in several years of the sub-Sahara famine in six West African countries, a tragedy that has received more international attention.

The hopelessness of exactly measuring deaths—or of getting such figures from the Ethiopian bureaucracy—was underscored recently when a church mission group did a survey of Kambata District of southern Shoa Province that showed that 11,281 people had died of starvation there in 1973.

"And that was not even supposed to be a famine area," a foreigner said.

In effect, the Government now has no famine relief program in southern Ethiopia. The Norwegian Lutheran missions have been feeding 173,000 people with grain purchased on the open market at commercial prices.

SOME REPORTS ARE GRIM

Journalists visiting the south and east recently saw little sign of dying or serious malnutrition. Other reports were more grim. One church group said it found everyone in a village of 62 persons dead.

An Ethiopian official, who had blocked a suggestion by a foreign agency for a comprehensive survey, paid his first visit to the Ogaden area of Harrar Province where the rapid weakening and death of cattle herds was threatening disaster to nomaic tribes.

"He came away appalled," a foreigner said. "Now he thinks there is going to be a holocaust there."

In southern parts of Bale Province, which has hardly been visited by anyone, one foreigner believes that "hundreds are dying already."

But, in fact, it is too early for many deaths. As in Wallo and Tigre Provinces last year the worst may come about July or later.

RAINY SEASON LOOMS

Meantime, the rainy season is threatening to begin in much of the south. The roads are so bad there that the rains could make grain distribution almost impossible within the next few days. Even landing strips can be unusable during the rains.

When Mr. Endalkachew was appointed Premier, he pledged to give greater priority to famine relief and appointed a new Chief Commissioner of Relief Aid, Shimelis Abugna.

Mr. Shimelis said recently that the Government would purchase large amounts of local grain and use the air force and army to move it to affected areas, but the history of internal cooperation and vigor in the bureaucracy is so poor that many doubt whether much will happen in time.

Mr. Shimelis was formerly Director of Prisons and he has been slow to start his new job because of an investigation into a recent riot in which guards shot 36 or 38 prisoners.

The Governor of Gemu Goffa Province believes that at least 160,000 people in his area are short of food, but said that for two months his report and requests for assistance had met no response. He was unaware even of the existence of the Government's Emergency Relief Coordination Office.

THOUGHT FOR FOOD

Everything relates to everything. From shortage of energy comes shortage of chemical fertilizers, produced by energy-intensive technology. And from shortage of fertilizer comes shortage of food the world over.

Whether thus simplified or spun out with intricate sophistication, a new doomsday scenario is evolving. The question is whether the experts' assessments can be translated soon enough into effective action by governments to avert—literally—mass famine.

In many ways the slow perception of an emerging food crisis bears a disturbing similarity to the equally slow perceptions of the energy crisis several years ago: the warnings

of a few prophets in the field going unheeded until serious hardships hit, the lack of a sense of urgency for nations to work together to alleviate what will surely become an acute and common problem across national frontiers.

When pressures on prices and supplies of basic foodstuffs, notably grains and sugar, are added to the uncertainties of the weather, the result in populous, less developed countries is obvious. The problem is most dramatic, though far from unique, in India. The World Bank estimated recently that instead of the self-sufficiency in food which could be foreseen only three years ago, India will have to import over ten million tons of grain in the next five years, and will need an unanticipated $12 billion in foreign aid to pay the bill.

It is one thing for consumers in the United States and other rich countries to absorb a rise in expenditure on food, and quite another for a billion or so people who already spend 80 percent of their paltry incomes on the food they need to keep them alive.

Paying for basic foodstuffs is only the start of the problem; the bigger question is whether the world can actually produce enough to meet the anticipated demand. As in so many resource problems, the tradeoffs are agonizing. It has been estimated that one acre's corn production requires the energy equivalent of 88 gallons of gasoline. Affluent Americans could soon be faced with the choice of consuming energy on highways and in air-conditioned rooms, or permitting the production of food to feed whole populations in Africa and Asia.

After months of foot-dragging, the United States is finally taking the lead in preparing for a world food conference to be held in Rome next November. One of the first tasks, in the American view, is to build up a more reliable system of food stockpiles so that one or two bad harvests in the larger grain producing countries will not create critical shortages. But after years of surplus conditions, demand is already pressing against production capacity, leaving little scope for building reserves against future needs.

It took years for sovereign-minded governments to understand the need for joint planning and ingenuity in providing energy—and even now the pace of progress in this direction inspires something less than awe. Similar delay on the related and equally urgent matter of organizing world food production will surely take a tragic toll in human life.

OFFICIAL RESPONSE ON U.S. ACTIVITIES IN CAMBODIA

Mr. HUGHES. Mr. President, on March 13, I wrote to the Secretary of Defense asking for an investigation and report on a Washington Post report that U.S. military personnel in Cambodia were acting as military advisors, contrary to law.

Last Friday afternoon, I received a reply by Deputy Assistant Secretary of Defense, Dennis J. Doolin, including a copy of a State Department message commenting on this news report.

This response denies the allegations in the Washington Post's report, but it is a denial leaving open some doubts.

The line between observing and advising is a hard one to maintain in practice, particularly in the heat of battle. And with nearly 100 U.S. military personnel moving around Cambodia, the frustrations and the temptation to help out may sometimes be too great.

Before we accept either the initial report or this response, I would like to have the newspaper correspondent's comments on this reply. Just as U.S. personnel have a legal obligation to obey the law, so do reporters have a professional obligation to be accurate.

I am pleased to note that the directives from Washington are clear and unambiguous on permitted and prohibited activities by U.S. personnel. But we have had instances in the past where such written orders were ignored or disobeyed in the field, and the violations were then concealed from higher authorities.

The Defense and State Departments should exert close supervision and control over U.S. actions in Cambodia, and the Congress should maintain a readiness to oversee and investigate any alleged violations of the law.

Together, we can prevent our help to Cambodia from becoming a step backward into direct military involvement by American forces.

Mr. President, in order that the many Senators interested in this matter may have access to this official response, I ask unanimous consent that my initial letter and Mr. Doolin's reply be printed in the RECORD. I would note that this reply also contained a copy of a classified cable, fully consistent with the unclassified letter, which of course cannot be made public.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

MARCH 13, 1974.

Hon. JAMES R. SCHLESINGER,
Secretary of Defense, Department of Defense, the Pentagon, Washington, D.C.

DEAR MR. SECRETARY: I was disturbed to read an article in this morning's Washington Post which claims that at least one U.S. Major in Cambodia is "openly recommending military maneuvers." That same article says that "While junior Cambodian officers say Americans advise in the field around Phnom Penh, it has never been confirmed."

In view of the Defense Department's announcement last August that, after August 15, U.S. personnel would be prohibited from functioning as "combat advisors with indigenous forces" in Cambodia and Laos, I would appreciate an investigation and report on these allegations.

In addition, I would like to see a copy of the orders issued to these military personnel which implement Public Laws 93–50 and 93–52 and which delimit the "normal activities" of personnel who are assigned as equipment deliverers or military attachés.

Sincerely,

HAROLD E. HUGHES.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 20, 1974.

Hon. HAROLD E. HUGHES,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUGHES: The Secretary of Defense has asked me to respond to your letter of March 13, 1974, concerning the allegation in the Washington Post of the same date that American military personnel are advising the military forces in Cambodia in violation of United States laws.

Following the appearance of the Washington Post story the American Embassy in Phnom Penh was asked for an immediate and full explanation. This was received on March 14 and provided by the Secretary of State to some members of Congress who had inquired about the incident. This report is enclosed for your information.

With regard to your request for a copy of orders issued to military personnel assigned to Cambodia which implement Public Laws 93–50 and 93–52, the Department of State message which provides specific guidance concerning the duties of military attachés in Cambodia is attached. The reference contained in paragraph 2 of that message pertains to part of a separate message dispatched by the Department of Defense and is extracted for your convenience:

"3. (U) The following DOD activities are prohibited in Cambodia and Laos by this statute after 14 August 73:

(a) Bombing, strafing, rocketing or other expenditure of ordnance.
(b) Forward Air Control Operations.
(c) Armed Reconnaissance.
(d) Helicopter gunship operations.
(e) Comparable hostile actions by US ground and naval forces directly engaged as American units against the enemy.
(f) Activities by individual personnel in support of indigenous forces including:
(1) Artillery fire control and observation.
(2) Forward air control.
(3) Advisors to Cambodia military forces.
(4) Combat advisors to RLG forces."

It should be noted that the prohibition against combat advisors in Cambodia was one of several restrictions imposed on US military assistance to Cambodia by the Cooper-Church Amendment to the Foreign Assistance Act passed in 1971 (P.L. 91–652). The announcement by the Department of Defense of last August served in that respect only to reiterate the limitation on the activities of individual personnel which had been previously observed.

I trust the above information will be of assistance to you.

Sincerely,

DENNIS J. DOOLIN,
Deputy Assistant Secretary.

EMBASSY PHNOM PENH'S COMMENTS ON POST ARTICLE

(A) *Becker:* "Kampot, Cambodia—During the dark hours of dawn the Cambodian insurgents were lobbing mortars around the government's command post at Kampot. Inside, US Major Lawrence W. Ondecker was showing the Cambodian officers how to mount a counterattack. 'I want you to respond very quickly,' he said. 'If even one mortar falls in your zone, you must answer back with fire immediately.' While the American major was poring over maps with the Cambodian staff officers, the Cambodian general officially in command of the post was writing in his diary in an adjoining bunker."

Embassy comment: Ondecker reports that on 11 March at 0530 to 0630 Golf Kampot City received an ABF of some 31 rounds. During that period Ondecker was present in the command post of the 20th Brigade. Maps were spread out, and Ondecker was determining where mortar rounds were falling in preparation of his morning report. He was not "showing how to mount a counterattack." Ondecker believes that Brig. General Ros Proeung, Commander of MR–8 and thus responsible for Kompong Som and Kampot, was at that time in his command post adjoining the 20th Brigade's. Ms. Becker was not present. Ondecker states that the assertion attributed to him was not made at this time or at any time.

(B) *Becker:* "But the situation in this coastal town about 80 miles south of Phnom Penh is critical, and Major Ondecker was flown down Sunday. 'He was loaned to us from the 3d Infantry Brigade,' Lt. Colonel Choey Yeun said. 'He is attached to the 3d and normally works in the field with them, but he is needed here. I am surprised that you did not know him.' "

Embassy comment: Ondecker arrived in Kampot on 10 March. He has visited Kampot three times in the past month. Major Ondecker's current assignments consist of covering the Third Division sector, MR-8 (which includes Kampot, Kompong Som and Koh Kong) and Takeo. He has visited Takeo three times in the last 90 days.

(C) *Becker:* "Although government intelligence officers warned of an impending offensive as early as January, the Kampot garrison made no defense preparations. Over the past week the Cambodian High Command sent reinforcements—and they sent Major Ondecker."

Embassy comment: High Command did not send Major Ondecker to Kampot. US Mission did in execution of its regular reporting program.

(D) *Becker:* " 'Protect this area immediately,' Ondecker said while the 31 rounds were falling in and around the city Monday morning. 'Good, perfect,' he said as a Cambodian officer pointed on the map after accepting the American's proposal."

Embassy comment: Ondecker believes that this paragraph may refer to an encounter in this command post area in the period 0900 to 0930 Golf 11 March. Several Cambodian officers and Ms. Becker were present. The Cambodian officers gave Ondecker a wrapup of the early morning mortar attack in which 31 rounds had fallen. Attack had stopped two or three hours earlier. No map was used at this briefing. Ondecker informs us he did not say "Protect this area immediately." He did say, "Good", in response to the report that there had been no casualties caused by the ABF.

(E) *Becker:* "The day before rebel gunners shot down one of the two helicopter gunships stationed here, and the second one was recalled to Phnom Penh. Major Ondecker arranged with the US Embassy on the morning of the attack that additional gunships would be sent to Kampot to support the infantry."

Embassy comment: Ondecker believes that this paragraph refers to a further encounter with Ms. Becker at 1030 to 1100 Golf 11 March. At that time Ondecker informed Ms. Becker that a gunship had been shot down, but that no casualties had been sustained. He remarked that he would be reporting the loss to the U.S. Embassy. He did not arrange for additional gunships to be sent, nor did the U.S. Embassy.

(F) *Becker:* "While junior Cambodian officers say Americans advise in the field around Phnom Penh, it has never been confirmed. In Kampot, however, it is difficult to hide Ondecker. He is in and out of the command post, openly recommending military maneuvers. Sometimes he prefaced his proposals with "I suggest and the General suggests that you immediately fire in this direction." The Cambodians were obviously pleased with the American's help. 'Major Ondecker was very good with the 3d Brigade; he will be good with us,' said Col. Choey Yeun. Changes were made quickly after Ondecker's arrival. Another infantry brigade was called in to bolster the 2000-man government garrison, and the top command was replaced within 24 hours. The city's defense perimeter was stabilized for the first time throughout the siege.

Embassy comment: DAO reporting officers are under instructions to identify themselves to press representatives while in the field. There has thus been no attempt to "hide" Ondecker in Kampot or elsewhere. Major Ondecker reports that no maneuvers were recommended by him to the Cambodians, either openly or otherwise. With regard to reinforcements to Kampot and changes in the top command, the FANK General Staff made the decision to send the 20th Brigade to Kampot on 3 March. Decision to move the entire 12th Brigade to Kampot was taken by the FANK General Staff late on 12 March and may not have been known in Kampot before this morning, 14 March. The 20th and 12th are the only two brigades involved in Kampot. Decision to change the Commander in Kampot was taken 9 March by Lon Nol personally. Major Ondecker played no role in any of these decisions.

GENERAL STATEMENT

Ms. Becker's report thus rests on the supposed acts or statements by Ondecker which she was not in a position to observe and which he denies, supposed acts or statements by Ondecker which she was in a position to observe and which he denies and assertions of fact which we know from other sources are false. Only one statement (Ondecker's assignments) is broadly on mark and can be verified.

In addition, Becker's report reflects a misunderstanding of the functions of the Defense Attache's Office (DAO) and of the distinction between those functions and military adviser activities as the latter have been performed in other countries, such as Vietnam. As a matter of law and of policy, there are no US military advisers in Cambodia.

The primary function of the Defense Attache's Office, of which Major Ondecker is a member, is to provide precise, up-to-date and comprehensive reporting on the course of the war. The DAO puts out twice a day a full report of military action based on information which military attaches either report in personally or by phone or radio several times a day. In order to collect this information, representatives of the DAO frequently travel to the front. They review with responsible FANK officers the disposition of friendly and enemy forces, and the nature and results of combat. Generally, these reviews require use of maps; often they require questioning by DAO representatives as precise information can be hard to establish.

On the other hand, the function of military advisers is to help commanders deploy their troops, support them with aviation and artillery and plan military operations. They are thus operational as opposed to reportorial.

The dividing lines between the reportorial and the operational lies approximately at the distinction between future operations and past. Members of the Defense Attache's Office may inquire about and be informed of future FANK plans. Under their instructions, they may not comment on or propose modifications of those plans.

The Defense Attache's Office consists of 14 officer personnel as follows: 1 defense attache, 8 assistant army attaches, 3 air attaches, 2 naval attaches. The DAO reports directly to the Chief of Mission in Phnom Penh, and to the Defense Intelligence Agency in Washington. The DAO is separate from the Military Equipment Delivery Team (MEDTC), whose mission is military assistance support to the Khmer Republic. MEDTC reports to the Chief of Missions in Phnom Penh, and to CINCPAC in Honolulu.

CHARGE'S MARCH 14 INSTRUCTIONS TO EMBASSY STAFF

"As you know, American personnel are prohibited by U.S. law and by U.S. policy from acting as military advisors. The allegations made in the 13 March issue of the Washington Post, which on investigation I believe to be unfounded, illustrate how important it is to respect not only the letter and spirit of the law, but to avoid any appearance of violation.

You must observe these rules:

Avoid any suggestion or proposal on future Khmer military actions or plans (reporting officers may inform themselves of plans);

Do not participate in combat and avoid combat situations;

Be wary of Khmer drawing you into situations in which they may look to you for military advice or suggestions.

These injunctions must be applied with great diligence in order to maintain executive and congressional confidence in our integrity."

A PROFILE OF FRANK IKARD

Mr. BROOKE. Mr. President, while I have not generally been in agreement with positions taken by our Nation's petroleum industry, I have found that the industry has many final leaders. In particular Frank Ikard, president of the American Petroleum Institute, who represents his industry with vigor and candor. Frank Ikard is a distinguished lawyer, former judge, and Texas Congressman. He is a good man and one whom I have come to know and admire. I am pleased and proud to call him a friend. I wish to bring to my colleagues' attention an article on Frank Ikard written by William Gildea which appeared in the Washington Post, Sunday, March 24. It is a fair and broad analysis of Frank Ikard, the man, and Frank Ikard, the spokesman for the petroleum industry. At a time when negatives abound about the energy crisis it is refreshing to have William Gildea's positive portrait of Frank Ikard. I ask unanimous consent that the Post article be printed in the RECORD.

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

FRANK IKARD: PLEADING BIG OIL'S CASE WITH THE PUBLIC

(By William Gildea)

Frank Ikard has been in uncomfortable situations before.

Like running for Congress from Texas' 13th district some years back against Lyndon Johnson's man and the seemingly irresistible forces behind any LBJ campaign. Ikard won easily, however, earned the late President's admiration, and ran without serious opposition four more times, which was as long as he cared to run.

Then there was a perilous time during World War II. A prisoner for seven months, he was about to be lined up and shot by an SS outfit. But he lived to tell about it when, like some fictional cavalry charge, the Americans swooped with perfect timing into that East German village and saved all.

Frank Neville Ikard is president of the American Petroleum Institute, the oil industry's richest trade association. As such, he is the embattled industry's most visible spokesman, a job absolutely no one envies.

His schedule has increased "about 300 per cent" as he goes about pleading oil's case with the public, maintaining a pace roughly the equivalent of the Harlem Globetrotters. Not surprisingly, he has become a particularly obvious target of an often suspicious and irate public. He gets nasty mail by the sackful.

At the same time, he is the man expected to smooth ripples of discord among rivals in a very nervous industry so as to keep API effectively on course. And while doing all this, he must service industry's technical needs, push hard for legislation favorable to the oil companies, and yes, by God, come up with solutions to this whole energy crisis.

A quiet man of 60, Ikard seems to accept all these demands philosophically: the crisis was a long time coming and it'll be a long time going and he's going to do everything he can. People who know him, including those who disagree with him, mention a certain dignity about him, the result of a wide and varied background in which he has seen just about everything and put it all in perspective.

Not everyone has so startlingly returned among the living as he once did. At his alma mater, the University of Texas, a plaque honoring the school's war dead, which included his name, was being unveiled at the very moment he walked into the room, a very gaunt figure, where the ceremony was taking place.

"He had already been cut in granite," said his wife, former Newsweek writer Jayne Brumley, who still can't believe some of the things she's learning about her husband of less than two years.

In a union of the environment and Big Oil, the Ikards were married only six weeks after meeting in the summer of 1972 at the U.N. Conference on Human Environment in Stockholm. She was working for the Council on Environmental Quality at the time; he was a member of the U.S. delegation. She was a widow with one grown son; he was a widower with two sons, both Texas lawyers.

The wedding took place in Austin and Lyndon Johnson himself handled most of the details. He had the Ikards out to the LBJ Ranch the morning of the wedding, then arranged the couple's wedding evening dinner (it was barbecue), turned over a nearby ranch house he owned to them that evening, and had them flown off in his private plane the next morning so Ikard could make one of his increasingly frequent speeches on the energy crisis.

Unlike many people, Jayne Ikard believed every word her husband was saying in those days about the subject. So last summer, on their 300-acre West Virginia farm overlooking the Potomac, she put up 125 jars of jam, strawberry and wild blackberry being the specialties, and 500 more jars of all kinds of pickles.

Whether that saves the Ikards any trips to the grocery market is debatable, though the jams are delicious, but one thing is certain: they're saving gas in their non-polluting, diesel-operated, 30-miles-to-the-gallon black English Austin cab. She picked it out for him in London before they were married.

The problem is they're not sure how long they will be able to keep their cherished import. Currently, they are locked into a seemingly endless struggle with the Department of Transportation, which contends the cab doesn't meet all safety specifications.

Ikard says Transportation keeps adding demands, that he's met them all, but the latest is a back-breaker: a collapsible steering column. If torn apart, the manufacturer says the car really will become a hazard. Ikard agrees. A Transportation official has threatened to have the vehicle confiscated.

An API mail room employee was behind the Austin's controversial steering mechanism as it deposited the Ikards one recently weekday afternoon at the Meridian House International for a talk Ikard was giving to about 50 employees of various embassies.

A large man, 6-foot-5, 245 pounds, Ikard felt more comfortable pulling up a chair before the group, crossing his long legs, and speaking as informally as possible in the high-ceiling drawing room.

He told his audience generally what he's telling everybody he sees these days: yes, there is an energy crisis and, yes, it's going to be around for a long, long time. He offers industry-version "medium term" solutions: building of the Alaska pipeline without delay, exploration of oil and gas reserves beneath the Continental shelf, resumption of California offshore drilling, deregulation of natural gas field prices and others.

He says everyone is going to have to alter his lifestyle to cut down waste, the lifting of the embargo notwithstanding. "We're all overheated, overcooled, overlit," he says. (Over at the modern API offices which take up two floors of 1801 K St. NW, Ikard has removed one bulb from every light fixture.)

He allays fears that gasoline prices will soar to $1 a gallon, saying, "I think they've leveled off about now," but adds, "I don't think anyone in this room will see the day when you get a set of steak knives for buying five gallons of gas."

He tries to argue away the oil companies' profits, contending that to compare 1973 profits with those of 1972 is unfair because 1972 was a bad year. He insists profits aren't excessive, that the oil industry is making less than industry in general, and that investment requirements total $36 billion per year for the next 15 years "or one and a half Apollo projects a year for the next 15 years."

Though a gasp or two is heard when the staggering figures are mentioned, questions from the audience indicate that few are particularly convinced about the industry's profits. This is part of the "credibility problem" Ikard admits he faces.

You name the group, Frank Ikard has probably addressed it; the Eastern Regional Conference of the Council of State Governments in Bass River, Mass.; the American Society of Public Administrators, Central Pennsylvania Chapter; the 57th National Automobile Dealers Association convention in Las Vegas.

He makes increasingly frequent trips to Capitol Hill, appears more often on television, writes letters to the editor, and grants extensive interviews, all in a relentless effort to spread the oil industry gospel. An interview he gave one paper in which he answered questions about the oil shortage, has appeared in many major papers as a full page ad purchased by the API.

Then there are the phone calls, even at home. He has made his number available to the media. "He gets them seven days a week," Jayne Ikard says. "When they call before 7 a.m. they say 'This is United Press.' After eight, they give their names."

Mostly everyone who has observed Ikard in action during his stepped-up goodwill campaign agrees nobody could do better. "He's a warm-hearted kind of guy who's doing a hell of a tough job in a town where they hate his industry," said Carl Bagge, president of the National Coal Association. "They hate oil more than they hate the rest of us."

Frank Ikard was born in the northcentral Texas town of Henrietta on Jan. 30, 1914. Both of his grandfathers were bank presidents, though Ikard notes matter-of-factly, "That was kind of a sideline."

A genuine pioneer, W. S. (S. for Susan) Ikard introduced the first Hereford cattle to Texas in the late 1800s. An impressive portrait of the bearded gentleman hangs in the den of the Ikards' comfortable Shoreham West apartment. (Ikard has decorated the living room with a collection of art complete with lighting system.)

Ikard's grandfather "went from very rich to very poor" after he endorsed another rancher's loan from a St. Louis bank and got stuck for $250,000 when a drought put his friend out of business. W. S. sold his 600,000-to-700,000 acres. Frank Ikard said, but later bounced back financially.

A black cowboy who took the Ikard name, Bose Ikard helped W. S. tame the land. Frank Ikard took a book from his ample den library and read aloud a passage about Bose Ikard from "The Negro Cowboys."

Ikard's materal grandfather, Frank Neville, migrated from Ohio to Henrietta during a land development boom in the 1880's. He later financed the development of the first electric automobile starter with the Leece-Neville Co. of Cleveland, a conglomerate known as the VLN Corp. Frank Ikard is a member of the board and executive committee. (He also is a trustee and secretary of the Kennedy Center and a director of the Union Trust Co.)

Frank Ikard was the only child of Frank, a rancher and Ena Ikard. "I didn't know I was an only child until I was 25," he said. "There must have been 15 or 16 cousins growing up within a five year spread."

A lifelong friend of Frank Ikard's, H. Macon Boddy of Henrietta, described Ikard as "intellectually curious," adding, "We'd make up mental games. In Henrietta, there wasn't anything to do but entertain yourself. Frank was not an outdoors type. He was excellent with a shotgun, but he never hunted much. He was more interested in intellectual pursuits. He read. He was interested in history."

The Ikards' house in town, which they owned in addition to the ranch, was the essence of "genteel living," according to Macon Boddy. "It was filled with family portraits, books and historical items," he said.

Ena Ikard was responsible. A women's rights advocate, she had gone away to school to New York City and later the University of Nebraska. There, she became friends with Ruth Bryan Owen, daughter of William Jennings Bryan and later the United States' first woman ambassador, and also became committed to Bryan's Populist Movement.

Frank Ikard decided "when I was old enough to think about it, which was pretty young," he did not like the rigors of ranching. "I looked around and the people who seemed to be making it easier were lawyers," he said.

Henrietta being the county seat, Ikard would go down to the courthouse and listen to the cases four times a year when the circuit judge came to town.

He went on to the University of Texas, became Inter-Fraternity Council president and generally a BMOC, graduated from the Texas law school in 1937, practiced law in Wichita Falls, and, at age 33, was appointed district judge.

His fame spread as the judge in a highly publicized murder case and by the time he decided to run for Congress in 1951, at the age of 37, not even Lyndon Johnson's handpicked opponent and later White House aide, Walter Jenkins, could overcome Ikard's momentum.

When Ikard arrived in Washington, he went first to Mr. Johnson's office. "I suggested to him that I was elected over his desires and that I could stay as long as I wanted to and that our relationship could be cordial and cooperative, but that it would be his decision." LBJ saw it his way.

The two became close friends, and the night the former President announced he would not run for reelection he dined at Ikard's home, then in Kenwood. Despite his influence with Mr. Johnson, Ikard says he used it only once. A friend of just elected Sen. Eugene McCarthy's, Ikard reminded majority leader Johnson "to be sure he gets some good committees."

As a freshman senator, McCarthy wound up on finance and public works. But, Ikard says, about three months later when Johnson needed a return favor from McCarthy, the new man proved too independent a thinker for LBJ and failed to oblige. Mr. Johnson never failed to remind Ikard of his recommendation at every available instance after that, including the last time they got together just a few weeks before Mr. Johnson died. "How's your good friend, Gene McCarthy?" Mr. Johnson would say.

Though a member of the Ways and Means Committee and a legislator considered to have a bright future, Ikard quit Congress to become the American Petroleum Institute's executive vice president in 1961. He gave the impression he was frustrated by the seniority system, far from enamored of the salary—$12,500 when he started and $22,500 when he left—and eager for a new challenge.

He became API's president in 1963 when his predecessor dropped dead of a heart attack in an elevator.

Ikard runs the American Petroleum Institute from behind a French provincial writing table with fake drawers. He says he doesn't like a desk because it tends to become cluttered. An antique inkwell stand and miniature roll-top desk decorate his table top. An avid gardener at his farm, he keeps handy a Burpee seed catalog on the table.

No question that Ikard, who earns almost $100,000 a year at API, is widely liked and respected, even by those who don't share his views.

"I would think that if I were a big man in the petroleum industry," said Rep. James Howard (D-N.J.), "and were concerned solely for the industry I would like to have him as my national spokesman." Ikard has appeared before Howard's Public Works subcommittee on energy.

An aide to oil industry critic Sen. Henry Jackson (D-Wash.) described Ikard as "a self-possessed, dignified kind of guy" who gets along well with others. "He doesn't come up here attacking some liberal who's been kicking the hell out of the industry."

But Jackson's man added, "I don't think he's got much impact on changing anybody's mind" on Capitol Hill. Rep. Howard said, "The longer you are an ex-Congressman the more diluted your contacts. I've been here ten years and he was gone when I got here. I didn't feel any real collegial responsibility toward him."

Another source said Ikard "has never peddled much on his position as an ex-Congressman," though his connections on the Hill were a factor in his hiring.

When Ikard joined API it was located in New York, was concerned almost exclusively with technical industry services, and did little government lobbying. Though it appeared that the hiring of Ikard marked the beginning of new political awareness by API, it wasn't until "six or seven years ago," according to Ikard, that much action was taken in "federal government relations" and it wasn't until 1971 that the association headquarters was moved to Washington.

All of which tends to uphold one close observer's opinion that the organization, with its 1974 budget of about $16 million, "moves like a behemoth." It is made up of more than 250 corporate members, several of which contribute more than $1 million annually and all of which want their often diverse opinions heard.

"They don't do anything," said the source, "without 10 meetings and getting everybody to agree. And then what they accept is the least common denominator. Meanwhile, all these meetings create the appearance of a conspiracy."

A high industry representative indicated Ikard's almost insurmountable problem has been coordinating different viewpoints within the industry. Watered down agreements often result in "a mealy-mouth presentation" by the API, he said. Ikard must steer a cautious course, he indicated, as though through icebergs.

With internal duties consuming much of his time, Ikard says he began about 1971 to think of API reorganization. Denying a report that suggested pressure from within the industry caused the reorganization, Ikard said, "I don't think any single person could say he was responsible.

"But I had been talking about it for some time. I was desperately wanting relief on the administrative side. It was kind of an idea that was obvious to everyone. It was very obvious I could not continue very effectively if I was doing it all." McKinsey & Co., the management consultant firm, was called in for an extended study.

"It was suggested," said a person close to the study project, "that the organization become less of an industry service operation and more public policy oriented. The emphasis should be placed on anticipating and developing public policy needs and conveying them to the proper people in government."

API has added more lobbyists, and the lobbying budget has been increased sharply to about $200,000 for 1974, five times what it was just two years ago.

The study also recommended the addition of a strong executive vice president with administrative experience to run API day to day, it being implicit that Ikard was better suited in more visible undertakings. It wasn't easy to get agreement on a No. 2 man but last week Charles J. DiBona, 42, a former special consultant to President Nixon on energy matters, landed in the job.

One observer foresees a possible Ikard-DiBona clash. "They're as far apart as two people can be in personality and background," he said. "Ikard is a politician who knows history and knows what his people want. Charley isn't one to be subtle or tactful."

If no one is quite certain where API is going from here, the consensus is that it will proceed, as always, with extreme caution and only after much deliberation, taking one giant step at a time.

One reason Ikard is effective in public is because he understands its concern. He, too, has been affected by the energy pinch. He is making fewer weekend trips to his farm these days and, at one point, the gas tanks of his tractors ran dry. He had been "cut off flat" by the local service station.

It wasn't much better for him back in Washington. His friendly Texaco station, where he had done business regularly, couldn't help him at all for a couple of weeks. And for a while he had a lot of time to polish his speeches while waiting in gas lines.

"Ikard runs the American Petroleum Institute from behind a French provincial writing table with fake drawers. He says he doesn't like a desk because it tends to become cluttered."

CONSUMER TAX RELIEF

Mr. BENTSEN. Mr. President, as all Americans realize, the number of unemployed in our Nation has increased dramatically over the past several months—in fact, by as many as 600,000 since October. Just last Friday the Federal Reserve Board reported that our Nation's industrial production declined in February for the third consecutive month. The increased number of jobless represents real economic hardships for the families involved and prompt action by Congress is required to reverse this trend and protect the jobs of the American worker. A moderate across-the-board tax cut for all consumers would help prevent further rises in unemployment, reverse the current economic slowdown and, in addition, provide a partial adjustment for the inflation which has eaten into the paychecks of the American worker.

Despite the President's unequivocal statements that there will be "no recession" in the United States in 1974, economic indicators clearly show rising unemployment, negative economic growth, and declining consumer demand. This makes it unmistakably clear that we are already in the midst of a real economic slowdown. As the wives and children of hundreds of thousands of workers who have recently been laid off could easily verify, the President's promise may be more an indication of wishful thinking than an objective analysis of the facts—unless we take appropriate action.

The economy now needs a mild tax stimulus—perhaps in the range of $3 to $4 billion. This can easily be achieved by means of an across-the-board tax cut for all consumers, either by increasing the personal exemption or adopting a tax credit. But whichever alternative Congress selects, prompt action is required. By making the tax cut effective through the withholding schedule, the stimulus would be felt immediately, through increased weekly take home pay.

A moderate consumer tax cut is needed now for several reasons.

First, we must keep the current economic downturn from materializing into a recession and help prevent a further rise in unemployment. The decline in housing starts and the slump in auto sales, to give just two examples, illustrate a general decline in consumer demand. Reduction of demand in major sectors of the economy such as the construction and automobile industry have a "multiplier effect" on the rest of the economy. The thousands of men laid off in the construction and auto industries consume less which, in turn, hurts the businesses that supply consumer goods to all these workers. A gap between actual and potential output has resulted for the entire economy. A moderate consumer tax cut will boost consumer spending, moving us closer to our potential growth path and thereby increasing the number of jobs.

Second, a tax cut is justified as an inflation adjustment. Needless to say, every housewife is keenly aware that rising food and gasoline prices are making it more and more difficult to make ends meet. It is estimated that rising food prices reduced consumer purchasing power by $15 billion in 1973. In addition, increased fuel prices are now taking money out of the economy and out of consumer's pockets at an estimated rate of as much as $20 billion a year. The extra money that consumers will have to spend on food and fuel is not available for spending on other consumer items, ranging from movie tickets to television sets. A moderate tax cut will provide some relief against past increases in the cost of living.

Third, a tax cut can serve as an anti-inflation weapon. This year will be an important one in the fight against inflation, because major collective bargaining negotiations will take place. By granting a tax reduction now we will provide some relief against the rising cost of living for working men and women and this can ease the pressure for excessive wage demands. In effect, we will redress workers' cost-of-living grievances in part through tax relief rather than wage escalation.

Although some argue that we are not experiencing a general economic slowdown and decline in consumer demand, major indicators unmistakably point in the opposite direction. Let us look at the statistics.

Industrial production declined in February for the third consecutive month.

Unemployment has risen from 4.6 percent of the civilian work force in October to 5.2 percent in February. This represents an increase in the number of unemployed persons of 600,000 since October. The administration admits that it expects unemployment to average 5.7 percent in 1974. This prediction implies unemployment rates near or above 6 percent at sometime during the year.

Initial claims for unemployment insurance in January were more than 30 percent higher than in January of 1973.

In January, real spendable earnings of

nonfarm workers, after taxes, were down 4 percent from a year earlier.

Sales of U.S.-made cars in February were down 27 percent from February of 1973.

Housing starts in the first 7 months of 1973 averaged 2.3 million, but then fell sharply and have averaged only 1.6 million since November.

For over a year retail sales other than autos have shown no increase in real terms.

Economic forecasters at the University of Pennsylvania predict a 3-percent negative growth rate for the first half of 1974.

The Chase econometrics model of the economy predicts that consumer demand will continue to be weak through 1974 and well into 1975.

The data resources model predicts an actual decline of about 2 percent in retail sales, after adjusting for inflation, in the first quarter of 1974.

Contrary to the views of administration spokesmen, a moderate and responsible tax cut now will not be inflationary. Let us look at the facts.

First, the economic outlook demonstrates that the major problem will be a real shortage of demand, not a shortage of supply. A recovery of economic growth will have to include increased consumer spending and there are no signs that this recovery will take place in 1974 without a fiscal stimulus.

Second, the inflation we experienced in 1973, which unfortunately continues in 1974, has a life of its own, so to speak. Increases in food and fuel prices, which accounted for more than 60 percent of the consumer price inflation during 1973, were not the result of fiscal and monetary policies, and if prices continue to rise in 1974 this will happen regardless of whether we have a tax cut. As Walter Heller, Chairman of the Council of Economic Advisers under Presidents Kennedy and Johnson has said:

> Inflation in 1974 has a life of its own, nourished not by excess demand but mainly by a variety of cost factors beyond the reach of fiscal and monetary management. The great bulk of the stimulus of a prompt tax cut would therefore express itself in higher output, jobs, and income, not in higher prices.

Obviously we cannot overlook the serious impact that inflation has on the budget of the average American family. We must attempt to check inflation by the most appropriate and workable means—expanding supplies of agricultural products and vital raw materials and cooperating with management and labor to insure that the momentum of inflation does not outlive its real causes. However, it would be tragic, indeed, if we failed to enact a moderate tax cut which would increase jobs, because of a misunderstanding of the nature of inflation.

While some argue that we can rely on Government spending powers to stimulate the economy, I believe that spending powers, which may be tardily exercised and which may have a substantial time lag between enactment and economic reaction, would prove more useful as a treatment of an ongoing recession than an effective means of preventing one.

A moderate across-the-board tax cut for all consumers now would be an insurance policy against a prolonged and sharp slide in unemployment and output, and it would help offset the impact of higher grocery and fuel costs on the American family.

The increase of 600,000 unemployed workers since last October is far, far too high. Our Nation simply cannot afford inaction in the face of growing unemployment and Congress must now enact a moderate across-the-board consumer tax cut.

SLAUGHTER AT SEA MUST STOP—FOR OUR OWN GOOD

Mr. HOLLINGS. Mr. President, I would like to take this opportunity to bring to the attention of my colleagues a recent statement made by Senator MAGNUSON, entitled "Slaughter at Sea Must Stop—For Our Own Good," which was printed in the Los Angeles Times, March 19, 1974. I am sure this article will be of interest to each of you, because of the extreme importance of protecting and restoring marine life and preserving traditional coastal fisheries which provide needed protein for the world and jobs for hundreds of thousands of Americans.

I ask unanimous consent that Senator MAGNUSON's article be printed in the RECORD.

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

MAGNUSON SEEKS PROTECTION OF WHALES, FISHES: SLAUGHTER AT SEA MUST STOP—FOR OUR OWN GOOD

(By WARREN G. MAGNUSON)

The whales and fishes of the world's oceans are being wiped out today at an astonishing rate—targets of destructive technology applied on a massive scale.

The pace of annihilation is ever-accelerating—even though, in the years after World War II, most of the world's nations were signatories to a number of conventions to protect marine resources. However well intended, such treaties as the International Whaling Convention of 1949, the Northwest Atlantic Fisheries Convention of 1950 and the North Pacific Fisheries Convention of 1954 have been proved hopelessly inadequate in curbing the fishing voracity of modern fleets.

This problem has come about mainly because Japan, the Soviet Union and certain other nations have defied commonsense limits on their catches. They have engaged in a blind and destructive competition which mocks the spirit of trust in which the international agreements were entered into. Their catches flout the idea of protecting and restoring marine life.

As a result, we now face the likelihood of total collapse of traditional coastal fisheries which provide needed protein for the world and jobs for hundreds of thousands of Americans.

In addition to this problem of fishes, we are faced with the unthinkable possibility that some, eventually perhaps all, species of the great whales will disappear. They may be eliminated from the oceans simply because their destruction and utilization contributes to the short-term profit of Japanese whaling companies and their Soviet competitors.

The pressure on marine resources seems constant—and omnipresent:

Off New England, the Soviets, Poles and East Germans have, in a little more than a decade, almost wiped out the formerly abundant Georges Bank haddock, gravely imperiled once-enormous stocks of sea herring, threatened the yellowtail flounder fishery and depleted stocks of cod and other fishes. U.S. catches have been cut in half in a few years.

A new agreement on North Atlantic fishing, although touted as a U.S. "victory," provides quotas for the Soviet Union and other Eastern-bloc countries three times greater than that accorded our fleet. The agreement, written late last year, clearly neither terminates Soviet fishing rights off our coasts nor provides enough reduction in catch to permit fish populations to recover.

In the Pacific, off Oregon and Washington, Soviet fleets have halved U.S. perch catches in a few years and are well on the way to decimating the stocks.

Further north, off Alaska, the Japanese high-seas salmon fishery has so depleted the Bristol Bay sockeye salmon that biologists feel another season of netting may not only destroy the fishery, but jeopardize the survival of the species.

In the Bering Sea, the important U.S.-Canadian halibut fishery has been eliminated by what are called "incidental catches" by Japanese and Soviet fleets. Indeed, the "incidental" Japanese catch last year exceeded the entire deliberate catch by U.S. halibut fishers. The tremendous pressure on all Bering Sea fish may be appreciated by the fact that the total catch has risen from 28 million pounds in 1954 to 5 billion pounds last year. This unparalleled assault raises the possibility of the entire fishery's collapse within a few years. Of all the fisheries in the world, that of the Bering Sea is by far the most prolific, and the effect of such a collapse would be an ecological disaster beyond comprehension.

At the recent meeting of the International North Pacific Fisheries Commission in Tokyo, the Japanese, who account for over 80% of the total catch, refused to reduce their fishing effort despite clear evidence that their failure to do so will result in annihilation of once-plentiful stocks, such as the Bristol Bay sockeye salmon.

Along with the massive exploitation of fishing grounds, whaling fleets over the past 25 years have pitilessly hunted down and destroyed population after population, species after species, of great whales. By 1965, the blue whale had been brought to the verge of biological extinction. By 1968, the humpback whale had been reduced to a worldwide remnant, possibly as low as 1,000 animals. Finback whales today are critically depleted, sei whales are increasingly scarce and sperm whales are threatened.

These unique and magnificent mammals are of inestimable aesthetic, ecological and potential economic value to mankind. In many cases, their numbers are being systematically reduced beyond the possibility of significant recovery in our lifetimes.

Yet at a meeting of the International Whaling Commission last year, the Japanese and Soviets, ignoring resolutions by the United Nations Conference on the Human Environment and the U.N. Environmental Secretariat calling for a 10-year moratorium on the commercial killing of whales, succeeded in turning back U.S. efforts to significantly cut down the slaughter.

In addition, these nations have announced that they will disregard even the modest conservation measures voted by the Whaling Commission, at the recommendation of its scientific committee, to protect sperm and minke whales in the Southern Hemisphere.

This total lack of international concern profoundly distresses me, and has caused me—along with other senators—to introduce a number of measures before Congress in an effort to provide some kind of protection for whales and fishes. The most important of these would unilaterally extend U.S. jurisdiction over fishery resources to 200 miles from our coastline.

However, such a limit cannot greatly lessen the plight of the great whales, nor protect valuable fish stocks beyond potential national jurisdiction. Thus, I have authored a resolution which, if approved, would pave the way for economic retaliation against those nations and interests destroying marine resources.

The resolution instructs the secretaries of state and commerce to determine what action can be taken to effect compliance with conservation measures aimed at protecting marine resources with special attention to "trade agreements with Japan and the U.S.S.R., particularly . . . regarding industries which have a financial interest in the whaling or fishing industry."

When the studies mandated by the resolution have been completed and the necessary implementing legislation introduced and passed, we will have a realistic means for protecting the whale, and other endangered marine creatures, and vital open-ocean fish stocks.

More than 140 nations are expected to take part in the U.N. conference on the Law of the Sea, which begins in June and aims to create an entirely new body of law to deal with all uses of the sea. Major proposals have been made which would protect marine life, but there are such deep schisms between participating nations that it could well be that this conference, too, will lead to failure.

Therefore, my colleagues and I have entered upon the course of striving for unilateral U.S. action with reluctance, for we have continued to hope that reason would prevail in international deliberations. However, we can clearly no longer afford the luxury of waiting.

I believe that our survival may be contingent upon this. And I do not want to be a member of a generation which visited the moon, while the last great whales, with immense brains, unfathomed and unexplored, died in the world's oceans.

MARYLAND DAY 1974

Mr. MATHIAS. Mr. President, March 25, 1974 marks the 340th anniversary of the founding of Maryland and as we pass that milestone and as we approach the Bicentennial of the American Revolution, it is perhaps natural that we reexamine the reasons, motives, and feelings of those men who settled Maryland and who created the United States of America. Events of the past decade and especially events of recent years have made the reexamination of our institutions, purposes, and goals, not only a function of the celebration of 340 years of Maryland history and 200 years of our national existence, but a necessity for the continued strength of our State and Nation.

Americans pride themselves on their capacity for innovation. They take pride in the demonstrated great capacity to invent, to bring forth new practical ideas to meet new situations. This is certainly one side of the American character. But there is another side, a very strong conservative strain which lies at the heart of the strength of America and by conservative, I am referring to the mainstream such as Burkean conservatism: that through our knowledge and understanding of the past we can conserve what is valuable for the present and protect for the future; that whatever we do to act to meet present and emerging situations should be measured against the test of the values of past history, past thought, and past experience.

It is clear that there are many serious unresolved problems that face the country at this time and there is much criticism of our system of government, and yet it seems to me that if we study our history from the time of the settlement of the colonies through the years to the present, if we understand the nature and substance of our country's institutions, we will find, I believe, that they are still basically sound and can meet the challenges we now face.

If we act as conservators of the Declaration of Independence, the Constitution, the Bill of Rights, and the laws of the land; if we see to it as guardians of our history and traditions, that the laws are properly made and faithfully executed, we will come to our 200th anniversary with pride and confidence that the Nation will continue. And in my view, as long as those institutions are conserved, preserved, and nurtured, it will continue strong and free.

In a sense, we can share Jefferson's feelings as expressed in his last letter to John Adams written in March of 1826, describing his great joy in being able to be a part of the creation of the American Republic. Writing to Adams, he expressed his satisfaction that despite many storms, the ship of the American State was able to weather the storm "stoutly." It is our present lot to find the ship of state in the midst of swirling storms, and I have every confidence that we will weather these storms as well.

STATEMENT OF THE PRESIDENT OF THE AMERICAN BAR ASSOCIATION BEFORE THE CAPITOL HILL CHAPTER OF THE FEDERAL BAR ASSOCIATION

Mr. CHILES. Mr. President, I ask unanimous consent that the remarks of the president of the American Bar Association, the Honorable Chesterfield Smith, before the Capitol Hill Chapter of the Federal Bar Association on March 14, 1974, be printed in the RECORD. Mr. Smith's comments include a proposal for a citizens' coalition for court improvement and will, I believe, be of interest to my colleagues in the Senate.

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

PROPOSAL FOR A CITIZENS' COALITION FOR COURT IMPROVEMENT

The equitable and efficient administration of justice is essential to a nation organized under, and dedicated to, the rule of law. Yet, the central elements in the administration of justice in this country—the courts—have, in the main, been neglected by our citizens and, more specifically, by their elected representatives: their Congressmen and their State legislators. It has almost become a cliche among lawyers and informed lay citizens that most courts are poorly housed and ill-equipped and that court personnel—and, especially judges at the State level—are severely undercompensated. Undeniably, our courts, both Federal and State, are among our least supported institutions. It is rather startling to realize that the budget for the entire Federal court system is only one-seventh of one percent of the entire Federal budget.

This monumental neglect has resulted in serious problems in the operation of those courts and, therefore, in the administration of justice. By anyone's standards—our courts simply are not meeting present needs. While the problem is more serious at the State level, particularly in metropolitan areas, it is real and alive also in the Federal courts. Crowded court dockets, case backlogs, overworked and harassed judges, judicial inefficiencies, and slow motion justice are the rule in massive areas of the Nation. In fact, it is not the exception—it is the prevalent condition.

The resulting delays in the resolution of civil disputes and in criminal trials have, in my opinion, contributed largely to the burgeoning crime rates, criminal recidivism, and the overall diminishment of public trust in government now plaguing our society.

The legal profession—through the American Bar Association and other legal groups—has long championed the cause of court improvement. While we have had some extremely significant achievements, we must acknowledge that we have not been able to secure overwhelming public support for judicial improvements. Often our concern has merely fallen on deaf ears in the community, in the State legislatures, and in the Congress. It has, therefore, been adequately demonstrated to me that lawyer concern is not enough—the cause of court improvement must be a concern and a cause for every citizen, not just attorneys. Justice is and always will be too precious a commodity to be championed by lawyers alone.

Lawmakers react to the interests of their constituents and, in regard to court improvement, there has been little articulated interest in the justice system except by lawyers. Thus, court improvement legislation and appropriations traditionally are relegated positions low on congressional and State legislative lists of priorities.

This low citizen interest stems—I am firmly convinced—from a lack of information—a feeling of knowing—rather than legitimate disinterest. I firmly believe that our citizens are usually, in the main, uninformed as to the cause and effect relationship between poorly supported and financed court systems and the resultant poor administration of justice.

It is for these reasons, therefore, that I now propose that a Citizens Coalition for Court Improvement—composed of representatives from all walks of American life—be formed to act as a catalyst for educating and involving our citizens in the constant fight for court improvement at the Federal level. I favor a similar structure for creation in each State, but that is the prerogative of the State bar association. My own responsibility, and that of the ABA, is at the national level. This coalition—I envision—would—among other things—be concerned with lobbying for improved court facilities, more adequate court support personnel and services, improved court procedures, and just compensation for members of the judiciary. I am asking representatives from various groups and occupations to participate in a conference in early June to discuss this proposal. I am firmly convinced that such an organization—which would be the first of its kind dedicated solely to court improvement—can materially enhance the quality of justice and the ability of our system to meet the needs of our society.

One of the reasons which caused me to come to the conclusion that such a wide-based citizens organization was absolutely essential was the recent and, to me, very sad decision by Congress denying Federal judicial pay raises. Just last week, the Senate vetoed the proposed pay increases for the Federal judiciary, as well as similar increases for high-ranking Government executives and the Congress itself. The American Bar Association had urged in the strongest terms the absolute necessity of providing an equitable salary adjustment for Members of Congress and Federal judges. Federal judicial and congressional salaries have been frozen since 1969 while—as we all know—the cost of living has skyrocketed in the intervening years. We

spoke out in favor of a congressional pay raise because we believed it to be right and desirable but, of course, our special interest and special competence related more to judges salaries.

The simple fact is that lawyers who are of the quality to be judges are generally capable of earning in private practice far more than Federal judges are currently paid. Further, the financial hardship experienced by such lawyers in accepting judgeships is compounded when, after a period of severe inflation, his or her compensation remains the same.

As almost all of you know, legislation enacted in 1967 provides for a review every four years of judicial, executive and congressional pay. Since that time, more than half of the current members of the Federal judiciary have been appointed—appointed I suggest—with the reasonable expectation that this automatic mechanism would safeguard the purchasing power of their salaries from the erosion of inflation. By denying them this treatment, the Senate last week voted to continue into the indefinite future a salary scale too low to begin with, which has been frozen for the past five years, and whose real value diminishes each month. That was wrong—and I believe that ultimately it will adversely affect the quality of Federal justice.

In a real sense, the way in which we treat our judges reflects our attitude toward the functions they perform. By denying them fair treatment, we are casting unwarranted and dangerous doubt on our support of the administration of justice and the rule of law.

Communications which I received from a large number of Senators indicated that they truly appreciated the necessity of raising judicial pay. In voting against the pay increases, the Senators were apparently guided not by what they felt was right for the judiciary but what appeared to satisfy their own immediate political problems. As politicians, Senators can now take credit for turning back their own proposed pay increases. Judges, however, are not politicians and the Senate should not have imposed what it found to be politically expedient for its own members on the principal architects of justice in this country.

The Senators were able to vote against Federal judicial pay raises more easily, it seems to me, because there was no broad based citizen support for just compensation increases for the judiciary. Our citizens just did not know and were just not involved in the lobbying effort. The issue, undoubtedly, may have been confusing—certainly it was not well articulated to the public by the American Bar Association. It is my hope that, through an organization such as the proposed citizens coalition for court improvement, broad based citizen support can be generated in the future in support of similar measures which vitally affect the administration of justice at both the Federal and State levels. I shall do whatever I can to cause such an entity to come into being and to help it begin operations. Once that is done—once the baby is born and walking—I feel that it should go its own way. It should as a long-range matter have no connection with the American Bar Association or be under the dominion or control of any other organization.

FORMER SENATOR PAUL DOUGLAS, OF ILLINOIS, CELEBRATES 82D BIRTHDAY

Mr. STEVENSON. Mr. President, today marks the 82d birthday of a former colleague of many of us—and a predecessor of mine from Illinois in the Senate, Paul Douglas. I think it is fitting that we pause to mark the occasion, and worthwhile to remember what the name and career of Paul Douglas has meant in our national life.

At a time when the integrity of public officials is under intense scrutiny; a time when many citizens are skeptical, even cynical, about the moral stature of their elected officials—we can profit from Senator Douglas' example. If ever a man deserved the title, Mr. Integrity, it was Paul Douglas, who early led the battle for campaign reform and strict ethical codes for public servants.

But integrity, fundamental as it is, must be the foundation of a public career; it is not the whole structure. Paul Douglas built upon his integrity a record of far-sighted leadership.

Long before saving the environment reached the forefront of public consciousness, he was fighting to save the Indian Dunes.

And when Ralph Nader was only a little boy, Paul Douglas was battling in the Senate for truth in lending and an array of consumer protection laws.

For years Paul Douglas and his wife, Emily, who was herself at one time a member of Congress, were a team representing the citizens of Illinois—and setting an example for us all.

Now they are retired from public life. But though they have left the tumult of public controversy and the glare of public notice, they must surely have the greatest satisfaction that can come to anyone in public service: The satisfaction of a life richly lived; a job well done, and the satisfaction of knowing that their influence still is felt in the U.S. Senate, and in the country to which they gave so much.

THE PHOENIX SURGICENTER

Mr. FANNIN. Mr. President, for the past 4 years it has been my pleasure to work with a group in Phoenix which has pioneered a new method of quality, low cost health care. It is known as the Phoenix Surgicenter, and the idea has spread rapidly across the country.

At first the medical community itself had some skepticism about such programs, but now the concept is fairly well accepted. It is the Federal Government which has been slowing up this needed development.

In the January issue of AMA Update, the American Medical Association reprinted an excellent article written by the editor of the Arizona Republic, Frederic S. Marquardt. Mr. President, I ask unanimous consent to have the article printed in the RECORD:

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

SURGICENTER CUTS COSTS—SO, WHY WON'T MEDICARE PAY PART OF THE TAB?

(By Frederic S. Marquardt)

As anyone who has been sick knows, health care costs have mounted astronomically in the last few years.

In 1970, two Phoenix physicians, Dr. Wallace A. Reed and Dr. John L. Ford, came up with an idea that would reduce hospital costs. They secured permission to build a free-standing surgical facility in which minor operations could be done and allow patients to go home the same day.

A good example is a tonsillectomy. Until Dr. Reed and Dr. Ford opened Surgicenter, most persons wanting their tonsils removed had to spend two days in a hospital, with costs running up to $100 a day. In Surgicenter a patient can walk in, have the operation, spend four or five hours under medical supervision to be sure there are no complications, and walk out.

Because a surgeon can schedule four or five minor operations in quick succession, he can save time. Because the patient can walk in and walk out, without having to stay in bed for a couple of days, he can save money.

Although most hospitals opposed licensing of Surgicenter, they soon realized the procedure was a good one. Today the big Phoenix hospitals have made their own surgical facilities open to ambulatory patients.

In the three and a half years since it opened Surgicenter has completed 16,000 operations without a death or a life-threatening complication. Most health care insurance companies, both commercial and nonprofit, pay Surgicenter a portion of what they would pay a hospital for the same services.

But Medicare, the Social Security Administration's program that pays a large portion of hospital bills for everyone over 65 years of age, has refused to make payments of any sort to Surgicenter.

Surgicenter has been writing letters to, and holding conferences with, Social Security Administration officials. All efforts to get Medicare support for the Surgicenter program have failed.

Last October Congress passed a law authorizing the secretary of the Department of Health, Education and Welfare to develop a demonstration project with Surgicenter. The Social Security Administration, which is under HEW, was ordered to carry out the law's provision. The last communication from the Social Security Administration, dated May 17, suggested that "further delays of unpredictable duration are to be anticipated."

The preceding quotation is from a bulletin Surgicenter recently sent to its Community Advisory Committee. In commenting on Medicare's delay, Dr. Reed and Dr. Ford said: "For the first two or three years, we were somewhat amused by this known inability of the federal bureaucracy to move effectively. Now, however, it's beginning really to alarm us, not because of what it means financially—we are managing to get along without Medicare Part A paying its way—but because of what it portends for the survival of our society."

It is hard to understand why the federal government, which is at least partly responsible for spiraling health costs, shows such disregard for a cost-cutting program that has worked well in Phoenix.

It is impossible to understand why the federal government cannot even run a demonstration project to determine for itself whether Surgicenter is a success or a failure.

NUTRITION PROGRAMS FOR THE ELDERLY

Mr. BIDEN. Mr. President, I am pleased to share with my colleagues the success of SERVE, Seniors Eating Regularly and Visiting Each Other, a title VII Older Americans Act nutrition program in Wilmington, Del.

The Wilmington program began November 19, 1973, and now has eight nutrition sites located in churches, senior centers, and community agency buildings. All of these locations were selected for their proximity to elderly individuals who would qualify for the program.

Aside from providing nutritional

meals, SERVE also provides supportive services such as transportation and employment counciling. These programs are funded through title III of the Older Americans Act and have been of great value to the elderly in Delaware.

Recently, Daphne Aaron, project director of SERVE, and Mrs. Greta Bowers, a member of the Wilmington Senior Center, testified before the House Subcommittee on Education about the federally funded nutrition programs for the elderly. I believe their remarks about SERVE are particularly incisive and deserve the attention of my colleagues.

Mr. President, I request unanimous consent that the testimony of Daphne Aaron and Greta Bowers be printed in the RECORD.

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

STATEMENT BY DAPHNE AARON

My name is Daphne Aaron. I am the Project Director of SERVE, the Title VII Nutrition Program in the City of Wilmington, Del. I appreciate the opportunity to provide information to this committee about our program.

The Wilmington project was funded for about $115,000 per year. It is designed to provide 560 hot meals per day in the City of Wilmington. The state of Delaware has three other projects in its three counties: New Castle, Kent, and Sussex. The comments I will make, however, concern only the City of Wilmington.

SERVE, or Seniors Eating Regularly and Visiting Each Other, began on November 19, 1973. The project now has eight nutrition sites. These sites are located in churches, senior centers, and community agency buildings. They were carefully chosen for their proximity to concentrations of elderly people who are at or below poverty level and who are in the minority groups.

We are extremely pleased with the program to date. It has provided an extra dimension to the lives of older Delawareans. The improvement in their life styles, interests, and attitudes have been noticeably discerned. While we are aware of the vital need for a nutritious diet, we have attempted not to make it the most important factor in our delivery of human services to the elderly.

In addition to providing a nutritious meal, SERVE provides an opportunity for senior citizens to benefit from needed supportive services. Our program includes a shopping assistance bus that transports senior citizens to a local shopping mart each week. There is a very comprehensive Information and Referral Service. There is an employment service for Older Delawareans to give them the opportunity to supplement their fixed incomes. Our telephone reassurance program calls approximately 250 seniors daily. Escort services are provided for medical and financial needs, consumer protection assistance, fire protection aid, personal protection provided by the police department, pre-retirement programs, and income tax preparation assistance.

These supportive services have been a part of Delaware's program for the elderly before the nutrition program began. They are funded entirely through Title III funds of the Older Americans Act. This enables us to use our Title VII nutrition money for hot meals only, plus staff costs.

However, the beauty of the nutrition program is that more of our elderly residents have become more aware of the services mentioned above. The hot meal was the drawing card and the inspiration for senior citizens to request additional assistance for their particular problems.

Because of the increased demand, the dollars are shrinking. Title III funds are not as plentiful as they once were, at least not in the state of Delaware. We feel, therefore, that it is critical for Congress to approve more funding for Title VII to provide for this increased need of services. We have also experienced the inflationary spiral with regard to food costs in just 2½ months. Because of this our waiting list is increasing.

In addition, we have discovered that because of inadequate funding, staff members who should be out seeking elderly citizens to participate in the program must spend too much time in-house. The idea of volunteers is excellent, and we work very diligently to find volunteers, though they are not always as dependable as they might be. It is our feeling that another full-time staff person at each site would make the program more effective. (You should know that we are working closely with the SSI State Division People.)

We feel that the Nutrition Program has been, and will be, an outstanding success. It is our belief that it should be a priority item for the Congress in its determination of fiscal expenditures. We strongly urge that all the additional dollars that can be found be channeled into this program.

It is our firm conviction that the Title VII nutrition program has all the necessary ingredients to provide the needed services that will make life more meaningful for the elderly residents of America.

STATEMENT BY GRETA BOWERS

My name is Mrs. Greta Bowers from Wilmington, Delaware. I have been a member of the Wilmington Senior Center for about three years.

I joined the center shortly after the death of my husband. I was lonely and depressed and needed company. Since being active at the center I've had many opportunities I wouldn't have had. There are many programs, one of which is the nutrition program, started on November 19, 1973.

At first there was much skepticism among the members. After the program started, it proved to be a real blessing to the senior citizens. The blessing has been because of the opportunity of being able to receive a nutritious meal once a day.

I would like to relate a few incidents I know of personally. A blind lady who takes advantage of the program. She lives alone and does not bother to cook for herself. She feels that her health has been benefited by having a nutritious meal once a day.

An aged woman and her crippled son were having a problem. The mother is getting senile and too weak to prepare food for them. They are now getting the nutrition program and are very happy. This problem was solved for them. They also feel their health has been benefited.

Speaking in behalf of the senior citizens of Wilmington, Delaware we hope that the Congress will continue to appropriate money for this very necessary program.

TRUTH IN FOOD LABELING

Mr. HARTKE. Mr. President, I believe that many consumers are becoming aware of the dangers which are presented by the row upon row of food products on supermarket shelves these days. We simply know too little about the food we eat, what is in it, and what it will do for us—or to us.

It was this need to know that prompted me to introduce the Truth in Food Labeling Act, S. 1197. My proposal requires disclosure about the quality of food products, their contents, their nutritional value, and their freshness. This is basic information which every consumer has a right to know, and its disclosure will in no way confuse the purchaser.

Mr. President, recently an article by Peter Weaver appeared in Today's Health magazine. Because it is not appropriate to the subject of product labeling, I ask unanimous consent that its text be printed in the RECORD.

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

TOWARD MORE EFFECTIVE LABELING

(By Peter Weaver)

"If all else fails, read the label," goes the old household joke. But in these days of aerosol cans, synthetic fibers, food additives, and do-it-yourself projects, if you don't read the label *first*, you risk wasting your money, at the least, and injury or death, at the extreme.

A man found unconscious with a spray can of paint by his side could have saved himself a lot of agony if he had read the fine print on the can warning him to provide adequate ventilation while using the contents.

Yes, label reading is better and more necessary than ever, thanks to the efforts of many, including consumer advocates—those people who push for new laws to protect the buyer; and government agencies—who have banded together to help pass laws requiring manufacturers to put detailed labels on goods. Over the next few years, these new, more effective labels will appear on more and more items.

But no amount of research and law passing can protect you and your family from possible harm unless you take the time to read and heed the new package information.

The crusade is far from over. Some of the warning or informational labels are quite good but are long overdue. Others however, tend to be confusing, and some leave out important information that buyers need to effectively use the product.

Evidence of progress is everywhere:

Food—As of January 1, 1974 most packaged food labels ordered by manufacturers will have to list nutritional values such as calories, protein, fat content, carbohydrates, vitamins, and minerals.

Cosmetics—All cosmetic labels printed after March 31, 1974 must list ingredients such as specific colors (by government numbers—yellow #5, for example) and other possible irritants (lanolin, protein, coal tar).

Toys—Last fall, manufacturers of electrical toys were required to state on every package: "Caution—Electrically operated product. Not recommended for children under eight years of age. As with all electric products, precautions should be observed during handling and use to prevent electric shock."

This kind of label information can be useful if buyers actually read and understand the message. "We require warning labels when necessary but we have to be careful that the manufacturers don't use them as a cop-out," says Ron Aaron Eisenberg, director of public affairs, Consumer Product Safety Commission. If a product is inherently dangerous, Eisenberg says, it might not do much good to put long and complex warnings on a label.

He cites the complicated warnings on adhesive spray cans which have a "danger" warning followed by a "caution" subheading. Included under danger is the fact that the contents are "extremely flammable," and that users should "avoid prolonged breathing of vapor and prolonged or repeated contact with skin." There's more on the dangers of "swallowing" the contents, and this is topped off with the cautionary statement that the whole thing is packed under pressure and could blow up if tossed onto a trash fire.

This sort of warning-label overkill tends to turn off many consumers who eventually stop paying much attention to all the label language. Rather than wade through the confusion, they say to themselves, "If they

allow them to sell it, it must be fairly safe." So, instead of piling one warning on top of another, Eisenberg says, "manufacturers should concentrate on cutting the dangers out of the product."

Baby-crib manufacturers did just that and combined their new safety standards with a simple, easy-to-understand warning label. Babies were getting their heads stuck between the bars, and some even choked to death. Others were suffocating under ill-fitting mattresses. The Consumer Product Safety Commission ordered new design standards for the cribs which included, among other structural changes, narrowing the space between the bars and the attachment of a warning label reminding parents to get a mattress which fits snugly into the frame.

Working with the industry, the commission prompted the publication of a brochure to go with each crib, explaining the inherent dangers and showing, in pictures, how the crib can be used in the safest possible manner. The Juvenile Products Manufacturing Association and the American Academy of Pediatrics agreed to help distribute the brochure.

The presence of a warning label is not sufficient if the consumer doesn't understand what the warning or instruction means. In the case of baby cribs, it was learned that many parents assemble the things themselves—sometimes incorrectly. So, assembly instructions had to be reworded for the lay person, and manufacturers had to make do-it-yourself construction simpler. The same situation exists for boxed bicycles. The commission and the manufacturers are working on an easier assembling method for bikes—one that will remove any danger of their flying apart during use because of improper assembly. All companies will be required to submit their instructions and methods of assembly for approval.

Sometimes, even after a good, understandable warning- or information-label is designed for a product, the public might face the "stockpiled label syndrome," caused by a confusing chain of events. When a government agency, such as the Consumer Product Safety Commission or the Food and Drug Administration, forces manufacturers to adhere to a new standard, a certain amount of switch-over time is allowed. It is here that the major snags occur. The requirement that children's sleepwear (sizes 0 to 6X) be made of flame-resistant material is an excellent example of the bureaucratic bog caused by companies phasing out the old and phasing in the new.

This particular switch started in 1972 when the government said manufacturers had to start making children's sleepwear flame resistant sometime in the following two years. If a company made a flame-resistant garment by the first deadline, July 1972, they could choose to label it as such or leave this information off the label. Manufacturers who made garments that didn't comply with the flame-resistant standard after July 1972 could continue doing so as long as they labeled them as not complying with federal standards. By July 1973, the regulation said, all garments had to comply, but they didn't have to be labeled as such. Amid this confusion was danger to the consumer: Children's pajamas and nightgowns made *before* July 1972 could still be sold, could burn like a torch, and didn't have to admit it on the label. It was a monumental snafu.

The same dilemma might occur with the new regulations for cosmetics and nutrition information. If a food manufacturer, for example, has a large stockpile of canned fruit-drink labels (with a vitamin claim), he can continue to use them through 1974. But, if the manufacturer has to order a new supply of labels after January 1, 1974, they must include nutrition information. The same process (different dates) applies for cosmetics ingredients—new labels ordered after March 31, 1974 must comply; all labels must comply after March 31, 1975.

Advice to the consumer? Take the time at point-of-purchase to pick and choose among products, and get the ones with the new labels. Thankfully, some food and cosmetics manufacturers are already beginning to put the new information on their products.

Although expanded nutritional accounting is a big step forward, Esther Peterson, former White House consumer advisor and current consultant with Giant Food Corp. (a large, East Coast supermarket chain), emphasizes, "We still need more information." Many foods don't have a complete listing of the ingredients on the package. Or, when an ingredient is listed, you only get half the necessary information. For instance, ice cream products don't require a list of ingredients such as coloring, binders, or flavoring. Mrs. Peterson says, "Giant is putting this information on its own products as fast as new labels are ordered." Safeway Stores (another food chain) is putting ingredient information on its Lucerne ice cream, and hopefully other producers will take up the practice on their own initiative.

The law requires that major ingredients be listed on certain food packages but doesn't require it on so-called "standardized foods" or foods that must be made according to a government-regulated formula (mayonnaise, ice cream, soft drinks—to name a few). It would still be nice to know the ingredients if you're allergic or sensitive to, say, the corn in the cornstarch in your ice cream.

Mrs. Peterson also feels that food should have "care labeling." The shelf life of a can of hash, for example, should be labeled: "Eat before July 1, 1975."

Another area of consumer confusion is in the use and care of permanent-press clothing. Dorothy Lyle, Ph.D., fabric research expert with the International Fabricare Institute (13,000-member dry cleaners and laundries), says: "We've received complaints about skin irritations caused by chemicals in durable-press garments."

Some durable- or permanent-press clothes are treated with formaldehyde and other chemicals to give them their wrinkle-free quality, but, unfortunately, they are not all rinsed at the plant after this chemical treatment. And, when too much of the chemical remains on or in the fabric, it can cause a nasty rash. If consumers wash durable-press clothes before using—no problem. This raises the question: Why don't they put a cautionary label, "Wash before wearing," on these clothes? According to one apparel manufacturer's representative: "It's negative advertising; people might not want to buy it . . . and, besides, why do it when you don't have to?" Durable-press clothing manufacturers may soon have to put a "Wash before wearing" tag on their products. The Consumer Product Safety Commission is looking into the matter.

Dr. Lyle says complaints have been coming in on the new, chemically-treated, flame-resistant children's sleepwear. Some children are getting rashes. "It's not the chemicals," says Fred Shippe, an executive with the American Apparel Manufacturer's Association. "It's the way people are forced to wash the garments at home." Some types of flame-resistant fabrics have care labels which state "no bleach" or tell you to use detergents with plenty of phosphates. If you don't use bleach on a small child's pajamas or can't use phosphate detergents because they're banned in your area, it's possible to have a considerable amount of dirt remain in the fabric, including fecal matter, bacteria, and deteriorated food.

When this happens, says Shippe, "it can cause quite a skin irritation." If bleach or the tougher detergents are used, he says, "the irritation disappears." But, if you use bleach on some sleepwear products, it reduces the flame resistance. Again, the same advice. Look at the care labels on children's sleepwear while you are in the store. Keep your own washing requirements in mind. Some types of flame-resistant sleepwear can take bleach, some can't. Buy the ones you can best handle in your home, in your area.

Remember, nothing is sacred from the care and diligence circle. Many consumers believe medicines are automatically safe or are properly labeled simply "because they're medicines." Not so. More and better labels are sorely needed for both the over-the-counter and prescription pharmaceuticals we buy.

The active ingredients in over-the-counter (patent medicine) products and vitamins are dutifully listed but not the "inactive" ingredients. These can be fillers, binders, flavoring, and coloring. According to Mrs. Shirley Cosson, legislative vice-president of the metropolitan Washington chapter of the Allergy Foundation of America, "Some people have a sensitivity or intolerance for certain colorings and other materials used as inactive ingredients in medicines." One example she gives is the lactose (a milk sugar) used as a filling in some capsules, that causes severe diarrhea in some people. Another is the coloring FD&C (Food, Drug, and Cosmetics) yellow No. 5, which has been known to induce asthma, hives, and other allergic reactions. "We're starting to list ingredients in cosmetics; we've listed ingredients in some foods for a long time," she says, "why can't we do the same for medicines?" Good question.

Prescription drugs are not required to have ingredients listed—active or nonactive. Senator Gaylord Nelson (D-Wis.) has introduced legislation which would require listing of active medical ingredients, according to their official or generic names, on prescription labels. Senator Nelson feels this information is essential for safety's sake. If there's a mishap, someone can quickly see what kind of medicine a person has been taking. Edward G. Feldman, Ph. D., an executive with the American Pharmaceutical Association (members are pharmacists), believes prescription labels should also note the reason for the patient's treatment (sedation, heart problem, high blood pressure—whatever). This could serve as important identification of the medicines people tend to pile up in bathroom cabinets.

Medicines should also have labels telling you when they ought to be thrown out. Photographic film has an expiration date clearly marked. So do a number of perishable foods. It's time to do the same for medicines. According to Dr. Feldmann, "some drugs lose their potency as they age . . . a few can even become dangerous when they deteriorate."

FDA Commissioner Alexander M. Schmidt might push for more consumer information on medicines during 1974. The FDA, for example, is testing a consumer package insert for newly approved birth-control preparations DES (the "morning after" pill) and Depo Provera. The inserts tell consumers in "fairly strong language" some facts on the potential dangers of these drugs. With this kind of information, it's hoped that consumers can make a more intelligent choice of the benefits versus the risks of various birth-control drugs or devices.

If the insert information works well, FDA may start requiring more consumer information for other drugs, especially those that are to be taken over a long period when a patient might not be seeing a doctor regularly.

So, take some time to read your labels. It will make the time fly in a supermarket line, on the bus, while your daughter is choosing between the red and the green one. Now, maybe it will take you two days to read the cereal box at the breakfast table. Teach your children to read the labels—they can play a new word game: Call it, "Use only as directed."

THE PEOPLE'S PETITION TO CONGRESS

Mr. TOWER. Mr. President, on October 28, 1973, the Board of Church and Society of the United Methodist Church, meeting in Chevy Chase, Md., passed a resolution calling for the impeachment of the President, which was presented by members of the board as "The People's Petition to the Congress."

Many of my colleagues have interpreted this petition as an official statement of the sentiments of the United Methodist Church and its members. This is simply not the case. The Board of Church and Society of the United Methodist Church has no authority to speak for the church as a whole or for its members. The board can only speak for itself and to the church regarding social concerns which it feels the members should address. The Board of Church and Society of the United Methodist Church far exceeded its authority in presenting its resolution as "The People's Petition to the Congress" and a great many members of the United Methodist Church have expressed grave concern over the impropriety of the board's action.

On November 28, 1973, the administrative board of Grace United Methodist Church, Corpus Christi, Tex., passed a resolution regarding this matter.

Mr. President, I ask unanimous consent that the resolution, as approved, be printed in its entirety in the RECORD.

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

RESOLUTION OF GRACE UNITED METHODIST CHURCH, CORPUS CHRISTI, TEX., NOVEMBER 30, 1973

Whereas the Board of Church and Society of the United Methodist Church in its October 1973 meeting in Chevy Chase, Md., did pass a resolution entitled "The People's Petition to the Congress" calling for the immediate impeachment of President Richard Nixon; and

Whereas representatives from the Board of Church and Society submitted their "People's Petititon" to members of the House of Representatives where it was subsequently entered into The Congressional Record; and

Whereas the Board of Church and Society does have the rightful responsibility to speak on its own behalf, addressing itself to social issues from a theological perspective—a right which the Discipline and tradition protects; and

Whereas the Board of Church and Society does not speak for local United Methodist Churches, but to the United Methodist Church as a whole;

Be it therefore resolved that, The Administrative Board of Grace United Methodist Church, Corpus Christi, Texas, meeting November 28, 1973, passed a resolution questioning the propriety and the effectiveness of the Board of Church and Society's "People's Petition to Congress" which gave the impression to the press and to the House of Representatives that the Board was speaking in behalf of all United Methodists when in fact it was not; and

That, the Board of Church and Society should seek to correct this misrepresentation written into the Congressional Record by issuing a subsequent statement to the House of Representatives that the Board of Church and Society speaks only on its own behalf and not for the United Methodist Church as a whole.

SOCIAL SECURITY: WHO COLLECTS?

Mr. HARTKE. Mr. President, four decades ago, Congress enacted a program designed to provide benefits to people who had retired. That program also benefits millions of Americans who are nowhere near retirement age through its disability and survivors benefits.

Despite its limitations, social security is one Government program that enjoys a good deal of public acceptance. People count on the program to provide benefits—benefits which they get not because some bureaucrat decides they are eligible but as a matter of right.

I was deeply disturbed to note an advertisement in a Sunday newspaper recently which urges people to find the answer to several basic questions about the social security system. It also provides the reader with an opportunity to get a copy of his "confidential social security report" of earnings. To get this information, the reader must send the advertiser $3.

Mr. President, I believe in American initiative and enterprise, but it seems to me that the services offered by this advertiser are totally unneeded. The Social Security Administration has some very good publications which explain the operation of its program, and any person with a social security number can request a statement of his own record of earnings at no cost from Social Security any time he desires.

I am not suggesting that those people who respond to this advertisement do not get their $3 worth of information; what I do suggest is that if the Social Security Administration were doing its job properly, there would be no need for this type of advertisement.

Mr. President, I ask unanimous consent that the text of the advertisement to which I have referred, absent the name of the advertiser, be printed in the RECORD.

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

HOW TO COLLECT FROM SOCIAL SECURITY AT ANY AGE!

Would you like to know how much money you have invested in Social Security right to the penny? Then would you like to know how to get the most from that investment including all the brand new Social Security benefits? Now you can do both by using the short easy coupon at the bottom of this page. Here is the way it works. The left half of the coupon will be sent to the proper government office. They will run a check on your account and then send you a report in a confidential sealed envelope. This report will tell you how much of your earnings have been recorded in your Social Security account year by year. There is no charge for this service, not even postage.

The right half of the coupon will be used as a shipping label to send you a copy of a new book entitled, "How to collect from Social Security at any age." If you think that you have to wait until retirement age to start collecting your Social Security benefits, this book will really open your eyes. Here are some of the little-known facts about Social Security you will find out about in this book:

How to increase the amount of your payment if you are already on Social Security.

How to collect your share of the brand new Social Security benefits just passed by Congress.

How to qualify for Social Security disability pensions at any age.

How to increase your Social Security benefit.

How to report your Farm income for Social Security.

How to make your whole family eligible for Social Security benefits, even your youngest children.

How to replace a lost Social Security card.

How to replace a lost Social Security check.

How to get a refund if you have overpaid your Social Security taxes. (Studies show that two out of three people overpay.)

How to figure out what your Social Security retirement payments should be.

Should you tattoo your Social Security number on your body?

What papers do you need in order to file a Social Security claim?

How ten million people who are only 30 years old, on the average, collect Social Security.

Should you get a divorce in order to get more Social Security? (a lot of people already have.)

Should you have two Social Security cards?

How to get free services which are available from Social Security.

How to make sure your employer is not cheating you on your Social Security.

How you may be cheating yourself out of your Social Security benefits.

When are the five times you should get in touch with your Social Security office?

How to work and still get Social Security benefits.

How to cash in on Social Security even if you've never paid a penny into it.

How to get hospital and medical insurance for the aged.

How students between the ages of 18 and 22 can get Social Security cash benefits.

How to get the special Social Security benefits that are only for veterans.

Although this book can mean hundreds and perhaps thousands of dollars to you, it is priced at only $3.00. Remember, it is not enough to qualify for your Social Security benefits. To get your benefits you must know how to apply for them. The book tells you how to qualify, who to contact—including all necessary addresses, and what to say. This is a 100% no risk offer. If you do not like the book, return it and your $3.00 will be immediately refunded. You will still get the confidential report on your Social Security account.

If you do not take advantage of your new Social Security benefits, you are only cheating yourself, after all, you have already paid for them. It is easy to start getting your new Social Security benefits. Just fill out both parts of the coupon below. Mail the coupon and $3.00 in cash, check or money order to ———.

The book will be sent to you immediately by return mail. Your confidential Social Security report will be mailed to you separately as soon as the government has finished checking your account. Checks and money orders should be made payable to ———.

CAMPAIGN FINANCING REFORM

Mr. BIDEN. Mr. President, Delaware's John J. Williams provided my State and the country with distinguished service for 24 years. Although he is no longer serving in that capacity, he continues to be an active and concerned citizen.

Senator Williams recently expressed his views about campaign financing reform in the March 1974 issue of Reader's Digest. Although our positions are not identical, I nevertheless want to share with my colleagues his views.

At the outset of the article Senator Williams says quite correctly in reference

to the consequences of the Watergate scandal:

But from the squalid evidence already visible, it is clear that political corruption in this country is not just a moral problem. It is one that imperils the very survival of our democracy.

Mr. President, I ask unanimous consent that Senator Williams' article be printed in the RECORD.

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

CAMPAIGN FINANCING REFORM

(By Senator John J. Williams)

It will probably be a long time before we can fully assess the impact of Watergate and related scandals on American life. Indeed, at this point we cannot foresee what more may yet emerge from continuing investigations. But from the squalid evidence already visible, it is clear that political corruption in this country is not just a moral problem. It is one that imperils the very survival of our democracy.

There is, of course, no magic solution to the problem of corruption, and we should be wary of any political nostrum that purports to offer one. But the recent scandals do illuminate one area where reforms are both essential and possible. For the reprehensible, clandestine political acts connected with Watergate were financed and made possible by an excess of campaign donations, many of them secretly and illicitly obtained. Equally important, the flow of massive contributions into both parties has created the impression among millions of Americans that the government of the United States can be bought.

To restore public confidence in the integrity of government, we need to end the dependency of our candidates on special-interest contributions. This we can do to a significant extent by reducing the costs and changing the methods of campaign financing. I believe there are a number of reasonable steps that can be taken toward this goal.

1. *Shorten the campaign.* Political campaigns cost so much, in part, because they last so long. The custom of prolonged campaigning originated at a time when much of the country was sparsely populated and a candidate had to travel by train or even on horseback for many months to communicate with the electorate. This tradition has been made obsolete by the jet airplane, television and other mass media. Yet our campaigns still drag on needlessly, consuming vast amounts of money and providing endless repetition.

I recall that after President Eisenhower once spoke in my state of Delaware, I complimented him on his speech. "Well, Senator," he replied, "the first time I made that speech, I thought it was pretty good. The next ten times I made it, I thought it was okay. Now I've made it so many times I think it's terrible."

I doubt that there is a politician alive who has not felt that way or who could not tell the people all he knows and thinks in two or three months. Thus, I believe that Congress should fix a uniform, nationwide date for the primaries and nominating conventions affecting all federal offices. By commencing the primary campaigns in early August, and the general-election campaigns in early October, we would at once sharply lower the cost of politics. At the same time, we would improve the quality of political discourse and heighten public interest in it.

2. *Grant free television time and mailing rights.* Candidates in the seven Congressional districts in and around Detroit usually pay about $2000 for one minute of prime network television time. With costs in other metropolitan areas—New York, Los Angeles, Chicago, Philadelphia—even higher, it is not surprising that candidates for federal posts had to spend $32 million for TV and $28 million for radio in 1972.

In urging free time for legitimate candidates, it is important to recognize that television and radio stations exist and make handsome profits because they have been given public property—namely, transmission channels, of which there are a limited number. So it seems to me only fair that the stations partially repay the public at election time by providing bona-fide candidates with the means of free communication of their political views. At the same time, the present law, which requires stations to give equal time to anyone claiming to be a candidate, whether he has any serious credentials or not, should be repealed.

Congress should then promulgate criteria by which state-election officials can certify bona-fide candidates for national office. It should also stipulate how much time stations must allot to them. This free access to broadcast media would greatly diminish what is often the largest item in a campaign budget.

The dependency of candidates on outside contributions could be further lessened by allowing them to mail one or two political statements to all voters free of charge. Presently prevailing printing and mailing costs make such mailings prohibitive. A Senate candidate running in California would most likely need to spend at least $1.1 million to reach every registered voter in the state. In Ohio, the total would be more than $500,000; in New Jersey, $400,000; in Georgia, $250,000.

Incumbent Congressmen and Senators are already permitted to make mass mailings of "non-political" material that promotes their re-election efforts. By giving challengers limited mailing privileges, we would level the political scales now tipped in favor of those in office. In Great Britain, the practice of awarding candidates mailing privileges—and free television time—has proved both workable and effective.

3. *Get Big Business and Big Labor out of political bankrolling.* The law has long recognized, in theory at least, that it is wrong to allow corporations and unions to try to buy votes through political donations. As far back as 1907, Congress prohibited business contributions and unsecured loans by banks for political purposes, a ban that was reaffirmed by laws enacted in 1925 and 1971. Congress applied the same prohibition to unions in 1943 and 1947. But corporations and unions—as well as both major political parties—have flouted the intent of these prohibitions with virtual impunity.

As of last December, for example, at least eight executives had publicly admitted that their corporations made illegal contributions to the 1972 Nixon campaign. But Democrats as well as Republicans have shared in such political largess. Dairy lobbyists who gave $100,000 to the Republicans in 1969 also passed out hefty contributions to prominent Democrats in a position to influence Congressional legislation affecting dairy interests.

As for the unions, many, by a variety of measures, extract "voluntary contributions" from their members. These fixed "contributions," regularly deducted from each member's paycheck along with his dues, go into political funds controlled by union bosses. In the 1968 and 1972 elections, millions of rank-and-filers disagreed with the political candidates subsidized by their dollars. But they had no voice in the matter. Unions further aid favored candidates by financing "political education" and "voter registration" drives. Although nonpartisan in name, such campaigns are actually ultra-partisan because they are conducted only in those areas and among those voters known to favor the union leaders' candidates. Author Theodore H. White notes that in 1968 unions registered 4.6 million voters, distributed 115 million political leaflets, supplied 72,225 house-to-house canvassers, and on Election Day deployed 94,500 volunteers for political purposes.

To be sure, political activity—including genuinely voluntary contributions—should be encouraged among all citizens. But Congress should enact stringent new laws which effectively bar corporate and union contributions in any form.

4. *Make small contributors the backbone of political financing.* While reducing the costs of campaigns, we should endeavor to spread the legitimate costs that do remain among as many citizens as possible. Technically, present law makes it illegal for anyone to give a candidate more than $5000. However, a donor may contribute to unlimited numbers of local committees established solely to funnel money to a candidate. Thus, big contributors continue to supply a disproportionate share of campaign funds.

Recognizing that candidates should not become beholden to a comparatively few large donors, Congress is currently considering a proposal to have the federal government finance campaigns for national office. Worthy as the *aims* of this proposal are, I think such a plan is both undesirable and impractical. For one thing, federal financing would make political parties unresponsive to the people. Guaranteed millions of dollars from the public treasury, a party would pursue extremist or outworn aims year after year simply because it would not have to go to the people for financial support. In areas that are predominantly Democratic or Republican, candidates of the less-favored party would receive tax funds vastly disproportionate to their popular support.

The federal-financing proposal also seeks to impose a ceiling on overall campaign expenditures by limiting the amount a candidate may spend and by restricting individual donations to $100. In reality, this subsidy scheme could easily lead to even costlier campaigns, with the federal treasury simply adding on another layer of money. While candidates themselves could not exceed specified limits, nothing would prevent so-called "public interest" organizations from using their own money to promote politicians of their choice. Nor could a wealthy office-seeker be kept from promoting himself before he officially became a candidate.

As an alternative to straight federal financing, I think we should adopt an idea first advocated by President Kennedy. Its objective is to stimulate myriad small contributions, which would leave candidates unobligated to a few big donors. Such stimulus could be provided by allowing taxpayers a 50-percent tax credit on donations up to, say, $300. Thus, if a man earning $10,000 and a man earning $100,000 a year each contributed $300, the two of them would be treated equally—each would receive a tax rebate of $150.

Simultaneously, to discourage large contributions, Congress should bar a candidate from receiving money through more than one committee and prohibit anyone from giving a candidate more than $3000—with stiff tax penalties and jail terms for those caught cheating. Candidacies founded upon the spontaneous, truly voluntary support of many small contributors would be the most likely to produce the best political representation for all the people.

5. *Enforce the campaign-funding laws.* If properly enforced, existing statutes are, by and large, adequate to deal with the individual instances of dishonesty that will always be with us. Thus, no new laws were necessary during the past two years to successfully prosecute former Vice President Spiro T. Agnew; Sen. Daniel Brewster of Maryland; Representatives Cornelius Gallagher of New Jersey and John Dowdy of Texas; and former Illinois Governor Otto Kerner. However, too often existing laws *have not been enforced.*

To provide for enforcement of the reforms that inevitably will be enacted, Congress

should establish a federal-election commission composed equally of Democrats and Republicans. The assurance that future scandals will not be covered up, no matter who is involved, will of itself help revive public confidence.

WATERGATE has damaged the country, and it would be foolish to pretend otherwise. And beyond Watergate we see flaws, inadequacies and multiplying problems in many sectors of our society. But, for all its defects, our democracy is still worth preserving and improving. Thus, it is vital that the Congress begin now to cleanse our politics and thereby to revitalize our faith in the democratic process. If the men presently in Congress do not act convincingly and effectively in the coming months, then at the polls next November all of us can exercise the old-fashioned American recourse of replacing them with men who will.

PROBLEMS OF THE MONTAGNARDS

Mr. PERCY. Mr. President, a report issued in London indicates that the Montagnards, the hill people of South Vietnam, continue to be severely disadvantaged in postwar Vietnam. They suffered exceedingly during the worst of the Vietnam war and they are still enduring many hardships and deprivations.

The substance of the report, as carried on the Reuters news wire, appeared in the Christian Science Monitor of March 7, 1974. I request unanimous consent to print the article in the RECORD.

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

CAUGHT BETWEEN NORTH-SOUTH FACTIONS: VIET MONTAGNARDS FACE EXTINCTION, REPORT SAYS

LONDON.—Over half a million Montagnards, the little-known mountain people of South Vietnam, are threatened with extinction, following the ravages of the Vietnam war and oppression by the Saigon government, according to a report just issued here.

The plight of the Montagnards, who number between 500,000 and 800,000 is a scarcely publicized tragedy of the war brought to light in a 28-page report, researched on the scene in Vietnam and published by the London-based Minority Rights Group.

Huge numbers of the Montagnards were killed by both sides in the Vietnam war, says the report. Those who survived today face extinction in the face of disease, hunger, and neglect in refugee camps.

They are rapidly becoming one of the world's disappearing minorities.

DISCRIMINATION STUDIED

The Minority Rights Group is an international research unit that studies discrimination, and its sponsors include Swedish economist Gunnar Myrdal, Yugoslav writer Milovan Djilas, British economist Barbara Ward, former Irish Foreign Minister Sean MacBride, and Indian politician Jayaprakash Narayan.

Although there is no firm figure on the total population of the Montagnards, "all sources record a drop of 150,000 in their numbers" between 1967 and 1973, the report says. It claims 80,000 were direct war casualties.

Though most of the Montagnards' allegiance is to the Saigon government rather than the Communist National Liberation Front, they have been fighting their own battle with Saigon for recognition of basic rights to land, language, and culture, according to the report.

REINS TIGHTENED

Montagnard territory was accorded autonomy by the French when it was incorporated into Vietnam in 1949—but direct control over the area was asserted in 1955 by the new Saigon government which came into being following the Geneva peace agreement.

Regarded as savages who must be civilized, the Montagnards' court of law was replaced by South Vietnamese statute law. Their language, names, and in some cases traditional dress were banned. And they suffered discrimination in public life, the report says.

But much worse was the resettling of Montagnards under a land program designed mainly to make room in the Montagnard Highlands for Vietnamese refugees from the North.

Despite various laws and nominal concessions to the Montagnard demand for recognition of their right to own property in the highlands, little real progress has been made—with dire consequences for the mountain people, the report says.

MANY ANTI-COMMUNIST

"The Montagnards were caught between twin Vietnamese fires in the civil war. They now are in danger of losing their traditions and identity and of being driven from the land of their ancestors," it says.

"The majority of them sided with Saigon and the Americans and many are distinctly anti-Communist," but their able-bodied men were sent to fight in the war's most dangerous areas and others were forced to transport war material.

Unable to work their farmland, the highland villagers began to starve. Many were shut up in American Special Forces' "self defense" camps, and some were massacred when the camps fell to Communist troops.

Other hamlets were pounded by U.S. B–52 bombers, and the survivors were shelled and machine-gunned by helicopters when they fled into the forest.

DISPLACED FROM VILLAGES

The report estimates that 450,000 Montagnards had been moved from their villages since 1963—many more than once. Some were sent to "free fire" zones, where they were liable to be shot on sight.

Conditions in the four official refugee camps, set up by the South Vietnamese Government, were described in the report as appalling, with scant accommodation, irregular rice deliveries, and often putrid water.

Diseases riddled the refugee population. In Tan Rai camp in Lam Dong Province, "about 50 people die every month," the report says.

AID PROPOSED

In addition to the camps there were dozens of refugee villages where conditions were far worse.

To avert the grave threat of extinction, the report calls for urgent short-term assistance to provide land, seeds, working utensils, and food until the next harvest.

It holds Vietnamese law partly responsible for the perils now facing the Montagnards. But the greatest blame lay with South Vietnamese officials, who had almost completely ignored the Montagnards' rights as recognized by the country's laws and Constitution.

The report ends by calling for the restoration of cultural and educational rights for the mountain people and urges that they not be forgotten in any permanent Vietnam settlement.

THE FEDERAL PAPERWORK BURDEN

Mr. NUNN. Mr. President, the Federal Paperwork Burden continues to plague our Nation's small businessmen. The Senate Small Business Committee, after extensive hearings, has issued an impressive report on this growing problem. The distinguished Senator from New Hampshire, Mr. MCINTYRE, has been the leader in the battle to reduce this burden, and he is to be commended for his efforts in this regard.

Last September, I chaired hearings of the Government Operations Committee on S. 200 and S. 1812, which I am cosponsoring. These bills seek to reduce unnecessary redtape and paperwork. As a result of these hearings, the General Accounting Office was directed to conduct a thorough study of the forms and reports required by a representative Federal agency. After consultation with the committee, the Labor Department was selected as the agency to be studied. When this pilot study is completed in the months just ahead, I anticipate that the Congress will have the most complete factual basis to date for proceeding with appropriate legislation on this subject.

The GAO has been requested to present to the committee its recommendations for controlling and decreasing the ever-mounting number of forms and reports that threaten to force many small businessmen to close their doors. This pilot study may well be expanded into a full-fledged GAO investigation of the entire paperwork question. However, I am hopeful that such a costly and lengthy process can be avoided if the present study provides sufficient information to deal with the problem.

I might also add that the responsibility for controlling Federal paperwork generally falls upon the Office of Management and Budget, under the Federal Reports Act of 1942 as amended. It would appear that the OMB has failed to fulfill adequately its responsibilities in this regard, with the result that small businessmen have suffered accordingly. During the last session, this Congress expressed its growing concern and impatience with OMB's conduct when the Congress transferred its authority to administer the Reports Act as it relates to independent regulatory agencies, to the General Accounting Office. In view of such growing concern, OMB Director Roy Ash has made a commitment to Senator MCINTYRE and me to revitalize his department's efforts and to enforce vigorously the Federal Reports Act. I have also been advised that OMB is planning a major study on the overall paperwork problem. I sincerely hope that OMB will drastically revise its procedures and immediately begin to reduce the current paperwork burden. However, in light of OMB's past record in this regard, the Congress must continue to monitor closely its actions. Furthermore, we may still determine that the intent of Congress to reduce the mountain of forms and reports can best be carried out by transferring the authority for administering the Federal Reports Act to the General Accounting Office. I believe that we will be in a good position to decide this question after receiving the results of the pilot study on the Department of Labor. OMB's actions and initiatives in the next several months will also be important in determining the proper course to follow.

Mr. President, in the March 15, 1974, issue of the National Review, an article by William F. Rickenbacker entitled "The Right To Be Let Alone" highlights the frustration of many Americans who are overburdened by Federal paperwork. I ask unanimous consent that this in-

teresting and informative commentary be printed in the RECORD, along with my remarks.

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

THE RIGHT TO BE LET ALONE

(By William F. Rickenbacker)

If a revolution occurs in the United States it will occur because we're all fed up with the system. It is not the harsh and cruel tyranny that Russia has. I know. It is what Tocqueville described as the tyranny that flows from too much democracy—"absolute, minute, regular, provident, mild." And, Tocqueville added, "meddlesome." Meddlesome indeed. For some years now I have been getting angrier and angrier, and more helpless and more helpless, as the paperwork avalanche out of Washington has cluttered up more and more of my desk top, my working hours, my emotional energy, my statistical resources. You do not perhaps believe me.

My name is William Rickenbacker. Married. Two sons, Thomas and James, from previous marriage. Taxes all paid. No criminal record. Here is what the governmental system sent me in calendar 1973. Go ahead, read it word for word:

On January 3 they sent me, for Thomas, the federal income tax form, 26 pages. And for my corporation they sent me the corporate income tax forms, 20 pages. And for another corporation of mine, which has never done any business, they sent me the corporate income tax forms, 20 pages. And, same day, for James and Thomas, they sent me two Treasury forms 1099 and two other forms 1099, four pages in all. That was January 3.

On January 4 they sent me the federal income tax form for myself as an individual, 26 pages. James received his the same day, 26 pages. That was January 4.

On January 8 they sent my corporation a card requesting a federal employer identification number, one page.

On January 10 they sent the same corporation a quarterly federal income tax return and transmittal statement, four pages.

On January 11 they sent Thomas another form 1099, one page. And James, same day, received a form 1099, one page.

On January 15 they sent my corporation a 1973 employers' tax guide, 47 pages.

On January 30 they sent Thomas a New York state income tax form, ten pages. James received the same, ten pages. I received the same thing, ten pages. My redundant corporation received form CT–4 tax report, from the state corporate franchise tax collector's office, three pages, plus return envelope.

On February 5 they sent me some aircraft registration eligibility forms, four pages, plus return envelope.

On February 6 they sent my corporation a New York state franchise tax form, three pages, plus return envelope.

On March 1 they sent my corporation a rule amendment from the Securities and Exchange Commission, five pages.

On March 5 they sent my corporation a notice from the SEC withdrawing Rule 157, four pages.

On March 19 they sent my corporation seven corporation tax cards with notice to discontinue them if they weren't needed. Same day, they sent my inactive corporation the same thing, seven pages. Same day, they sent my corporation five withholding tax cards for the second calendar quarter, five pages.

On March 23 they sent my corporation the federal quarterly withholding tax form, two pages, plus return envelope.

On March 25 they sent my corporation some unemployment insurance forms, 27 pages, plus return envelope. Same day, they sent my corporation some disability insurance forms, two pages, plus return envelope.

That was for the first quarter 1973, and so it went, on and on and on, through the other three quarters.

Various levels of government had sent me in 1973 more than 50 separate mailings. These amounted to more than 500 pages of fine-print, confusing, unreadable, stultifying, bureaucratic regulations, plus two dozen return envelopes. Do this! Study that! Cancel previous order! Fill out form! Apply for number! Read instruction booklet! File! Report! Comply!

Many observers say that government has reached its limit when it takes 35 per cent of the people's income. I say it may reach a different limit—whatever point is reached when the people simply run out of time and patience with the paperwork that is spilled on them, day after day, like governmental excrement. If we stopped filling out forms, we could bring the government to its knees in 30 days. I get tingly all over just thinking about it.

FLOATING NUCLEAR PLANTS

Mr. HOLLINGS. Mr. President, as chairman of the Ocean Policy Study of the Senate, it will be my responsibility to help bring to the attention of my colleagues important new information about the uses of the ocean.

The Ocean Policy Study, authorized by Senate Resolution 222, will examine the broad range of U.S. policy and programs affecting the oceans and will work closely with the various standing committees of the Senate interested in ocean policy. Membership of the study, now being set up, will include all members of the Committee on Commerce, six at-large chosen by the President pro tempore and two members each from the Committees on Interior and Insular Affairs, Public Works, Appropriations, Government Operations, Armed Services, Labor and Public Welfare, and Foreign Relations.

The first hearings to be conducted by the study will begin next month on the subject of the energy potential of the Outer Continental Shelf and the impact of its extraction upon the environment and socioeconomic factors of the coastal zone of the United States.

In addition, I wish to call to the attention of my colleagues an interesting article which appeared in the March 15 issue of Science magazine, entitled "Floating Nuclear Plants: Power From the Assembly Line." This is just one example of the many kinds of pressures building up in our coastal waters, and demonstrates the importance of understanding our national ocean policy needs in the years ahead.

I ask unanimous consent that the article be printed in its entirety in the RECORD.

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

FLOATING NUCLEAR PLANTS: POWER FROM THE ASSEMBLY LINE

The still somewhat obscure concept of producing floating nuclear plants (FNP's) by assembly line methods and putting them offshore received a boost on 11 February at the international energy conference held in Washington. Addressing the delegates, William E. Simon, administrator of the Federal Energy Office, referred to nuclear power and the breeder reactor as an essentially inexhaustible energy source and, for the long run, as the most important answer to the energy problem. Simon then spoke of the FNP concept as of major significance even for the near term.

"We are rapidly reaching the stage where we could be mass producing floating nuclear power plants," he said. "Such power plants can be produced in quantity and floated to locations through the world to produce power rapidly. This is not a long-range concept, but something which could be initiated immediately. The technology, ideas, and production facilities of many nations can be combined in developing these plants."

Although the FNP concept is more speculative and less proved than Simon's remarks suggest, there is probably a better than even chance that the first FNP's will be produced by 1980. Since 1971, Offshore Power Systems (OPS), a joint venture of Westinghouse and Tenneco, has been preparing to build a FNP manufacturing facility on the St. Johns River at Jacksonville, Florida. Westinghouse has, along with General Electric, been one of the two leading manufacturers of both naval propulsion and commercial power reactors. A Tenneco subsidiary, the Newport News Shipbuilding and Drydock Company, has had much experience in the construction of nuclear ships, having built the *Enterprise* and three other aircraft carriers as well as numerous lesser vessels.

Besides whatever advantages are peculiar to it, the FNP concept reflects a trend in the nuclear industry to emphasize standardization in the design and manufacture of power plants. The absence of standardization has contributed importantly to the equipment failures, licensing delays, and other problems that have troubled utilities and manufacturers since the construction of nuclear power plants began in a big way in the mid-1960's. The fact that the FNP's could be among the first standardized plants—and be the only ones fully standardized (because the FNP would require no special adaptation to a given site)—is one of its major selling points.

Nevertheless, despite the current momentum of the OPS project, this endeavor has given rise to some substantial questions of public policy. The Florida Audubon Society has sought, thus far unsuccessfully, to stop the project pending a decision by the Atomic Energy Commission on whether the OPS facility will be licensed to manufacture the first eight FNP's. Without itself rejecting the FNP concept as unsound, the society has argued that certain publicly owned wetlands, which would be filled for the manufacturing site, should not be preempted until the OPS project has been officially reviewed as to all of its implications. (The Audubon suit raises still other issues, but they are not germane here.)

SPECTER OF A NUCLEAR ACCIDENT

The society has noted that Henry W. Kendall, MIT physicist and a leader of the Union of Concerned Scientists, has suggested that the consequences of a major accident involving a sea-based reactor could be even worse than the consequences of a reactor accident on land. Testifying last March before a congressional committee, Kendall said:

. . . when the remains of the reactor core and waste products melt their way through the reactor containment structures . . . contact between this material and the ocean water will cause the certain release of a very large quantity of solid radioactive wastes into the world's oceans. Such an event is a catastrophe of a kind the country has never experienced. There is in a large nuclear plant, for example, enough strontium-90 to contaminate *thousands of cubic miles* of water above permitted AEC tolerance levels. . . .

In a petition unrelated to the Audubon suit, the Natural Resources Defense Council (NRDC), a public interest law group, has called on the AEC to prepare a "programmatic" environmental impact statement on the FNP concept, proceeding from the assumption that large numbers of FNP's might

ultimately be moored offshore. The NRDC is concerned in part about the pressures that could be put on the coastal zone by a variety of possible new activities, from the construction of FNP's and deepwater ports to the extraction of minerals and oil and gas.

The $210-million OPS facility, which may soon be under construction, is to consist of these major elements:

(1) production shops to manufacture and assemble components and subassemblies;

(2) a 450-foot-wide graving dock (drydock) in which huge barges, or floating "platforms," will be assembled;

(3) a wet slip into which the barges will be launched—the slip will have eight stations, and, as a new barge enters the slip, the others which preceded it will each advance one station, assembly-line fashion;

(4) a hugh gantry crane (with a span of 675 feet, a height of more than 300 feet, and a lifting capacity of 900 tons) that will be used to put the larger plant components in place;

(5) a facility beyond the wet slip for testing the FNP's (without nuclear fuel) as they emerge from the wet slip.

The FNP's, if built, will be one of the strangest looking things ever seen at sea. The total structure, barge and power plant together, would be about 400 feet square, have a 32-foot draft (in salt water), rise 177 feet above the waterline, and have a displacement of 160,000 tons. It would contain quarters for 112 operating personnel, a crew roughly the size of that of some nuclear submarines. Each FNP, with a four-loop pressurized water reactor and steam supply system, would have a generating capacity of 1150 megawatts.

Normally, two or more FNP's would be moored together in water of from 40 to 70 feet deep. They would be protected by a massive breakwater from storms and from ships that might stray off course. The breakwater, forming an envelope that covers about 100 acres, would encircle the FNP's completely except for two relatively narrow openings to permit the free circulation of seawater and allow service vessels to enter.

The FNP sites must, at present, be within U.S. territorial limits, which extend 3 miles from shore. One reason for this is that the Price-Anderson Act, which in the case of a nuclear accident would limit the liability of private insurers and the government to a total of $560 million, generally applies only to accidents occurring within the United States.

A FNP located even 2 to 3 miles offshore offers certain clear advantages over land-based plants in terms of day-to-day environmental effects and public safety.

A land-based plant may preempt a sizable area—indeed, at its Turkey Point plant below Miami, the Florida Power and Light Company has built a harp-shaped grid of cooling canals that covers more than 6000 acres. Cooling towers are not especially demanding of land, but they too exact certain penalties, as in the very power required to operate them. If, on the other hand, closed-circuit cooling is not provided for a plant on a river, lake, or estuary, the thermal effects on the aquatic biota can be disastrous.

With the FNP, this dilemma is at least partly avoided because "once-through" cooling with seawater can be employed without affecting a lagoon-like estuary or other confined body of water. The temperature of the cooling water drawn through the FNP would be raised by 16°F, but, outside the plant, the temperature rise would be confined to a relatively few acres. Many small organisms such as fish eggs, larvae, and plankton would be killed by entrainment through the cooling system, but these forms are generally less abundant in the open sea than in biologically fecund estuarine waters.

In the case of existing nuclear plants, their surrounding "exclusion area," where no human habitation is allowed, is reported to be seldom greater than ½ mile. Typically, the FNP would have an exclusion area of at least 2 or 3 miles wide, and, as will later be commented upon further, there seems no reason why—given the right legislative and engineering remedies—this area should not be much wider still.

The inception of the OPS is traceable to difficulties the Public Service Electric and Gas Company of New Jersey (PSE&G) began to encounter a few years ago in finding acceptable nuclear plant sites. This utility, together with certain other utilities in the mid-Atlantic region with which it shares electricity, foresaw a need to have eight nuclear units operating by the mid-1980's. But new environmental policies and regulations, such as those mandated by the National Environmental Policy Act of 1969 and the Water Quality Act of 1970, could make it impossible to obtain government permits for power plants that would be in densely inhabited areas or that would degrade water quality or encroach heavily on coastal or riverine wetlands or beaches.

Indeed, as the full implications of these new policies unfolded, PSE&G would, in 1973, abandon plans to build two nuclear units on Newbold Island in the Delaware River, in the densely urbanized region between Philadelphia and Trenton. The utility would adopt the alternative, recommended by the AEC regulatory staff, of building these units—at an added cost of some $60 million—in a rural area near Salem, N.J., where PSE&G already has two other nuclear units that will go on the line within the next few years. (According to Ralph Nader, the site of the existing Salem units, 18 miles from the center of Wilmington, Delaware, is itself out of keeping with "safe-siting guidelines" prepared by the AEC regulatory staff but never made public.)

In 1970, PSE&G asked Westinghouse, builder of the reactors for the first two units at Salem, to study the concept of offshore plants. This led to the 1971 announcement by Westinghouse and Tenneco of plans for their joint venture, OPS. By early 1972, PSE&G had given OPS a letter of intent to buy the first two FNP's produced, and this was later followed by the negotiation of a firm contract (subject to adjustments reflecting rises in the cost of labor and materials) for the delivery of these units at a price of about $375 million apiece, or $750 million for the two.

These first FNP's would be moored 2.8 miles off the New Jersey coast, at a point 12 miles northeast of Atlantic City and some 4 miles from the nearest resort village. PSE&G is responsible for constructing the breakwater and installing the underwater transmission cable by which power will be delivered to the mainland. The estimated total cost to PSE&G of the two FNP's is usually put at about $1 billion. The actual cost may depend to no small degree on what special safety features the AEC requires as a condition of licensing. But PSE&G is sanguine enough about ultimate costs to have recently ordered two more FNP's, which the company believes can be bought and put in service at a price that compares favorably to that of land-based nuclear plants. These units are not necessarily destined for an open ocean site, however. PSE&G has indicated that the FNP's may be placed at some inshore location instead, possibly in Delaware River or Bay.

OPS has been unable to start building its FNP manufacturing facility at Jacksonville until now because of delays in obtaining the necessary dredge and fill permits. It was not until 29 January that a U.S. District Court dismissed the Florida Audubon Society suit. Audubon apparently will appeal, but OPS officials have been confident enough about the outcome of the case already to have ordered the giant, $13-million gantry crane and even the fabricated steel for the first FNP hulls.

Besides believing that nothing will arise now to block construction of the production facility, OPS is counting on the AEC to issue a license by the spring of 1975 for the manufacture of FNP's (the pending OPS application for a manufacturing license is for eight FNP's, but company officials say the number applied for will soon be raised to 16). If the license is in fact forthcoming without delay the OPS schedule calls for delivery of the first FNP in 1979 and of the second in 1980.

Once completely equipped and in full operation, the OPS facility would turn out four, or possibly five, FNP's a year. Manufacturing time per unit is expected to decline from 50 months for the first FNP to 26 months for the eighth one as labor efficiency and production techniques improve. Standardization and assembly-line methods would be the secret to this achievement, which would be dazzling indeed compared to the minimum of 60 to 72 months generally required to build large nuclear plants.

OPS is interested in eventually establishing manufacturing facilities to serve markets on the Pacific Coast, along the Great Lakes, and abroad. Delivery of FNP's from Jacksonville to the West Coast would not be practicable and has never been contemplated.

Thus far, the only firm orders OPS has in hand are those for the four FNP's that PSE&G is buying. The municipally owned Jacksonville Electric Authority has given OPS a carefully hedged letter of intent to order two FNP's. Middle South Utilities, a holding company in New Orleans, also has under serious consideration the possibility of ordering two (in this instance, the FNP's would not be moored offshore, but well up the Mississippi River, below Baton Rouge). Most utility officials are content for PSE&G to be the first to put the FNP concept to a practical test.

The AEC has, for its part, been generally supportive of the OPS project. John F. O'Leary, the AEC's director of licensing, has stated that, to judge from preliminary plans, the NFP concept is "feasible." The fact that the agency has even agreed to entertain an application for a *manufacturing* license is itself an innovation, for in the past the construction of a nuclear plant could only be licensed on the site where the facility would be built and operated. A licensing procedure covering a number of nearly identical plants under construction simultaneously in a single shipyard-like facility would permit the AEC to carry out a more efficient and intensive program of inspections than anything seen in the past. The utility buying a FNP also gains an advantage from this kind of licensing procedure. Even as the FNP is being manufactured, the utility applies to the AEC for an operating license and for permission to build the necessary breakwater.

"I don't think there's any doubt but what they [OPS] will get the [manufacturing] license if they are willing to put in all the features we may require," says Edson G. Cook, deputy director of licensing at AEC. "What they are gambling on is that the things required won't cost so much that it [the FNP] won't be economic."

The AEC's requirements will be established partly on the basis of highly detailed environmental reports. One such document required of OPS is a "generic" report on the FNP as installed and operated at various typical offshore sites. The report required of the purchasing utility has to do with the plant in relation to conditions at specific mooring sites.

REACTOR SAFEGUARDS COMMITTEE

Last October, the AEC's Advisory Committee on Reactor Safeguards (ACRS) made a "pre-application site review" at PSE&G's request. From the committee's comments, one gets an inkling of the possible complications OPS and its customers may have to overcome. For instance, the ACRS, although it might dismiss Henry Kendall's fears as to the

possibility of a reactor-core meltdown accident as exaggerated, seems at one with Kendall in its concern that such an accident might poison the sea over a wide area.

The committee observed that "further work is needed on the dispersal characteristics of fission products and plutonium which might be released" in the "highly unlikely" event of a fuel-melting accident. It even suggested that a completely closable breakwater, possibly employing locks, be considered as a safeguard against fires (as might be associated with the wreck of an oil or liquefied natural gas tanker), high waves, or the meltdown of a reactor core.

It is curious that, even as the FNP project raises a threat of contamination of the marine environment, its potential for lessening the threat from any release of plutonium or fission products to the atmosphere is reduced by the requirement that FNP's be moored within the 3-mile territorial limit. The desirability of removing this restriction would seem to add further justification for the current interest in extending the territorial limit. The possibility of siting the FNP at remote distances from urban areas may be the single most important advantage perculiar to such plants.

If truly remote sites should be used, water depths often might be so great as to make the construction of conventional breakwaters infeasible. Yet, even now, OPS is working on the concept of a floating breakwater for possible use along the Pacific Coast, where the continental shelf is extremely narrow.

In the event William Simon's vision of FNP's being used in large numbers at home and abroad is to be pursued, needless legal or engineering obstacles to making them as safe as possible should not be allowed to stand.

—LUTHER J. CARTER.

TOWARD A SHARED RESPONSIBILITY POLICY FOR THE WESTERN HEMISPHERE

Mr. BROCK. Mr. President, as we look into the future, one does not have to be a prophet to see that this country faces two serious problems, but perhaps there is a common, fairly simple yet effective solution to both.

The first and most obvious problem is that the days of cheap, abundant raw materials is over. Before the recent oil embargo, the industrialized world was confident that it could always rely on the lesser developed world for cheap and bounteous natural resources. That notion abruptly burst with the oil embargo. President Nixon responded to the oil embargo problem with his "Project Independence," but that is only in one, albeit important, natural resource and, as many experts have pointed out, other mineral rich countries could form OPEC-type cartels with similar results. Time magazine reported recently that Guinea has already called a meeting of major bauxite producers while Zaire and Zambia have made tentative agreements on copper production.

Therefore, a true "Project Independence" should not just look at one natural resource, even as important and basic a resource as oil, but rather we should plan an independence strategy for all the resources needed for a modern, industrialized nation.

The second, more subtle yet equally important problem is that the United States must take a more mature look at our Western Hemisphere allies, Canada, and the countries of Latin America. We need not just a "new" policy, but a mature and realistic policy commensurate with the realities of the 1970's. We need a policy that will depart from the old "good neighbor" and "Alliance for Progress" type policies that often smacked in appearance, if not fact, of paternalism from the so-called collosus of the North. In short, we need a shared responsibility policy recognizing the new relations with our neighbors on an equal basis.

Both of these problems, the need for a complete project independence and a new Western Hemisphere policy, can, I believe, be solved by the creation of an Americas Resource and Capital Arrangement—ARCA. What I envision and propose is an arrangement styled along the lines of the successful European Coal and Steel Community—ECSC—although nothing quite as formal as that organization.

Why I think such an arrangement would be successful is basically very simple—we both have something the other needs. The United States has capital and technology while the other countries of the hemisphere have raw materials that we can both use.

I would like to emphasize this "both" at the offset because it is the heart of any true "shared responsibility" program. I am not envisioning an arrangement whereby the United States simply exploits the raw materials of the neighbors, but rather an arrangement whereby the United States can help her neighbors exploit their own resources. In the long run, it will be just as advantageous to the countries of Latin America and the United States if more oil, for example, is found in some of the more remote areas of the Andes. After all, a country can use only so much of its own resources and then must export.

And, this will not necessarily be a one-way street in regards to raw materials. The United States has a great abundance of coal which many of the countries of Latin America, especially Brazil at the moment, need for their burgeoning industries. We are also one of the world's leading agricultural exporters.

Another point that I would like to emphasize at the offset is that this arrangement is not meant to be directed against outsiders such as Japan or our Western European allies, rather it is only a regional arrangement for the rationalization of trade, resources and capital.

THE ANALOGY: THE EUROPEAN COAL AND STEEL COMMUNITY

I would not envision taking every provision from the European Coal and Steel Community—ECSC—and applying it directly to the Western Hemisphere. For one thing, the ECSC was the forerunner of the Common Market which I would not recommend at this time. However, many of the aspects and bylaws of the ECSC are germane and I would simply like to point out a few of these more applicable sections.

For example, in explaining the economic and social provisions of the ECSC treaty, Walsh and Paxton in their book, "The Structure and Development of the Common Market," list provisions which would apply:

First carry on a permanent study of markets and price tendencies;

Second, periodically draw up non-compulsory program forecasts dealing with production, consumption, exports, and imports;

Third, periodically work out general programs with respect to modernization, the long-term orientation of manufacturing, and the expansion of productive capacity;

Fourth, at the request of the interested governments, participate in the study of the possibilities of reemployment, either in existing industries or through the creation of new activities, of workers set free by the evolution of the market or by technical transformations;

Fifth, gather all information necessary to the appraisal of the possibilities of improving the living and working conditions of the labor force in the industries under its jurisdiction, and of the risks which menaced such living conditions.

I would like to point out that first, all of these are worthwhile goals, but second, as pointed up in second above, these would be "noncompulsory" programs which should win support and allay fear of American domination.

More specifically, the ECSC carries out its industrial policy by:

First, short and long-term community-wide forecasts for supply and demand.

Second, investment guidance and coordination, notably through loans to firms.

Third, joint research programs, aided by high authority funds.

Fourth, community help for regional development.

Walsh and Paxton go on to write that:

> Regular short-term forecasts supply detailed information on market developments in coal and steel while medium and long-range forecasts, known as general objectives guide industry on modernization, production, and investment needs.

There are all worthwhile policies applicable to ARCA.

What I would recommend is some kind of organization that would give recommendations and opinions, but not necessarily decisions. Michael Palmer writing on European organizations states that:

> The ECSC acts by decisions which indicate both the ends achieved and the detailed means are binding in all respects; by recommendations which are binding as regards the aims but not the means for achieving it; or opinions, which are not binding.

I would envision an organization that would recommend and give opinions as stated by Palmer, but not one so strong to give decisions, again, to allay fears of U.S. domination.

Another useful organization of the ECSC is the "consultative committee" which is appointed by the Council of Ministers and chosen to represent producers, users and workers. A formalized mechanism such as the consultative committee could be extremely useful for rationalized trade. And, of course, the real question is, Was the European Coal and Steel Community successful? The answer by most observers is, "Yes" and they give three positive results:

One, trade in all ECSC goods expanded at an unprecedented rate far outstripping both the growth of trade with other countries and the trade between themselves; for example, from 1952 to 1955 trade increased by 93 percent in coal and steel.

Two, a second result was the rationalization of the flow of trade in coal and steel.

Three, another positive result was in the form of rapid technical development necessitating a high level of investments in research and development.

These would be the goals of ARCA: increased trade, rationalization of trade and a high level of investment in research and development. Certainly, these are goals that could only help all the countries of the hemisphere.

As for the costs of such an arrangement. ECSC originally set a 0.9-percent levy on traded goods, but this was eventually reduced to 0.25 percent. Since ARCA would not have the powers or ultimate goals of ECSC, the levy required for its coordinating functions should be minimal.

WOULD ARCA WORK?

The basic question in asking whether some organization like an Americas resource and capital arrangement would work is whether the Western Hemisphere is self-sufficient. Preliminary research by my staff and the Library of Congress indicates—as shown by the annual report of the Secretary of the Interior on mining and minerals policy—that the Western Hemisphere would be fairly autarchic in all minerals except for chromium. The report does not include agricultural products, but since the Western Hemisphere is a net exporter in agriculture, that should be no problem for agricultural autarchy.

Thus, although each country individually is not independent in resources, under a "shared responsibility" program with coordination from an ARCA-type organization, the Western Hemisphere is in relatively good shape. And, considering that "resources" is only one part of the arrangement with capital and technology the other part, and considering the still overwhelming lead of the United States in capital and technology, the Western Hemisphere is without equal in the world.

Since preliminary findings indicate that an ARCA would be most feasible, I am today writing Senator RIBICOFF, chairman of the Reorganization, Research and International Organizations Subcommittee suggesting that we conduct preliminary hearings into the desirability of such an organization. Since this involves both research and international organizations, I think that this would be a most appropriate subcommittee for hearings.

Among the witnesses, I would like to hear are not just politicians or State Department witnesses, although they would of course be welcome. Rather I would like to hear testimony from geologists, businessmen, agricultural experts, and most important, I would like to hear witnesses from Canada and our Latin American Allies. As I stated in my opening remarks, I do not want a new organization that even suggests paternalism. I want a mature, business-like arrangement that both we and our Western Hemisphere allies can find beneficial.

THE CASE FOR CONGRESSIONAL INITIATIVE

It is very proper that Congress take the initiative in formulating a new Western Hemisphere policy.

From the historical viewpoint, James G. Blaine, President Garfield's Secretary of State wanted a Pan-American conference, but when Garfield was assassinated, the conference was resisted by first Arthur and then Cleveland. It was Congress that finally forced President Cleveland to call a conference by a resolution.

* * * for the purpose of discussing and recommending for adoption to their respective governments, some plans of arbitration for the settlement of disagreements and disputes that may hereafter arise between them and for considering questions relating to the improvement of business intercourse and means of direct communication between said countries, and to encourage such reciprocal commercial relations as will benefit to all, and secure more extensive markets for the products of each of said country.

Congress took the lead in what was to be essentially an ARCA since business relations were stressed.

Of late, although President Nixon in October 1969 called for an "end to paternalism" and a "mature partnership" with Latin America and recently the Honorable Kenneth Rush, Deputy Secretary of State, in a speech before the Council of the Americas, called for a new dialog based on "interdependence" and "reciprocity," the fact is the immediate crises of first Vietnam, then détente, Western European and Middle Eastern problems have left the administration little time for the Western Hemisphere.

I do not mean this as a criticism, but rather as an opportunity for Congress to take a positive, creative, role in foreign policy. Thus, while initiating a "shared responsibility" program within the Western Hemisphere, Congress will also, for once, be truly "sharing responsibility" with the Executive in the foreign affairs arena.

VOLUNTEER ARMY

Mr. BIDEN. Mr. President, later this year when the Congress considers the Defense Department's authorization requests, one part of it that will deserve close and careful scrutiny will be the all-volunteer Army. Understandably, the armed services will need more than 1 year or even a couple to work out the kinks in its new policy. Michael T. Klare has recently written in Commonweal magazine, an article that investigates some of the more obvious charges against VOLAR (Volunteer Army), its mercenary character, general problem in recruiting adequate numbers without added monetary inducements and the lower qualifications for its recruits. In addition, Klare discusses some other questionable aspects and negative potentials of the all-volunteer Army. He makes the observation that—

Ultimately, the success or failure of the Pentagon's efforts to create an all-volunteer force will hinge on the outcome of two basic questions: can VOLAR provide a sufficient pool of qualified personnel for an already diminished military apparatus; and, can it provide highly motivated disciplined fighters in the event of a war?

Mr. President, I ask unanimous consent that this article from Commonweal, of January 18, 1974, reviewing the all-volunteer Armed Forces be printed in the RECORD.

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

CAN THE ARMY SURVIVE VOLAR?

"By every conceivable indicator," Col. Robert D. Heinl reported in 1970, "our army that now remains in Vietnam is in a state approaching collapse, with individual units avoiding or having refused combat, murdering their officers and noncommissioned officers, drugridden and dispirited where not near-mutinous." These conditions were not limited to Vietnam, he wrote in *Armed Forces Journal*, but could be found at every U.S. military post around the world. Heinl, a correspondent for the North American Newspaper Alliance and a former Marine officer, observed that "The morale, discipline and battle-worthiness of the U.S. Armed Forces are, with a few salient exceptions, lower and worse than at any time in this century and possibly in the history of the United States."

Heinl's findings, while more sensationalized than most, were generally confirmed by other observers of the U.S. Military Establishment. Even General William C. Westmoreland, the former U.S. commander in Vietnam, acknowledged in October 1970 that "Today, the Army is entering one of the most critical periods in its history." By all accounts, the breakdown in morale was most advanced in the ground forces—the Army and Marine Corps—which bore the brunt of the fighting in Vietnam. The Army suffered as many casualties as all the other services combined in what proved to be one of the longest and costliest wars in U.S. history and also had the highest rates of desertion, drug abuse and disciplinary problems. All of the services, however ultimately suffered from the the strife and disunity generated by the war; even as late as June 1973 there was still reports of U.S. airmen refusing combat assignments in Indochina.

Not all of the Pentagon's troubles can be traced to Vietnam, however. The 1960's were years of great social upheaval in the United States, and inevitably the problems and conflicts of civilian society were mirrored in service life. Racism, black nationalism, student radicalism, drug abuse and "youth culture" were not caused by Vietnam—but all the tensions they produced were heightened and intensified by the authoritarian nature of military society. Many draftees, furthermore, were exposed to radical politics before induction and naturally brought their new attitudes with them into the Armed Forces. "The generation gap is a fact of life in our society." General Westmoreland wrote in 1972. "We inherited it in the Army, just as we inherited all problems in our society." What made this problem particularly troublesome, however, was the high number of college students among the enlisted ranks: "They want to know all the answers. They want to know why, and they want to talk philosophy of war and philosophy in general, and the non-coms haven't been able to communicate with them at that intellectual level." As privates began questioning the legitimacy and morality of military commands, discipline crumbled and the Army faced an unprecedented internal crisis. The explosive nature of this crisis is indicated by the following data:

Desertion: Army desertions in 1971 oc-

curred at the rate of 73 men per thousand, which was twice the rate during the Korean War and higher than the World War II peak rate of 63 men per thousand. Altogether, 68,500 men deserted in the first ten months of Fiscal Year (FY) 1971 alone—the equivalent of four infantry divisions. Marine desertions, at 59.6 per thousand, were nearly as acute, and Navy and Air Force desertions reached record levels.

Mutinies and revolts: Vietnam witnessed an event rarely experienced before in American history: the refusal of an entire military unit to engage the enemy while on the battlefield. As early as 1969, a company of the 197th Light Infantry Brigade publicly sat down on the battlefield and refused to fight. Later that year, a rifle company of the famed 1st Air Cavalry Division refused combat before the cameras of CBS News. The most serious case of "combat avoidance" (as these incidents have been termed) occurred in 1971 when Troop B of the 1st Air Cavalry refused to re-enter enemy territory in order to recover their commander's jeep with its communication gear, codes and secret operations orders. While these incidents received substantial publicity, much less is known (for obvious reasons) of the many instances of "working it out"—the practice whereby a group of G.I.'s refused hazardous duty, but later agreed to perform less risky tasks after negotiating with their officers.

Fraggings: Officers and sergeants who refused to "work it out" with G.I.'s in Vietnam often ran the risk of being "fragged" by a live grenade thrown by one of their own men. Acknowledged fragging incidents rose from 126 in 1969 to 271 in 1970 and some 425 in 1971. At least 78 officers and noncoms were killed in this fashion, and another 600 wounded.

Insubordination, G.I. resistance: While desertions, fraggings and mutinies constituted the most dramatic attacks on military authority, they represented but the tip of the iceberg of G.I. rebellion: in thousands and thousands of unreported incidents, individual soldiers defied the military hierarchy by refusing to salute their officers, by wearing peace symbols and other forbidden accoutrements, by disputing the legitimacy of certain orders and regulations, and by other acts of defiance. Such individual acts of insubordination were given collective voice in the 245 underground G.I. newspapers published on or near Army bases, and in the dozens of antiwar G.I. organizations that formed during the height of the Indochina conflict.

Drug abuse: By 1971, the use of narcotics by G.I.'s in Vietnam had reached "epidemic proportions," with an estimated 30 percent of all low-ranking combat troops using heroin or other hard drugs regularly. Although hard drug use was most pervasive in Vietnam, it was not insignificant elsewhere: at some bases in West Germany, 25 percent of the enlisted men were using heroin or other narcotics. The Navy also suffered from heavy drug use—over 5,000 sailors were discharged for drug abuse in 1970, an enormous jump from the 170 discharges in 1966.

Racial conflict: Racism and discrimination have always been basic characteristics of service life, but not until the late 1960s were these practices challenged from within on a massive scale by black G.I.'s. As black consciousness penetrated the services, race conflict became a regular feature of military life, and clashes between black G.I.'s and white officers became a daily occurrence.

DEEPER PROBLEM

These problems and conflicts, while extremely corrosive in themselves, were not the root causes of the Pentagon's difficulties but rather symptoms of a deeper malaise engendered by the American failure in Vietnam. In order to understand the nature of this malaise, it is necessary to review the origins of the U.S. intervention in Southeast Asia. Prior to the Kennedy Administration, American defense policy was dominated by the strategy of Massive Retaliation which held that the very threat of thermonuclear attack was sufficient to deter any military challenge to the U.S. national interests. Massive Retaliation failed, however, to deter revolutionary outbursts in Cuba, Algeria and Indochina, and in 1961 Kennedy's advisers introduced the strategy of Flexible Response to provide an enhanced "conventional" (i.e., non-nuclear) option in meeting threats at the lower end of the military spectrum.

On the basis of this doctrine, Kennedy authorized a substantial expansion of U.S. ground forces and the development of a substantial counterinsurgency capability. When the Diem regime came under sustained attack from indigenous revolutionaries, the Kennedy Administration—acting upon the premises of Flexible Response—ordered the deployment of Special Forces commandos and U.S. Army "advisers" to Vietnam. When these forces failed to stem the growing revolt, Kennedy sent still more "advisers" to protect the "credibility" of our counterinsurgency capability. Ultimately 500,000 U.S. combat troops were deployed in Vietnam in a long and futile attempt to defeat the Vietnamese revolution.

As long as the U.S. involvement in Vietnam was limited to advisers and Green Berets, American public opinion was largely neutral on the issue of the war. But once large numbers of combat troops were committed to a costly and unproductive ground war, public opinion became negative and finally hostile. Ultimately, it became obvious to soldier and citizen alike that the American strategy in Vietnam—with its emphasis on the massive use of ground forces—was incapable of producing a rapid and economical victory. The strategy of Flexible Response, moreover, proved to be quite *inflexible* when put to the test—for once U.S. ground troops had been introduced in Vietnam, it proved to be extremely difficult to *withdraw* them without damaging the credibility of America's counterrevolutionary mission.

This lesson is not likely to be forgotten quickly: as the nation enters the post-Vietnam era, it is clear that the American people will not tolerate another manpower-intensive ground war of the Vietnam type. In response to this growing national consensus, the Nixon Administration introduced the "low profile" Nixon Doctrine with its call for the withdrawal of U.S. ground forces from Asia, and their replacement with the troops of client regimes (liberally supported, of course by U.S. air and sea power). The new strategy, according to Chief of Naval Operations Admiral Elmo R. Zumwalt, Jr., "will call first for the high-technology, capital-intensive services—air and naval forces—to support the indigenous armies of threatened allies."

Under the new Pentagon doctrine, U.S. ground forces will be reduced substantially (armed forces have already been cut in half, and the Marines by one-third), and manpower-intensive war plans replaced by strategies calling for the use of capital-intensive, machine-oriented, highly mobile combat units. "We seek a leaner, more versatile Army," General Westmoreland explained in 1971, "equipped with the most modern and effective weapons and manned by motivated, well-trained soldiers." In order to survive on the battlefields of the future, the smaller Army of the 1970s will necessarily have to acquire a much higher ratio of firepower to manpower. This objective was eloquently summarized by General Ellis W. Williamson in 1971 as follows: "We are making unusual efforts to avoid having the American young man stand toe-to-toe, eyeball-to-eyeball or even rifle-to-rifle against an enemy that might outnumber him on the battlefield. We are trying to fight the enemy with our bullets instead of the bodies of our young men—"firepower, not manpower."

ALL-VOLUNTEER FORCE

Yet of all the steps taken to overcome the problems generated by the stalemate in Vietnam, none is as bold or far-reaching as the abolition of the draft and introduction of an all-volunteer force. After a six-month trial period of zero draft calls, the Pentagon's authority to conscript men into the Armed Forces expired on June 30, 1973. For the first time in three decades, the Defense Department was totally dependent on voluntary enlistments to meet its basic manpower requirements.

Abolition of the draft was an early campaign pledge of Richard Nixon, and soon after his election in 1968 he started laying plans for its demise. In March 1969, two months after his inauguration, Nixon appointed former Secretary of Defense Thomas S. Gates to chair a high-level Commission on an All-Volunteer Force. After a year of intensive study, the Gates Commission determined that the Armed Forces could be placed on an all-volunteer basis without prejudicing the national security. In its report to the President, the Commission argued that with higher pay and other benefits, military service could be made competitive with civilian employment, and that it would be possible therefore to recruit sufficient manpower for an active armed force of 2.3 million men. In response to complaints that an all-volunteer force would be composed entirely of blacks and poor whites, the Commission noted optimistically that "Our research indicates that the composition of the armed forces would not be fundamentally changed by ending conscription."

On the strength of the Gates Commission report, President Nixon secured from Congress the required authorization and funding to begin work on the formation of a volunteer army (VOLAR). The first step, of course, was to make military life more attractive to potential recruits. On November 14, 1971 a new military bill went into effect raising a recruit's base pay from $149 per month to $321; comparable increases were authorized for other ranks, and, as a result, military pay became truly competitive with civilian employment for the first time in American history.

In order to attract volunteers for the infantry and other combatant forces (as distinct from the technological specialties chosen by most volunteers under a "unit-of-choice" option), the Pentagon offered bonuses of up to $2,500 for four-year enlistments in the "combat arms." These bonuses and pay increases cost the nation $4.6 billion in 1972–73 alone. Substantial funds have also been allocated to refurbish barracks and provide other amenities designed to "improve the quality of service life." In Fiscal 1974, for instance, the Army will spend $682 million to enhance barracks conditions, $615 million for improved G.I. medical services, $592 million for support of dependents, and $62 million to eliminate odious kitchen duties. The goal of these "people programs," according to Army Secretary Froehlke, is to improve soldier living conditions so that they "equate more closely with the average environment of middle-class society"—an obvious lure to the blacks and poor whites who constitute the majority of potential recruits.

Pentagon efforts to improve the attractiveness of military service are not limited to financial and environmental incentives: a considerable effort is being made to eliminate "Mickey Mouse" chores—the petty harassments and pointless rules so characteristic of G.I. life. Among the innovations introduced by VOLAR managers in the past few years are: beer dispensers and semi-private cubi-

cles in barracks; fewer mandatory inspections and KP duties; and liberal leave policies. For most privates in the peacetime army, service will be confined to the 40-hour, five-day week common to civilian life.

The net effect of all VOLAR programs, it seems, is to compose what can accurately be termed a "contract" with enlistees which goes something like this: "we'll offer you job security, travel and adventure, and a middle-class standard of life—in return for your promise to carry out orders and, if necessary, to fight at the direction of your officers." The existence of such an arrangement is implicit in Army posture statements; thus General Michael S. Davison of the Army has written: "It seems clear that organizational measures which enhance a soldier's basic welfare and sense of security will also improve his willingness to carry out his role in the unit. As his commitment to the unit grows, so will his self-discipline which is our objective."

Some critics of VOLAR charge that, in essence, this contract represents the foundation of a mercenary army composed largely of blacks and poor whites. Thus Joseph A. Califano, a Washington lawyer and former aide to President Johnson, has labeled the volunteer army a "human weapons system" that will let "the lower class fight our wars." Califano argues that since VOLAR will only attract high school dropouts and those without marketable skills, the volunteer system represents a revival of "the Civil War practice of having the better off hire the worse off to serve their time in the military." By effectively exempting middle-class youths from military service, he added, "we write into law the concept of one man's money for another man's blood." Charges that VOLAR is building a "mercenary army" have been voiced even more emphatically in the black community, where a large proportion of VOLAR's enlistment quota is expected to be filled. Charles B. Rangel, a black Congressman from New York City, predicted in 1971 that blacks, Puerto Ricans and Mexican-Americans will constitute the bulk of the volunteers—"since there are no other economic options open to them." It would be a lie, he said, "to label this a volunteer army. It would be a mercenary army composed of men soldiering for a pay check."

Not surprisingly, the Pentagon insists that the volunteer army will not become filled with a disproportionate number of blacks and other minorities. Thus in a 1972 progress report on VOLAR programs, Defense Secretary Laird told Congress that "the alleged pitfalls of the voluntary military organization—that it will be dominated by mercenaries, who will take over the nation, or be all black—are false and unfounded claims." To support this finding, Laird produced figures to show that blacks constitute a mere 11 percent of the active military population, or 2.5 percent less than their percentage of the total military-age population.

These figures are deceiving, however; blacks are highly concentrated in the Army (15 percent of all personnel), and in the lower ranks generally. Furthermore, as the remaining draftees leave the service and volunteers take their place, the proportion of blacks will increase significantly. Thus in January 1971, when the Army was still drafting large numbers of men for Vietnam, blacks constituted only 13.5 percent of the enlisted ranks; by June 1972, the black proportion was 15.1 percent, while three months later it reached 18 percent. And in 1973, under the zero-draft system, blacks have constituted about one-fourth of all Army enlistments. Pentagon data also testifies to the lower-class origins of most volunteers: 80 percent of Army recruits in March 1973 reported that their pre-enlistment civilian pay was less than the military base level of $321 per month; taking into account the free meals, lodging, and other benefits provided by the Army, these men actually secured a significant increase in their standard of living.

Many critics of the all-volunteer system predict that as the services become filled with blacks and poor whites, public resistance to the use of such forces in "police operations" abroad will decrease. "By removing the middle class from even the threat of conscription," Joseph Califano charged in 1973, "we remove perhaps the greatest inhibition on a President's decision to wage war." Representative Rangel made similar predictions: under VOLAR, he wrote in the New York Times, "America's oppressed races would be fighting and dying so that affluent whites can continue to enjoy the fruits of imperialism." Although the disappearance of middle-class whites from military service will probably remove some restraints on the President's capacity to wage war abroad, it is doubtful that he will be given a completely free hand, as intimated by these VOLAR critics. For one thing, the increasingly high cost of voluntary personnel will force the Pentagon to be very hesitant about exposing soldiers to hostile fire. "The higher the value of American (human) resources," Lt. T. D. Kelly wrote in U.S. Naval Institute Proceedings, "the more reluctant the nation will be to lose them in war and, thus, the option of going to war to solve political problems will become increasingly undesirable." Ultimately, middle-class resistance to conscription will place a limit on the Pentagon's capacity to initiate war under a zero-draft system: as long as the services are barred from reintroducing the draft to obtain replacements for men lost in battle, it cannot get involved in combat situations where the manpower requirement is likely to be high.

Ultimately, the success or failure of the Pentagon's efforts to create an all-volunteer force will hinge on the outcome of two basic questions: can VOLAR provide a sufficient pool of qualified personnel for an already diminished military apparatus? and, can it provide highly motivated disciplined fighters in the event of a war?

The answer to the first of these questions is just becoming known: data released by the Department of Defense in mid-1973 indicate that enlistments in the Armed Forces generally, and in the Army in particular, are falling short of minimum manpower requirements by a substantial margin. Since January 1973, when the Army enlistment objective of 17,900 men was oversubscribed due to the lingering volunteer-inducing effects of the draft, one-fifth to one-fourth of expected Army volunteers have failed to enlist. In February, enlistments were 15 percent short of the 11,500-man quota; in March the quota was 18 per cent short. And preliminary data for April, May and June show enlistment shortfalls of from 15 to 30 percent. If present trends continue, the Army is expected to be short 74,000 men by July 1974, or almost 10 percent of its planned strength of 791,000 men. The pressure on Army recruiters to increase their quotas of enlistees is reportedly so great that over 100 of them have been replaced or are under investigation for falsifying of records of recruits or providing aid on intelligence or aptitude tests in order to enroll men who could not otherwise meet minimum service standards.

LOWER STANDARDS

As one aspect of the recruitment problem, Pentagon officials are under increasing pressure to lower recruit standards and accept more high school dropouts and other "underqualified" men. A recent study conducted by the Brookings Institution of Washington, D.C. shows that to meet minimum recruitment quotas of 365,000 men per year, the Armed Forces must enlist one-third of all "available" males aged 19 to 23—an extremely high, and perhaps unattainable, proportion. (In the Brookings study, "available" is defined as men who are physically, mentally, and morally qualified for service—and who are not planning to enter college.) Some recruiters seek to enlarge the manpower pool by lowering mental qualifications (high school dropouts already account for half of all recruits), but other officers oppose such measures on the grounds that an increasingly technological force will require men who can operate relatively complex machines. Lowered educational standards would also increase the proportion of blacks, Puerto Ricans and Mexican-Americans in service (since these groups are normally accorded the poorest education in our society).

Advocates of VOLAR, on the other hand, charge that the services have set artificially high enlistment qualifications in order to "sabotage" the all-volunteer program. Thus Roger T. Kelley, a former Assistant Secretary of Defense who many consider to be the architect of VOLAR * * * system "call demonstrate a need for the draft by letting failures occur." Kelley claimed that the adversaries of VOLAR "are bolder and more frequent in their acts of sabotage against the system." As of June 1973, many top Pentagon officials were predicting that unless enlistments take a strong turn upwards some form of conscription will have to be instituted within a year.

If these predictions prove accurate and the draft is reestablished, it may never be necessary to answer the second basic question concerning the viability of VOLAR: can an all-volunteer, "mercenary" army be made to fight if a war breaks out? Naturally, no one can predict the outcome of such an event in advance; it is nevertheless worthwhile to consider the impact of various VOLAR programs on the attitudes of volunteers.

Some critics of VOLAR have predicted that a highly-paid professional military organization would become a force of "hired killers" who would balk at nothing when ordered to attack a hostile population. There is little evidence, however, to support this view. Most G.I.'s in all-volunteer outfits indicate that they appreciate the higher pay and other benefits of VOLAR, but feel no increased commitment to a military "career" as a result. In fact, many soldiers report the opposite: under the 9 to 5, Monday to Friday system, G.I.'s are free to leave their base as soon as work is over, and most insist that they want things to remain that way.

"I like this post," reports Pfc Steven McClaran of the all-volunteer 197th Infantry Brigade, "There are no passes, no sign-in sign-out procedures, no KP. You can hop in your car and take off. It's just like a civilian job." Another volunteer, Spt. James Barrett, told *The Wall Street Journal* that "I didn't figure the Army would be easy. Hell, everyone's got to gripe about the work and the harassment. They get on me about my [longish] hair. But you can't beat it. I'm earning $348 a month sitting around and doing a little work."

These comments—and they are not uncommon—do not suggest a gung-ho, war-crazed crowd like the Foreign Legionnaires of *Battle of Algiers* (or even like John Wayne's celluloid *Green Berets*). In fact, many analysts believe that the higher the standard of living promised recruits, the less enthusiastic they'll be about risking their lives in combat. As one veteran sergeant put it, the volunteers come into the Army "expecting the life of Riley. . . . If we get into a war, we'll have to call the old soldiers back."

There is another question that must be asked of a mercenary army with a substantial non-white membership: given the growing militancy of the black and Chicano movements in the United States, will VOLAR's black and Spanish-speaking recruits obey their white officers when ordered to attack enemy forces—especially when those forces are also black or brown? Again, no one can answer this question in advance; but there

are indications that the Army *will* have to address itself to this problem. Many black G.I.'s questioned in Europe have expressed considerable alienation from their regular military assignments, and most seemed more concerned with combating discrimination than preparing for war with the Communists. "Nixon and Agnew are strictly for white folks only," a black soldier told the *New York Times*. "Repression seems like the only thing they got for black folks—how am I going to fight for them?" Another black G.I., Sgt. Larry Tyler, recalled how his sister was in the dormitory at Jackson State College that was shot up by Mississippi state police in 1970, and asked: "How can you fight for America, when every morning you read about black people being killed?" And in Fulda, an Army base camp some 10 miles from the East German border, a black veteran of Vietnam mused: "America should deserve my life if I'm going to give it."

If present enlistment patterns continue, the Armed Forces will face a serious manpower crisis within a year. The Army, with an anticipated manpower shortage of 75,000 men, will be hit hardest—but the other services will also face severe shortages and/or lowered enlistment standards. Barring a serious economic crisis or new defense emergency (either of which might induce a higher rate of enlistment), the Defense Department must consider remedial action now if the services are to be fully manned in the late 1970's. Among the options on the Pentagon's agenda in 1974 are:

(1) *A return to conscription,* with some form of draft system to make up the shortfalls in voluntary enlistments.

(2) *Further reductions in the size of the services,* with a corresponding increase in emphasis on capital-intensive weapons systems.

(3) *Lowered enlistment standards,* with a higher proportion of black and Spanish-speaking volunteers.

A return to the draft would be the surest way of solving the manpower problem—but it is also the solution that will encounter the most resistance from Congress. Considering the present political mood of the country (and in the light of Watergate), it is probable that the Pentagon will elect the smoother course, choosing some combination of options 2 and 3. Indeed, Congress has already proposed further cuts in the Defense manpower authorization, while the Pentagon has announced plans to lower educational standards for Army enlistees. Neither of these solutions is attractive to the military, however, and it is certain that top Defense officials will begin a long-range campaign to foster public support for reinstatement of the draft.

Whatever solutions are found to overcome the manpower shortages, the Defense Department will still face the many unresolved "people problems" that threaten the effectiveness of existing combat units. These problems—racial conflict, drug abuse, rebelliousness, etc.—will persist as long as American society as a whole is torn by social chaos and conflict. Clearly, if the Armed Forces are to fulfill their mission in the post-Vietnam era, they must obtain loyal, dedicated and competent soldiers who can be counted on to follow orders under fire. As noted by General Abrams, ". . . the smaller Army that we are fielding today must be highly motivated, disciplined, fully manned, and fully equipped with modern weapons. An Army with these ingredients will be a professional force, unhampered by social turmoil, and composed of well-trained and ready soldiers prepared to meet any crisis." This is an ambitious goal under any circumstances—but the very survival of the Armed Forces now hinges on its achievement.

STRENGTHENING THE FREEDOM OF INFORMATION ACT

Mr. KENNEDY. Mr. President, earlier this month the House of Representatives passed, by an overwhelming vote, Congressman MOORHEAD's bill (H.R. 12471) to amend the Freedom of Information Act. Following unanimous committee approval, the vote in the House was 383 to 8. This reflects, I believe, the strong sentiment in Congress toward opening further the processes of Government to public scrutiny. A similar bill, S. 2543, which I introduced last year, has cleared the Subcommittee on Administrative Practice and Procedure and is presently awaiting action before the full Judiciary Committee. I am confident that 93d Congress will enact this important legislation.

The press has made clear its support of congressional action to strengthen the Freedom of Information Act. Before my subcommittee last spring witnesses from the National Newspaper Association, the Radio-Television News Directors Association, the Joint Media Committee, Sigma Delta Chi, and the New York Times uniformly supported FOIA reform measures. In its reports on "The Truth About Government" the Professional Relations Committee of the National Press Club observed that there were "continuing restrictions on access to information caused by the efforts of many Federal agencies to dodge the spirit and intent of the FOI Act." And last week an editorial in the Washington Post observed that:

Government secrecy has become an unfortunate fact of life in American society, despite the best hopes of this nation's founders. . . . Under the shroud of national security and other devices of secrecy, the bureaucrats go about their business without the knowledge and consent of the governed. This is so despite the fact that Congress provided the press and the people with a weapon—admittedly a blunt one—in the Freedom of Information Act of 1966. It gave the public a right to examine the documents in the possession of government agencies and thus the opportunity to find out what is being done in the name of the government. But its effective use is much more the exception than the rule.

Former Chief Justice Earl Warren has also made an impassioned plea for compelling—

Our public officials to keep the avenues of information open so the public can know and evaluate the character of their work from day-to-day.

Speaking to the National Press Club in December, the Chief Justice continued:

We munt realize that when we open up Government files and documents, we are not according the press any preference, but that we are making available to all citizens alike the opportunities to know what their government is doing. It is then that the press becomes free through investigative reporting to inform the people of the actual state of affairs and put its interpretation on it. If it does the job well, the people are the beneficiaries.

Finally, this past week the Senate Select Committee on Presidential Campaign Activities released a report prepared by a panel of the National Academy of Public Administration. In its discussion of the implications of Watergate for responsible government, the panel of distinguished public administration experts recognized that—

Among the most troublesome of the issues brought to light in the Watergate hearings are those concerning access to information about executive processes. As a general proposition, a society committed to liberal democracy cannot adopt or defend any position other than one of maximum feasible freedom of information.

While recognizing the need in some specifically defined instances to withhold information from public view, the panel concluded that "the trend over many years has been to withhold information unnecessarily" and indicated its support on "legislative efforts to clarify and improve the Freedom of Information Act and to bring the decisionmaking processes of administrative agencies more into public view."

Mr. President, I ask unanimous consent that the Washington Post editorial, Chief Justice Warren's speech, and two newsstories on House passage of the Freedom of Information Act amendments be reprinted in the RECORD at this point.

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

[From the Washington Post, Mar. 21, 1974]

THE RIGHT TO KNOW

Government secrecy has become an unfortunate fact of life in American society, despite the best hopes of this nation's founders. James Madison once declared optimistically: "Knowledge will forever govern ignorance, and a people who mean to be their own governors must arm themselves with the power knowledge gives." But those lofty ideals of 200 years past have been facing heavy weather for at least a generation, and there is every evidence that reviving such notions in the current climate of government in Washington and elsewhere remains a difficult task. Under the shroud of national security and other devices of secrecy, the bureaucrats go about their business without the knowledge and consent of the governed. This is so despite the fact that Congress provided the press and the people with a weapon—admittedly a blunt one—in the Freedom of Information Act of 1966. It gave the public a right to examine the documents in the possession of government agencies and thus the opportunity to find out what is being done in the name of the governed. But its effective use is much more the exception than the rule.

Thanks to a notable recent exception, we now know that in the 1960s, the late J. Edgar Hoover ordered his agents at the FBI to undertake a "counterintelligence" program against what Mr. Hoover described as "black nationalist hate groups," among others. We know this because Carl Stern of NBC News took the trouble to go into court and win a law suit under the Freedom of Information Act. In theory, at least, FOIA reversed an older law that made disclosure difficult and established a policy that disclosure should be the norm and denial of information the exception. Unfortunately, the act has not worked that way. For one thing, there are a number of frustrating exceptions to the act. Beyond that, its mechanism is so cumbersome that only seven suits have been filed by news organizations since the act was passed.

Some of the blame for FOIA's ineffectiveness to date must rest on the news media. They have taken the view that news is immediate, and if they cannot get what they need for a story, they must move on. Very few journalists have been willing to take the time that the Freedom of Information Act now requires. Mr. Stern, for example, obtained the most recent set of documents on the FBI counterintelligence program 26 months after first seeking them.

The House of Representatives moved decisively this week to reduce the burden on *those who wish to* make use of the FOIA. It voted 383 to 8 for an amendment to the law proposed by Rep. William Moorhead (D-Pa.). The Moorhead Amendment does several important things to make the FOIA a better law. It reduces the number of days an agency has in which to say if it intends to provide requested information voluntarily. It places in the hands of the courts the question of whether national security is sufficient reason for a given agency to withhold information. It allows plaintiffs to recover their legal expenses if a court rules that an agency withheld material it should have turned over voluntarily. It adds the Office of Management and Budget to the list of agencies now covered by the act, and it requires all agencies to give an acount to Congress each year of how it implemented the law.

A similar bill, sponsored by Sen. Edward M. Kennedy (D-Mass.), has cleared a subcommittee of the Judiciary Committee and should be ready for floor action shortly. The Nixon administration has made rumblings that could be the forecast of veto action, but that would be a meaningless gesture if the Senate action is as decisive as was that of the House. Attorney Ronald Plesser, who heads the Freedom of Information Clearinghouse and who represented Mr. Stern in his suit against the FBI, has estimated that this new legislation could have reduced the elapsed time of the Stern case from 26 months to six months. That is more in keeping with the needs of justice and the public's right to know what its government is up to. No known substitute for an informed electorate exists in a democratic society, and the Hoover papers make it clear once again how dangerous bureaucratic secrecy can be to the rights of a free people.

ADDRESS BY HON. EARL WARREN

It has been a long time since I spoke from this rostrum, and I am happy that this Drew Pearson Awards Luncheon affords me the opportunity to renew my valued association with the members of the National Press Club, so many of whom I helped install as President of your Club during my active years on the Court. Those were happy experiences for me. I had all the fun of starting in motion and none of the worry involved in administering the affairs of an organization as individualistic as the National Press Club.

And I suppose in its long history there was no one more individualistic than the man for whom this Award is named. In fact, for a long time, I have thought that the young people probably had him in mind when they coined the phrase about a person "doing his own thing."

He was unabashedly provocative. Some people thought he was divisive. But I remember the first time I met him was after World War II. He conceived the idea and organized the Freedom Train to rekindle the flame of patriotism in all Americans, not by urging them to go to war, but through the exhibition of the founding documents of the Republic and explanation of their meaning to our free way of life in order to inspire confidence in our institutions and strengthen our resolve to preserve them for ourselves and for those who are to follow us.

I was Governor at the time, and when Drew brought the train through California, I rode with it the length of the State, giving such help as I could to the cause which it represented. It was a good cause, and I am sure it was helpful in generating pride in the goodness of our institutions and the necessity of preserving them as the sheet anchor of our freedom. There was no hyperbole, no exhortation, no jingoism in the undertaking. It was a gentle appeal to real patriotism and in every respect was unifying.

I do not recall seeing him again until I came to Washington in 1953 as Chief Justice. That was a time of complete change of life style for me in my relations with the news media. For over thirty years in California, I was in politics and, like most politicians, if the news media did not approach me I would approach them. Believing in the right of the people to know what their public officials are doing, and also believing that it would help me in their appraisal of my work, I held two open press conferences each week of my eleven years as Governor. It was a mutually satisfactory arrangement, and relieved the necessity for a lot of investigative reporting on my administration.

Having been in and about courts all my adult life, I realized my press relationship in political life was not a proper stance for a judicial officer.

Believing there was no partial way of changing my relationship, I decided, in coming to Washington, to make a complete one hundred and eighty degree change of approach, and decline to discuss any of the judicial aspects of the Court work with the media. I did it promptly, and after the amenities relating to my induction into office were concluded, I submerged myself in another world. It was not only a strange but a difficult way of life for me after thirty years of free-wheeling with the press. And although I have never told the story publicly before, I will say to you today that at the outset it triggered for me the most traumatic experience of my more than fifty years in public life.

When I came to Washington the first week in October 1953, there was in progress an election for Mayor of New York. There was brewing at the same time a prison scandal over the influence used to effect the release of a notorious racketeer from a New York penitentiary. The two became enmeshed, and the names of a number of high public officials became involved in the scandal.

Mr. Robert F. Wagner, the eventually successful candidate for Mayor, only a few days after my induction, held a press conference concerning the prison scandal and naming certain persons implicated in it.

In the course of it, he also stated that one of the highest legal authorities in Washington, whose word was sometimes taken for the law, was enmeshed in it. He declined to name the official, and you can imagine what probing that unleashed. Reporters insisted on talking to me about the matter, but I instructed my secretary to say I was not available.

They waited at the entrances to the Court Building, but I entered the basement by car, and declined to recognize or halt for reporters at the entrance. I cut off the telephone in my hotel room, ate, and remained there until morning each day. As the weeks passed, some of the reporters wrote or wired me asking for an interview and saying they wanted to be helpful.

My name was not mentioned in the press, and I relied on the fact that it would not be without evidence to connect me with it. On the other hand, I felt sure that if I gave anyone an interview, there would be a story to the effect that "Warren denies he is implicated in prison scandal," and that would be an excrutiating way to start off the proceedings on my confirmation as Chief Justice. So I sat tight and suffered in silence. My wife was not even with me, she having remained at Sacramento to move from the Governor's Mansion where we have lived for eleven years with our six children, and which I had left on four days' notice to open the 1953 Court Term in accordance with my interim appointment by President Eisenhower.

On the Saturday night before the election, I was in my hotel room alone having dinner, and turned on the television. It happened that Mr. Wagner was holding a press conference at the time, so I listened. During the course of it, one of the reporters said, "Mr. Wagner will you tell us if Chief Justice Warren is the man you referred to as being implicated in the prison scandal?" He replied, "Oh, no, I understand he is a fine man, and I am sure he would not be involved in anything like that." What a relief!

I did not know him or anyone in his organization at that time. In fact, my politics had always been in the opposite Party. I later met him as Mayor, and our trails occasionally crossed at public affairs. He was always friendly and spoke well of the Court.

I never heard another word about this nightmare, but I assure you it was a baptism of fire.

In keeping with my policy of not discussing the affairs of the Court with the media, I never saw or talked to Drew Pearson as a journalist, but, like most Washingtonians, I read his daily column in the Washington Post.

I did, however, come to know him a different way that culminated in a cherished friendship between Drew and Luvie and Nina and me. We were all blessed with the friendship of the late Agnes Meyer.

For several years, she would arrange a Summer cruise in some exotic part of the world—the Fjords of Norway; the Dalmatian Coast, the Greek Islands; the ancient cities of Asia Minor; the perimeter of the Black Sea; the Hawaiian Islands, etc. On these cruises, the Pearsons, the Bill Attwoods, Adlai Stevenson, Clayton Fritchey, always some members of the Meyer family, and Nina and I were included. They were wonderful experiences, and it was on these cruises that I came to know Drew Pearson.

Walking along a Hawaiian beach, a Norwegian Fjord, the ruins of Troy, the Carpathian Mountains, or in the Greek Islands afforded me an opportunity to learn his trend of mind. It was not there focussed on muck, but on understanding. I sat, and without participating, listened to him and Agnes Meyer discuss world affairs by the hour with personalities such as the King and Queen of Greece; Chairman Krushchev of Russia; President Gheorgiu Dej of Romania; President Tito of Yugoslavia; Mayor Ake of Istanbul, and others. He was searching for and probing for reportable material—not to aggravate or increase the tension of the Cold War, which was so dominant in the Joe McCarthy days, but to see if some measure of accommodation could be found to enable the nations of the West and the East to find a way to live and let live alongside of each other.

He was a Quaker, as you may know, and in keeping with his faith, immediately after World War I, he undertook a mission into little Montenegro which had been overrun and devastated by the central powers in the War. His mission there had been designed to build homes and restore family life in the devastated villages. On one of our cruises along the Dalmatian Coast from Athens to Venice, he decided to travel overland from the Yugoslavian port of Split to the interior of Montenegro where he had performed his mission. I agreed to go with him. It was a unique experience, and one that warmed his heart because we not only found in use the homes he had built a half century before but also some of the people who had worked for him and who were still living in them.

The trip over the "Black Mountains" in a small car for several days was, indeed, a rough one, but it was enlightening to see life only a few miles from the eastern border of Albania almost the same as it was in Biblical times.

At home, Drew, as you all know, was a ferret for conflict of interest in Government. I suppose he made more enemies than any journalist of his day in pursuing that objective. He not only fought corruption but also the secrecy in Government which makes corruption easier. I have often conjured how he would have thrived on the opportunities for investigative reporting in these almost unbelievable times. He would have dug deep and fought secrecy in governmental affairs with a vengeance.

It would be difficult to name a more efficient ally of corruption than secrecy. Corruption is never flaunted to the world. In Government, it is invariably practiced through secrecy. That secrecy is to be found in every level of Government from city halls to the White House and the Hill, and if anything is to be learned from our present difficulties, compendiously known as Watergate, it is that we must open our public affairs to public scrutiny on every level of Government.

Some will say that it is the duty of public authorities to ferret out and prosecute conflicts and defilement of the public interest. But this falls far short of the mark. Law enforcement officers are not equipped to follow the daily work of our public servants, and I doubt if we would want them to be constantly looking over the shoulders of our people in public life just to see if they are performing their duties honestly. It is not the American way, and the practice could eventually lead to a police state.

But we do have the right to compel our public officials to keep the avenues of information open so the public can know and evaluate the character of their work from day-to-day. Then it would be the responsibility of the news media to inform the public of both the accomplishments and the derelictions of their officials.

It is an enormous job to alert the public because there are 2,872,000 Federal civilian employees, 2,832,000 state employees, and 7,612,000 in local government, making a total of 13,316,000 in 1971. All of them perform some duties for the Government, and often some obscure public official unknowingly even will perform some act that, if disclosed, might change the course of history.

As an illustration, conjure for a moment what a nation shattering service the house policeman and the city policemen whom he summoned rendered in making public the Watergate burglary. Had they succumbed to the blandishments and importunities of the burglars, all of the subsequent disclosures of conduct debasing our institutions might have remained a secret forever.

A similar occurrence could come under the scrutiny of anyone of these millions of public employees and if not disclosed might deprive the American people of a much needed opportunity to cleanse some level of our Government.

But even such a failure of disclosure might not be the fault of the particular employee. It could well be a lax method of accounting for official conduct or even a strict policy of secrecy imposed by the policy-making authority.

Such policies, whether they stem from indolence or design, are cancerous to the body politic and must, if our Government is to remain "of, by and for the people," be curbed by adequate legal guidelines and then by scrutiny of the people for use in the electoral process. The fulfillment of the latter, however, depends on the preservation and stimulation of a free press, because the people cannot be adequately informed by the Public Relations Departments of the numerous agencies which justify their activities through news releases and subtle propaganda.

The Pentagon alone is asking for $25,023,000 this year for that purpose. The General Accounting Office, however, has objected to the amount before Congressional Committees on the ground that much more has been concealed for the purpose in other parts of the budget. That amount alone for public relations in the one Department, however, is over four times the total requested budget of the Supreme Court of the United States this year.

And with that amount of money, presumably to inform the public of the activities of the Pentagon, the Cambodian bombing was deliberately concealed from the American peole until about two years after the fact.

There is but one protection against such deception, and that is the accessibility to inspection by the citizenry of public records on every level of Government, thus making them available for the news media.

We must realize that when we open up Government files and documents, we are not according the press any preference, but that we are making available to all citizens alike the opportunities to know what their Government is doing. It is then that the press becomes free through investigative reporting to inform the people of the actual state of affairs and put its interpretation on it. If it does the job well, the people are the beneficiaries.

The investigative reporting of the past year is entitled to high praise and the gratitude of every American. Without it, its disclosures of fraud, bribery, perjury, conflict of interest, obstruction of justice, etc., would probably have passed without official action.

So if we are to learn from the debacle we are in, we should first strike at secrecy in Government wherever it exists, because it is the incubator for corruption. One would think this should be an easy thing to accomplish, but as in most public questions there are many facets to it, and as the old hillbilly from Arkansas said, "No matter how thin you make a pancake, there are always two sides to it."

The Congress has labored at great length on the subject, and in 1966 enacted the Freedom of Information Act. That Act recently was accorded a somewhat restricted application by a sharply divided Supreme Court in the case of *EPA* v. *Mink*, 410 U.S. 73.

The dissenters wrote that the decision "wholly frustrates the objectivity of the Freedom of Information Act," and that "It is on its way to become a shambles." Fortunately, there was no decision of constitutional dimensions, the Court holding that the Act did not authorize the relief sought in the case. This would appear to leave the extent to which secrecy in Government might still be proscribed as one for legislative action.

In order to appreciate that a free press is a basic element of a free society, one need not subscribe to the aphorism of Thomas Jefferson that if it should become necessary to dispense with either government or a free press we could better afford to give up government.

Every thoughtful American knows that some of our most cherished rights stem from the First Amendment—speech, the press, religion, assembly, and the right to petition the Government for a redress of grievances. To exercise these rights effectively, the people must know what the Government is doing. On the other hand, the increasingly complex world and nation in which we live undoubtedly call for some degree of confidentiality in the decision-making process, but to recognize that fact one need not subscribe to the bizarre contentions of the administration for boundless secrecy under the ensign of executive privilege and national security. Nor need one believe that this should curtail the rights of the press to explore, probe and report to the public what its explorations reveal.

What I mean to emphasize is that whatever secrecy is to be permitted concerning governmental records in the highest as well as in the lower echelons should be fixed by law. As I have just reported, the law is now in a state of flux and more refinement is called for. The importance of the problem cannot be overstated. It must be obvious to all by this time that secrecy in high places spawned this great tragedy of our time, and that continued secrecy has prolonged the judicial inquiry into admittedly illegal conduct to a point which erodes the rule of law.

Only a rule of reason will solve the dilemma we find ourselves in. This is not an easy thing to evolve in these days when the solution of so many issues is polarized to the point of frustration. Yet the importance of this issue is so great that I would think there is sufficient acumen and patriotism in the elements of our society most intimately connected with the affairs of Government to solve it.

We are spending billions of dollars today to induce the Israelis and the Arabs to settle their ancient differences through reason. In recent years, we have spent upwards of 200 billions and lost 50 thousand of our young men to achieve what is denominated as "peace with honor" between two small countries on the other side of the world.

In light of these experiences, would it be reasonable to expect the professions of journalism, law and political science, together with their professional schools and representatives of federal and state government, all properly sanctioned, to be able jointly to study and define the essential areas of confidentiality in Government, leaving the rest open to public scrutiny so that "Even he who runs may read?"

I would think it should be and perhaps it might be the best way to avoid another Watergate which we can ill afford, and thus fulfill our Constitutional obligation to keep it possible for the people to govern themselves.

Finally, my congratulations to all of today's awardees. They have honored their profession by their investigative reporting, and in doing so have fulfilled in the finest sense the responsibility of a free press to the people it serves.

[From the Wall Street Journal, Mar. 18, 1974]

HOUSE VOTES BILL TO AID CITIZENS' RIGHTS, AMENDING '66 ACT ON GOVERNMENT SECRECY

(By Arlen J. Large)

WASHINGTON.—A 1966 law intended to combat government secrecy is getting its first repair job in Congress.

The House has approved amendments to the Freedom of Information Act that generally would make it easier for a citizen to challenge a government agency's refusal to give up a requested document. The overwhelming 383-to-8 vote was a sign that the changes aren't very drastic or controversial, but they could tilt some court fights against the government.

The changes include:

Reversing a Supreme Court ruling that forbids federal judges to inspect documents stamped with a security classification.

Requiring that federal agencies publish indexes of their decisions so a seeker of documents knows what to ask for.

Scheduling of deadlines that agencies would have to meet in responding to inquiries or fighting them in court.

Giving authority to judges to order the government to pay the lawyers fee for a citizen who wins a secrecy case in court.

SENATE BILL

The Senate Judiciary Committee has been working on a similar bill, and full Senate approval is likely this spring. An early draft of the Senate bill would let a judge suspend an agency official from his job for as long as two months if he arbitrarily turned down a request without checking it against the Freedom of Information Act.

That act, signed by President Johnson in 1966, took effect a year later. Its main purpose was to make federal agencies regularize their methods of making public material that, in many cases, was available anyway, but subject to release on bureaucratic whim.

When enacted, sponsors of the bill expected it to be used widely by Washington newsmen in their constant wrangles over access to government documents. Just recently, Carl Stern, a reporter for the National Broadcasting Co., used the law to win a court ruling ordering the Justice Department to give up copies of the late J. Edgar Hoover's instructions to the Federal Bureau of Investigation for infiltrating and trying to discredit black militant groups during the 1960s.

But the biggest users of the law have turned out to be Washington organizations with special axes to grind. These include various consumer and legal groups associated with Ralph Nader, and industry trade associations seeking business information in the government's possession.

COURT TESTS

They've prompted court tests of most of the 1966 law's specific exemptions from the general rule of disclosure. These include defense secrets, investigatory files, tax returns, patent applications, policy letters and memos circulating within the Executive Branch and business trade secrets.

The new House-passed amendments and their draft Senate counterparts wouldn't change the scope of these exemptions. Citizens requesting documents mostly have been winning favorable court interpretations of the existing law's language in borderline cases. Some federal agencies would like some exemptions broadened to require more secrecy, but Congress so far appears unwilling to go along.

The House-passed bill was drafted mainly by Rep. William Moorhead (D., Pa.) after a two-year analysis of the way federal agencies complied with the old law.

One of the groups that lost a court test involving classified documents was in a unique position to back Mr. Moorhead in changing the rules for future contests. Thirty-three members of Congress led by Rep. Patsy Mink (D., Hawaii) had tried to block an underground nuclear test explosion in Alaska by suing for classified material showing whether the test conformed with environmental laws. A federal appeals court ordered a federal district judge to inspect the documents privately to see whether any could be released. But the Supreme Court last year blocked that order, ruling that the Freedom of Information Act doesn't permit judges to review defense and foreign-policy material given a security classification by the Executive Branch.

PRIVATE INSPECTIONS

One of the new House amendments specifically authorizes judges to privately inspect classified material to see whether the official who stamped it followed the rules for deciding what's secret.

Besides requiring agencies to publish an index of decisions and actions, the House bill would allow a citizen to get specific records if he can "reasonably describe" them. This is intended to make it harder for an agency to reject a request because the applicant can't specifically name a document he wants.

The House-passed bill would set deadlines to prevent an agency from stalling a request for documents. Officials would have to give an applicant an answer within 10 days, and any appeal to agency higher-ups couldn't last longer than 20 days. If an agency is taken to court, it would have only 20 days to make its first formal response instead of the 60 days allowed under current law.

[From the New York Times, Mar. 15, 1974]

BY 383 TO 8 HOUSE VOTES BILL TO STRENGTHEN PUBLIC'S ACCESS TO GOVERNMENT INFORMATION AND RECORDS

(By Richard L. Madden)

WASHINGTON, MARCH 14.—Despite opposition from the Nixon Administration, the House passed today legislation aimed at strengthening the public's access to Government information and records.

The bill, which was passed by a vote of 383 to 8, now goes to the Senate, where a judiciary subcommittee has approved a similar measure.

At the same time, the House Government Operations Committee, splitting 24 to 16, approved a separate bill that would let the Federal courts determine—except in an impeachment proceeding—whether a President could withhold information from Congress.

However, the bill now goes to the House Rules Committee, where it faces an uncertain fate, and Administration officials have warned of a presidential veto.

Under the committee bill, a Congressional committee could get House or Senate approval to go into court whenever the President directed an agency to withhold information sought by the committee.

Several Democrats opposed the bill, which had the support of a number of Republicans. Representative Jack Brooks, Democrat of Texas, said it was "disastrous legislation" that would "inscribe into law the concept of executive privilege and give to every agency of the Government, as well as the President, the appearance of legitimacy in denying certain information to Congress."

The bill approved by the full House dealing with the public's access to records would make the first changes in the Freedom of Information Act of 1966 and would give Federal courts the option of privately examining any classified documents to determine if the documents had been properly withheld from the public.

The provision would reverse a recent United States Supreme Court decision, which said that the contents of documents withheld from the public, such as for national security reasons, were not reviewable by the courts.

The Supreme Court's ruling in January was on a suit brought under the Freedom of Information Act by Representative Patsy T. Mink, Democrat of Hawaii, and other members of Congress who had sought to force the disclosure of classified documents relating to an underground nuclear test.

"This bill offers a sensible and workable compromise between a democratic government and the government need for national security," Representative Spark M. Matsunaga, Democrat of Hawaii, said during the relatively brief House debate.

There was no discussion of whether President Nixon would veto the bill if it reached him, but the Departments of Justice and Defense have opposed the measure in part on the ground that it would impose inflexible requirements on Government agencies.

The Justice Department had also asked Congress to delay action on the bill until an Administration study of ways to improve compliance with the Freedom of Information Act was completed.

The 1966 law sought to grant Americans the right of access to Federal records and specified categories of information, such as that dealing with national security, trade secrets and intra-agency memos, which could be kept secret.

The bill passed today would, among other things, set various time limits for Federal agencies to respond to public requests for information and would require the agencies to make annual reports to Congress on how they had implemented the act.

Also, the courts would be permitted to award the cost of legal fees and court costs to the plaintiff seeking information that the court decision went against the Government agency.

In addition, the bill would expand the definition of Federal agencies covered by the 1966 law to include agencies within the executive branch, such as the Office of Management and Budget and the National Security Council and Government corporations, such as the Tennessee Valley Authority.

AMERICANS OF KOREAN ANCESTRY

Mr. MATHIAS. Mr. President, one of America's strengths is the diverse talent that her adopted sons and daughters bring to her. Among the recognizable ethnic groups that blend loyalty to the United States with a proper respect for the lands of their origin are the Americans of Korean ancestry.

In a noteworthy effort to share the fruits of their own success in America, many of these men and women have joined together to establish the Korean Student Fund. A recent dinner held in Washington and attended by the Ambassador of Korea and by many distinguished citizens of Maryland, highlighted the goals of the student funds.

The fund seems to me to have a wide potential beyond the help it can give to individual students. It will also foster a sense of common values and interests between the United States and Korea. Large numbers of Americans and Koreans will get to know each other. Each country as well as the rest of the globe should benefit.

I ask unanimous consent to print in the RECORD a publication of the fund describing its goals.

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

THE KOREAN STUDENT FUND AND ITS GOALS

The investment in human resources, in terms of seeking higher education and advanced technology, plays an important role in the growth of a country whose progress and interest are primarily dependent upon its own people—their knowledge, skill and ideas. Korea is no exception.

A few years ago, the Korean Student Fund hoped to obtain the valuable investment in human resources by assisting Korean students in the United States, seeking higher education which can be useful in the development of Korea in the years ahead.

The following is a brief description of the Korean Student Fund and its goals.

PURPOSE

The Korean Student Fund is a non-profit scholarship foundation federally recognized and established in Washington, D.C. in 1968 to help needy Korean students studying in the United States.

The Korean Student Fund is designed to help students complete their education in the United States within the shortest possible period with maximum effectiveness by

offering them emergency scholarhsip grants, interest-free loans and other needs.

The Korean Student Fund is also designed to offer placement services to those who have completed their studies in the United States and are ready to return to Korea.

MAJOR ACTIVITIES

The major activities of the Korean Student Fund are:

1. Emergency scholarship grants
2. Interest-free scholaship loans
3. Placement services for prospective returnees to Korea
4. Educational counseling

SOURCES OF FUND

The source of scholarship fund for the Korean Student Fund are:

1. Donations from individuals or institutions
2. Trust Funds from individuals or institutions
3. Profits from activities

Among the members of the Board of Directors and of the Executive Committee, there prevails a very strong opinion that in the near future, the Korean Student Fund should provide the same scholarship grants to students studying in Korea who need more financial support than those in the United States.

The major criteria to the success of obtaining the investment in human resources are your continuous financial support and interest in the goals of the Korean Student Fund.

TRUTH IN LENDING

Mr. McCLELLAN. Mr. President, I recently received a letter from a constituent, Mr. W. K. Grubbs, Sr., an attorney in Eudora, Ark., which I would like to share with my colleagues.

Mr. Grubbs made several thought-provoking statements regarding truth in lending which I believe would be of interest to the Members of the Senate.

Following the passage of such sweeping legislation as the Truth in Lending Act, serious questions are often raised about needed interpretations and about matters not considered fully at the time of passage. Mr. Grubbs' comments provide an effective analysis of some of these problems and are worthy of study.

I ask unanimous consent, Mr. President, that Mr. Grubbs' letter be printed in the RECORD.

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

FEBRUARY 22, 1974.

Re Truth in Lending.
Hon. JOHN L. MCCLELLAN,
Hon. J. W. FULBRIGHT,
U.S. Senate, Senate Office Building, Washington, D.C.

DEAR SIRS: I agree that it is the responsibility of the Government to guard its citizens against such obviously criminal practices as I understand is practiced by certain elements in this country which lend money at extortionate rates and then uses "enforcers" to break arms, kidnap people and kill to collect. However, it has always been my opinion, also, that it was not necessary in order to protect the populace from these practices, to pass anything resembling the Truth in Lending Law.

I also agree that when people borrow money they should be told in some fair manner the effective rate of interest which they will be paying. It has been my opinion that this could have been done in a much simpler manner than the Truth in Lending Law.

Even as originally passed, the Truth In Lending Law was something of an absurdity in that it obviously was a further step of the Federal Bureaucracy toward enslaving the populace by placing an incredible burden upon the money lender; making it impossible for him to collect money from the majority of borrowers, wage earners, by its politically inspired restrictions on garnishment, thereby making credit unavailable to this large group of borrowers in a great number of instances, where it had otherwise been available. Because of its complexities and the scatter-brained scattering of enforcement responsibility, it obviously created a hegemony of conflicting rules, interpretations; conflict of authority; fosters petty bureaucratic jealousy and, as I said, in my opinion, was nonsensical in the beginning. However, it seems to me that the height of something (a better word would be depth of something) has been reached in a recent case, Lemons vs. Etna Finance Co., District Court of Georgia, September 18, 1973, wherein a Federal Court held that where a borrower signed a Truth In Lending Disclosure, and admittedly signed it, but the copy of it handed to him did not bear a legible signature of his because he feather-fingered his signature on the top so that the carbon imprint would not show on his copy, then the lender has not made full disclosure because the poor ignorant borrower does not have a complete disclosure statement, and being a sorely mistreated individual in this respect, mistreated by the people who loaned him the money to such an extent that they are required to pay something over $700.00 to him, plus a reasonable attorney's fee, as a penalty because of their degradation.

Now you might say that the proper place for this complaint is through an appeal of some sort. Congress passed this law and placed this needless burden upon the financial institutions of this country. Just as they passed needlessly complex internal revenue laws and placed a screaming burden of bookkeeping and tax preparation upon the taxpayers.

I am not writing this letter to ask anybody to change these laws. I do not think it would do any good. I think the whole Truth In Lending setup was politically inspired. There was no need for it to be enacted to have criminal sanctions against the gangster element and their "enforcers". Nor, a few other minor practices which the Truth In Lending Law might have corrected. The net result of the Truth In Lending Law is to place a great burden on all financial institutions for very little gain that I can see. It seems to me that Congress should have been able to see this but what they were doing was appealing to the Tail which has wagged this Dog too long, and that is the polyglot Northeastern part of this country and the extreme Western (California) wild eyes.

Maybe I am a little far to the right but it has been written by at least one historian that the history of demorcacy is bureaucracy and the history of bureaucracy is revolution. As you know, revolution takes various forms. One of them is that the populace will no longer consider it immoral to disobey a law. There is a question among philosophers as to who makes the law. Some of them theorize that if you make a law the populace does not agree with they will not obey it and you cannot enforce it. In a society which has been brought up and trained to be law abiding, as I feel most of my generation were, as opposed to the present, you can get away with a great deal of these laws that they don't agree with, because they realize that the law should be obeyed and that there are right and wrong ways of changing them if you do not agree.

Beginning with the administration of the late John Kennedy, certain public figures, and I do not think it necessary to name them because I am sure you know several of them, openly advocated disobedience of laws by certain classes of people; this resulted, I feel, in a complete breakdown of the law abiding fiber of the present developing generation and the purpose of this letter is simply to point out to you as members of my congressional delegation: You keep passing laws like this; you keep appointing Federal Judges like that one, and after a while there will be nobody who cares what you pass. Nixon is not the only political institution in this country which is losing credibility at an incredible pace with the people. This country, and its government, has to turn around. It cannot keep going like it is.

The above decision, even under the Truth In Lending Law, is so incredible that if I put in words my opinion of it, I could be prosecuted under any number of laws which forbid me to criticize the Federal Government, and the actions of some of its institutions, in what I consider appropriate language.

This letter has been over long and has been written for the purpose of letting you know at least what one voter thinks of some of the things that are happening in this country as a result of the iliconceived legislation by the Federal Government.

Your truly,

W. K. GRUBBS, Sr.

ROBERT FROST: POET AND SAGE

Mr. McINTYRE. Mr. President, 100 years have passed since the birth of Robert Frost, New Hampshire's poet. It has been a century of change, of crisis and resolution, of hope and despair. It is a century which the life of Robert Frost nearly spanned. Few individuals could accept with such strength and wisdom or understand and appreciate this century as well as Robert Frost did. If Robert Frost had not been a poet and a sage, perhaps his acceptance of life and his perseverance at it could be attributed to insensitivity, to ignorance. But as we know, this was not the case. Frost's life was a study in insight, a testament to awareness. In our "age of anxiety" and in all of history there have been few such men or women, few who could remain so entirely in touch with the world and yet not be overcome by it.

Frost writes:

The most exciting movement in nature is not progress, advance, but the expansion and contraction, the opening and shutting of the eye, the hand, the heart and the mind. We throw our arms wide with a gesture of religion to the universe; we close them around a person. We explore and adventure for a while and then draw into to consolidate our gains. The breathless swing is between subject matter and form.

Perhaps this is where Frost's secret lay, in this breathless swing, in the ability to discern it and be fascinated by it. Frost was not a broad man so much as he was a deep one. He felt little need for the short-lived, wide-ranging thrill; he was in no way decadent, and so he met the passage of time not so much by moving with it, but by basing himself on those things in life which are eternal, on the beauty and power of nature, on the redemption of human love and the mystery

of religion. As Frost writes in "Reluctance":

Ah, when to the heart of man
Was it ever less than treason
To go with the drift of things,
To yield with a grace to reason,
And bow and accept the end
Of a love or a season.

And so on this 100th anniversary of the birth of Robert Frost, it is my intent to honor him with a mingling of his life and hs poetry, two outstanding achievements which, though we could never duplicate, we can certainly appreciate.

Strangely, Frost was not appreciated by American publishers during the first 40 years of his life. It took a trip to England and the publishing of Frost's first book, "A Boy's Will," in England to bring him recognition in the United States. Before this time, Frost had led a varied but professionally frustrating life, primarily in New England. At the age of 20, he married his high school sweetheart, Eleanor White, and started a family. He tried out two different colleges, Dartmouth and Harvard, and was unable to finish at either of them. He also worked at a number of trades—as a country school teacher, a cobbler, a small town newspaper editor, and finally as a farmer.

At the age of 26, Frost purchased a farm in Derry, N.H., on which he lived in almost total isolation for the next 11 years. This farm, the countryside, and the people around Derry were the subject of much of Frost's poetry, the heart, really, of his poetry.

On his return to America, Frost was greeted with critical acclaim for his two books published in England and numerous offers to publish his work. His books of poetry were well received by both the critics and the public and his career, as we well know, was not a brief flash, the result of a single work that brought him fame and fortune, but a steady and sustained outpouring of some of the 20th century's finest poetry and most insightful prose and speaking. Frost, as he rose in prominence, began to teach and to lecture at America's leading colleges. He received great numbers of honorary degrees, four Pulitzer prizes and scores of other poetry awards.

Of the man himself, Reginald Cook, a close friend of Frost's said:

Physically, Frost has the solidity of the close-sodded native soil. He stands about five foot nine and you are aware at once of his strong-armed, full-chested rugged build. In his old clothes he looks bigger than he actually is. When approached in the garden he appears to loom; but when dressed up, he shrinks to medium height. Close up you notice the full, thick, muscular, workmanlike hands, the backs of them rough, the thumbs large, the fingers long, the tips blunt, the nails wide and thick—firm fingers to grasp an ax, strong shoulders to start the swing, muscular forearms to follow through. His practical truths are the tougher, you think, recalling Thoreau, for the calluses on the broad, well-lined palms. His blue eyes, which are rarely measuring, nevertheless take you in. He looks, listens, appraises. And he sizes up memorably, saying, "I see what I see."

Frost is most emphatically this, a man who sees what he sees, a man without delusions, a man who can laugh at himself as well as other people. On politics:

I never dared to be a radical when I was young, for fear it would make me a conservative when I was old.

On art:

There are two groups of people: Those who do good and those who do well. The second are artists.

And perhaps at this point it would be good to include a bit of his poetry, his art, without editorial comment or extrapolation:

THE ROAD NOT TAKEN

Two roads diverged in a yellow wood,
And sorry I could not travel both
And be one traveler, long I stood
And looked down one as far as I could
To where it bent in the undergrowth,

Then took the other, as just as fair,
And having perhaps the better claim,
Because it was grassy and wanted wear;
Though as for that the passing there
Had worn them really about the same,

And both that morning equally lay
In leaves no step had trodden black.
Oh, I kept the first for another day!
Yet knowing how way lead on to way,
I doubted if I should ever come back.

I shall be telling this with a sigh
Somewhere ages and ages hence:
Two roads diverged in a wood, and I—
I took the one less traveled by,
And that made all the difference.

A LATE WALK

When I go through the Mowing field,
The headless aftermath,
Smoothlaid like thatch with the heavy dew,
Half closes the garden path.

And when I come to the garden ground,
The whir of sober birds
Up from the tangle of withered weeds
Is sadder than any words.

A tree beside the wall stands bare,
But a leaf that lingered brown,
Disturbed, I doubt not, by my thought,
Comes softly rattling down.

I end not far from going forth
By picking the faded blue
Of the last remaining aster flower
To carry again to you.

Frost's greatest strength, as seen in his poetry, may have been his awareness of the abstract in the concrete, the way in which revelation came to him through the most common of experiences, his depth rather than his breadth. He was at once a practical and philosophical man, unimpressed with empty intellectualism, but not contemptuous of honest thought. His practicality kept him involved and functioning in the everyday world of human contact and disappointment, something many artists withdraw from, and his philosophic nature let him touch and reveal to others the truths of our experience.

It seems appropriate to end this tribute to Robert Frost with a statement of his own. Perhaps we can, for a moment, look beyond our immediate conflicts on the strength of it:

Having ideas that are neither pro nor con is the happy thing. Get up there high enough and the differences that make controversy become only the two legs of a body, the weight of which is on one side in one period, the other, in the next. Democracy monarchy; puritanism paganism; form and content; conservatism radicalism; systole diastole; rustic urbane; literary colloquial; work play. I should think too much of myself to let any teacher fool me into taking sides on any one of these oppositions. Maybe I'm wrong. But I was always wrong then. It's not just old age with me. I'm not like Maeldune, weary of strife from having seen to much of it—I've wanted to find some ways to transcend the strife method. I have found some. Mind you, I fight a healthy amount. This is no pacifism. It is not so much anticonflict as it is something beyond conflict—such as poetry and religion that is not just theological dialectic. I'll bet I could tell of spiritual realizations that for a moment at least would overawe the contentious.

THE PLIGHT OF THE CATTLE FEEDERS IN NEW MEXICO

Mr. DOMENICI. Mr. President, in the past few months I have become increasingly concerned over the current plight of cattle feeders in New Mexico. Their feed costs have been rising steadily, while the prices they receive for fed cattle have fluctuated widely while moving downward. Many extraneous factors have influenced what is historically a high-risk industry in this past year. The energy crisis which resulted in the national 55 miles per hour lessened the amount of beef which could be moved from feedlot to meatpacker and packer to wholesale distributor significantly. The resulting independent truckers strike terribly disrupted the normal flow of beef and resulted in reduced buying by packers which left the feeders with overfat cattle in the pens which bring reduced prices and a ripple effect backing up fed cattle in the pens.

Most cattlemen see the Government intervention of 1973 as the basic cause of the recent chaotic market conditions. The prices paid for cattle have a comparable fluctuation in retail beef prices. All of this adds up to serious losses for cattle feeders. To illustrate this point, I excerpted the following from one of the many letters I have received frcm New Mexico cattle feeders:

Thank you for your interest in the cattle feeding business. It's encouraging to know that you are aware that many cattlemen are going out of the business because of unreasonably high losses.

Since October 1, 1973, I have lost $208,579.-00 on 4,367 head of cattle marketed. Three-fourths of these cattle have been 750 pound fa': heifers out of feedlots. The rest have been 750 pound feeder steer yearlings off grass and growing rations. Some losses per head have been as high as $144.08. I will lose another $200,000.00 on the cattle I presently own if today's prices prevail. There are two basic reasons for these losses:

1. Government intervention—The Beef Price Freeze completely disrupted our orderly marketing last year and is still taking its toll today.

2. Soaring production costs—Our cost of gain in the feedlot has increased from 17.95 cents per pound in 1968 to 43.64 cents per pound thus far in 1974. This is due to increased grain prices and the banning of D.E.S.

At the present cost of grain it is impossible to feed cattle to be sold at current market prices. The cattleman is having to compete world-wide for his feedstuffs and yet is not getting the benefit of world competition for his finished product—beef. This squeeze is putting the cattleman out of business.

The cattleman is taking excessive losses now where he has not had excessive profits in the past. Even though fat cattle have increased from 25¢ to 50¢ per pound, we have only averaged $9.95 per head profit for the past five years. This is a 5.7% return on investment. Without this inflation in beef prices there would be no profit at all. In one month's time I went from record profits to record losses.

Millions are being lost by cattlemen where billions are being lost by co-related agriculture business. In the past five years I have fed and marketed over 75,000 head of cattle, but *now I must quit.*

Since government intervention has caused these high losses, perhaps now government intervention could be used to reduce them and thus insure a continued supply of beef in the future.

To illustrate his statements, my constituent included the following loss and production cost data:

LIGHTWEIGHT HEIFER LOSSES

Out date	Loss per pen	Loss per head
1973:		
Oct. 1	$1,530.15	$11.96
Oct. 11	4,526.89	31.88
Oct. 17	4,169.68	35.34
Oct. 20	5,243.77	37.19
Nov. 18	9,249.47	60.45
Nov. 21	9,585.16	63.06
Nov. 22	10,392.22	68.82
Nov. 25	6,847.42	66.67
Nov. 30	8,450.01	72.84
Dec. 1	7,260.91	46.54
Dec. 2	9,813.22	82.47
Dec. 2	9,674.87	62.02
Dec. 4	11,226.01	87.70
1974:		
Jan. 12	3,122.26	20.54
Jan. 14	3,133.06	20.08
Jan. 23	2,644.97	17.99
Feb. 10	3,547.69	18.97
Feb. 10	1,581.15	10.61
Feb. 11	1,903.85	16.56
Feb. 17	2,226.57	15.04
Feb. 26	3,250.00	20.92

FEEDER STEER YEARLING LOSSES

Out date	Loss per pen	Loss per head
1973		
Jan. 16	$13,150.94	$54.57
Dec. 20	6,627.20	63.72
1974:		
Jan. 3	24,204.83	144.08
Jan. 9	6,893.33	70.34
Jan. 9	4,366.24	71.58
Jan. 11	1,743.61	16.93
Jan. 29	15,557.22	69.14
Jan. 31	8,174.00	97.31
Feb. 8	6,940.00	73.05

PRODUCTION COSTS LIGHTWEIGHT HEIFERS

Year	Number of pens	Number of cattle	Cost of gain
1968	4	700	$17.95
1969	36	6,300	20.13
1970	53	9,275	22.41
1971	94	16,450	24.06
1972	55	9,625	23.45
1973	58	10,150	31.59
1974 (to date)	8	1,400	43.64

Feeder steer yearlings

Year:	Cost of grain
1971	22.31
1972	21.19
1973	28.05
1974 (to date)	49.76

Lest anyone should feel that these are exaggerated figures, let us compare them to closeout data provided by the Professional Cattle Consultants of Weatherford, Okla.:

The November closeouts on steers using PCC Industry Averages for #1 steers, purchased in May, on feed for 180 days, and closed out in November, we find the owner would have lost $126.82 per head—as follows:

May cost in (635# @ $.5430)	$344.81
Cost of grain (469# @ $.4025)	188.77
Interest @ 8% (on ¾ cattle)	10.34
Interest @ 8% (on ¾ feed bill)	5.66
Marketing expense (Comm., Ins., etc.)	10.00
Total cost	559.58
November sale (1104# @ $.3920)	$432.76
Loss	126.82

The November closeouts on heifers using PCC Industry Averages for #1 heifers, purchased in May, on feed for 180 days and closed out in November, we find the owner would have lost $105.29 per head—as follows:

May cost in (529# @ $.5352)	$283.12
Cost of grain (364# @ $.4152)	151.13
Interest @ 8% (on ¾ cattle)	8.49
Interest @ 8% (on ¾ feed bill)	4.53
Marketing expense (comm., ins., etc.)	9.50
Total cost	456.77
November sale (893# @ $.3936)	351.48
Loss	105.29

December closeout data

Steer losses continue to climb! Utilizing the PCC Industry Averages for #1 steers, purchased in June, on feed 180 days, closed out in December at an average loss of $131.34 per head! Here's how:

June cost in (631 lbs. @ $0.5183 per lb.)	$327.00
Cost of grain (469 lbs. @ $0.4394 per lb.)	206.00
Interest @ 10% (on ¾ of cattle)	16.00
Interest @ 10% (on ¾ of feed)	6.00
Management expense (commission, insurance, etc.)	10.00
Total cost	565.07
December sale (1,100 lbs. @ $0.3942/lb.)	433.62
Loss	131.45

January closeout data

Steer losses peaked in December! Utilizing the PCC Industry Average for #1 steers purchased in July, on feed 180 days, closed out in January at an average loss of $63.39, more than 50% less than the $131.45 losses suffered on cattle closing out in December. Here's the calculations:

July cost in (628 lbs. @ $0.5365)	$336.92
Cost of gain (497 lbs. @ $0.4770)	237.06
Interest @ 10% (on ¾ of cattle)	16.00
Interest @ 10% (on ¾ of feed)	6.00
Management expense (commission, insurance, etc.)	10.00
Total cost	605.98
January sale (1,125 lbs. @ $0.4823)	542.59
Loss per head	63.39

Heifer losses dip 50% also. Losses incurred on #1 heifers closed out in December was $103.02 a head. That dropped during January to $54.54 per head loss. The heifers, purchased in July and on feed for 180 days, closed out as follows:

July cost in (466 lbs. @ $0.5269)	$245.54
Cost of gain (457 lbs. @ $0.4813)	219.95
Interest @ 10% (on ¾ of cattle)	12.80
Interest @ 10% (on ¾ feed)	4.20
Management expense (commission, insurance, etc.)	9.00
Total cost	491.49
January sale (923 lbs. @ $0.4734 per lb.)	436.95
Loss per head	54.54

February closeout data

Average dollar losses on steers doubled. Utilizing the PCC High Plains Industry Averages for #1 steers purchased in August, on feed 180 days, closed out in February at an average loss of $127.75 per head, better than double the January losses of $63.39 per head. The $127.75 losses during February compares with $131.45 losses per head suffered in December. Here's the calculations for February:

August cost in (659 lbs. @ $0.6117)	$403.11
Cost of gain (459 lbs. @ $0.4933)	226.42
Interest @ 10% (on ¾ of cattle)	15.11
Interest @ 10% (on ¾ of feed)	8.07
Management expense (commissions, insurance, etc.)	10.00
Total cost	662.71
February sale (1,118 lbs. @ $0.4785)	534.96
Loss per head	127.75

Heifer dollar losses jump 69%! Losses on #1 heifers jumped also, but not as much as steers. Heifers purchased last August, fed 180 days, closed out in February at average per head loss of $78.62. Here's the calculations for heifers closed out in the High Plains:

August cost in (477 lbs. @ $0.5849)	$279.00
Cost of gain (402 lbs. @ $0.4717)	189.62
Interest @ 10% (on ¾ of cattle)	10.46
Interest @ 10% (on ¾ of feed)	6.83
Management expense (commissions, insurance, etc.)	9.00
Total cost	494.91
February sale (879 lbs. @ $0.4736)	416.29
Loss per head	78.62

October through January losses surpass $1 billion! If you apply the monthly losses as reported by PCC since October to the total Federally inspected slaughter total for the four month period of October, 1973 through January, 1974, you will find the cattle feeding industry has lost $1,046,366,691! That's making the assumption that 22% of the Federally inspected slaughter per month is made up of heifers and 78% is made up of steers. The forementioned losses for the month of February will likely tack an additional $300,000,000 on to the total losses thus far.

From this comparison, it appears that my correspondent is a more efficient cattle feeder than the industry average in his area. However, the basic point is that these losses which began in September 1973 cannot continue until the new grain crop causes some relief in feed prices. In my State of New Mexico, which does not rank in the top seven cattle feeding States, there were 401,000 fed cattle marketed in 1973 from 100 active feed lots of which only 30 marketed over 1,000 head of fed cattle. Many of the 70 small feeders are not now feeding cattle because of the loss picture. They cannot stand these kinds of losses. Many of the 30 larger feeders cannot last until fall.

Another facet of the beef industry is the cow-calf operations run by 2,500 New Mexican ranchers. These ranchers sold 670,000 calves to feed lots in 1973, many going to feedlots out of New Mexico. Inevitably, these ranchers face a serious loss of the market for their calves. With the deterioration of this market, many ranchers will be forced to slaughter their mother cows. When consumer demand combined with the dwindling supply of fed cattle from the feedlots drive beef prices upward—it will take some years to replenish these herds. This situation could very well result in future scarcity of beef which would continue for some time.

Let us now look at the July break-even calculations of the Professional Cattle Consultants:

Corn Belt steers need to bring 1.68 cents more than High Plains steers. Steers going into Corn Belt feedlots in January and com-

ing off in July will have to bring $0.5579 to break even. Steers going into High Plains feedlots in January and coming off in July will have to bring $0.5411 to break even. Here's the calculations based on the industry averages for January:

	High Plains		Corn Belt	
No. 1 steers placed in January	$330.19	(634 lb at $0.5208)	$354.82	(660 lb at $0.5376).
Cost of gain	233.00	(466 lb at $0.5000)	254.80	(490 lb at $0.5200).
Interest at 10 percent	16.00	(on ¾ of cattle)	16.00	(on ¾ of cattle).
Interest at 10 percent	6.00	(on ¾ of feed)	6.00	(on ¾ feed).
Management expense	10.00	(commission, etc.)	10.00	(commission, etc.).
Total expense	595.19		641.62	
Break-even price per pound	.5411	(1,100 lb)	.5579	(1,150 lb)

High Plains heifers will break even at near 53 cents. No. 1 heifers placed on feed in January in the High Plains will break even in July if they bring 53.07 cents per pound. There was insufficient numbers of heifers placed on feed in the Corn Belt to make a comparison between that area and the High Plains. Here's the breakdown for High Plains heifers:

No. 1 Heifers placed:	
In January (506 pounds at $0.4936)	$249.76
Cost of grain (394 pounds at $0.5100)	200.94
Interest at 10 percent (on three-fourths of cattle)	12.80
Interest at 10 percent (on three-fourths of feed)	4.20
Management expense (commission, etc.)	10.00
Total expense	477.70
Break-even price: Per pound (900 pounds)	0.5307

Mr. President, I have presented a gloomy picture of the current plight of our cattle feeders. The feeders who have contacted me feel badly discouraged right now. They see a number of Government actions as contributing factors to their current losses—the price freeze on beef, the national speed limit, increased exports of grain, and so forth. But they have not asked for Government action which would hurt other segments of the economy. Basically, they want Government not to intervene in the beef industry. There are, however, two Government actions which I think can help alleviate the problems which other Government actions have caused cattle feeders. They are increased Government purchases of beef by the Department of Agriculture for the child nutrition programs and the Department of Defense.

Additionally, the Department of Agriculture can work with the grocery industry to promote beef. USDA has built up a good liaison with chainstore buyers and merchandisers over the years through the operations of the plentiful foods program over the years. Even though the plentiful foods program was abolished last year, many of the dedicated staffers who worked for that program are still employed by USDA in other capacities. They could be reactivated for this special promotion.

These actions can be taken without prohibitive costs by USDA and DOD. They should be taken immediately. The beef industry has suffered much because of other Government action. These actions can and should be taken to preclude possible disaster in the beef industry. I ask unanimous consent that my letter to Secretary of Agriculture Earl Butz requesting these actions be printed in the RECORD.

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

U.S. SENATE, COMMITTEE ON PUBLIC WORKS,
Washington, D.C., March 26, 1974.

Hon. EARL BUTZ,
Secretary, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: In testimony before the Senate Subcommittee on Agricultural Production, Marketing and Stabilization of Prices on March 13 and 14, Mrs. Wray Finney, American National Cattlemen's Association first vice-president, testified that cattle feeders were currently losing more than one hundred dollars per head on cattle marketed. After this testimony, I contacted several feedlot operators in New Mexico and obtained loss statistics from them. An alarming picture of the current status of the feedlot industry soon came to light. I am sure you are familiar with this situation.

Cattle feeders believe government actions of the past year have had severely detrimental effects upon the orderly marketing of beef. They cite retail beef price control and the national fifty-five mile per hour speed limit and the resulting independent truckers strike as actions which have disrupted the normal flow of beef. The result of these disruptions has been rather chaotic market conditions since last September and the record losses which they have experienced. Currently, they are experiencing problems in marketing their fed cattle which result in overfat cattle. Additionally, present prices received for fed cattle are ten to twelve cents per pound below break-even levels.

The question now is whether or not government action to assist this vital segment of agriculture is desirable or necessary. I believe there are two actions you can take which will provide some relief to the cattle feeders. Firstly, USDA can purchase beef under the special buying authority which expires June 30, using section 32 monies for distribution to the Child Nutrition Programs. This would not only assist in moving some of the excess supply of cattle but would also be of great benefit to the National School Lunch and Special Feeding Programs for Children.

Secondly, USDA has maintained a good liaison with the retail grocery industry for many years through the operations of the Plentiful Foods Program. USDA should use this liaison to promote beef. I understand that, even though the Plentiful Foods Program was discontinued last year, many of the dedicated staffers remain in the employ of USDA in other capacities. Possibly their expertise could be used in a massive beef promotion.

Mr. Secretary, I urge you to take these two actions. The cattle feeders justifiably feel that government actions have been detrimental to them. These are two actions which can help undo some of the harm which their industry has suffered.

Thank you for your cooperation in this matter. If I can be of assistance to you in any way to help the beef industry through this difficult period, please advise me.

Sincerely,

PETE V. DOMENICI,
U.S. Senator.

PAY FOR ENLISTED PERSONNEL

Mr. THURMOND. Mr. President, there appeared in the March issue of Non-Commissioned Officer Association Journal an article entitled, "Why Not Severance Pay for the Enlisted?"

As a supporter for severance pay for enlisted personnel I ask unanimous consent that this article be printed in the RECORD at the conclusion of my comments.

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

WHY NOT SEVERANCE PAY FOR THE ENLISTED?

CONGRESS AND MILITARY LAWS

Congress, and rightfully so, has over the years enacted legislation that offers beneficial protection in many ways to many members of the military community: on active duty, retired, in the reserves or national guard, and their dependents and survivors.

The majority of the measures, contained in Titles 10 and 37, U.S. Code, may readily be described as "laws normally protecting the well-being of the military member." They encompass about everything from "tenure of service" through "retirement" from "medical services" to "burial," and from "dependents' assistance" to "survivors' benefits."

Yet, in most of the military laws enacted, the regular enlisted member of the U.S. Armed Services is not the beneficiary of, nor is included in those protective measures that normally pertain to regular commissioned and warrant officers, or reserve and temporary officers, or even certain enlisted personnel.

To be more specific, the regular enlisted member, from initial enlistment to the date of retirement, is in most cases not protected by law.

LAWS VS. REGULATIONS

The Department of Defense or the individual Services have regulations that do offer some sheltered protection for regular enlisted personnel. These, however, are normally found in the administrative procedures for promotion and discharge. But comparatively speaking, regulations are not true protective features. They are frequently changed overnight without due process of consideration for the affected persons.

An excellent example might be a promotion regulation. It is frequently changed to fit the whims or needs of the individual services or their commander. One commander may instruct a promotion board for enlisted personnel to consider time-in-grade as a primary prerequisite for promotion, while another chooses to select time-in-

service as the main ingredient. Others may call for educational backgrounds, duty in one specialty or another, and so on.

As noted in the "Legislative Digest" in February's Journal, warrant officers are guaranteed an automatic promotion to the next highest grade on the day following the last day of fulfillment of three years of satisfactory service in a former grade.

THE BIG ONES

"Probably the most inequitable measure in the law is the one that offers 'special pay' to a military member involuntarily released or discharged from the Services. The law provides for almost every category of military personnel except regular enlisted members. They are not included nor entitled to these special payments of 'readjustment' or 'severance' pay."

REDUCTIONS-IN-FORCE

For the third time in less than 30 years, the U.S. Armed Services are involuntarily separating numerous members for cause.

As it happened in the postwar years of World War II and the Korean War, Congress is again reducing the size of the Armed Forces following the Vietnam conflict.

Congress calls for cutbacks and DOD orders the Services to discharge or release thousands of commissioned officers, noncommissioned and petty officers, and junior enlisted personnel. Of the three groups, only the NCOs and POs are truly affected by these reductions in force.

OFFICERS

Commissioned and warrant officers removed from active duty of these cutbacks are, in the majority, entitled to either severance pay or readjustment pay dependent upon their service component. They may receive an amount equal to one year's pay or $15,000, whichever applies.

In the case of certain temporary and warrant officers, they may receive severance pay then immediately enlist as a regular enlisted member and further receive a re-enlistment bonus. They may then continue on active duty until they have sufficient service to retire and subsequently receive a monthly retirement annuity for the rest of their natural lives.

JUNIOR ENLISTED

In order to reduce the number of junior enlisted members, the Services may reduce enlistment quotas and/or provide early discharges. In the latter case, the early releases from active duty are voluntary and normally concern only those members who do not desire to remain on active duty.

NCOS AND POS

The "man in the middle" is the one who suffers. As career-oriented military members, the NCOs and POs have anywhere from 5 to 18 years of honorable service and are planning to retire following the attainment of sufficient years of active duty. With normally no more training than received in the military, and with families to support, they are suddenly released from the Armed Services or denied the authority to reenlist.

They receive no "mustering out" payments, no severance pay nor readjustment pay. The Services pay only their normal wages to the date of discharge and provide for their travel and transportation of dependents and household goods to their homes of record.

In most cases, the NCO/PO fares worse than the civil service or civilian employees who are "riffed" in their local communities. The NCO/PO has been away from home for years and does not have the feel of the economy. He may return unknowingly to an area that is suffering from a lack of available employment, housing, schooling, or whatever.

Even if all is well, the NCO/PO must find housing, seek and obtain employment, and accomplish all the normal commitments forced upon a person who moves with a family. All this without a penny in his pocket other than a final paycheck!

A commissioned officer may be separated from the service because he has failed in his performance of duty or is morally unfit, yet the law will provide him with the same entitlements of travel and transportation as accorded the NCO/PO plus a payment of severance pay in an amount equal to one month's basic pay in grade multiplied by his years of active service (not to exceed one full year of basic pay).

THE INEQUITIES

Because regular commissioned officers are protected by a tenure of service, there is really no requirement of time for most regular officers to qualify for severance pay, and reserve officers may receive up to $15,000 in readjustment pay for serving a minimum of five continuous years on active duty. Yet the NCO/PO receives absolutely nothing regardless of the time involved and the reason for the separation.

HOW IT WORKS

Primarily the Services convene certain boards of officers (and sometimes senior enlisted) to screen the records of NCOs/POs to determine those who shall be separated or denied reenlistment. All things being normal, the boards will recommend separations for the NCOs/POs who fail to maintain satisfactory performances of duty, or because of personal deficiencies.

However, when there is a large-scale reduction of force (as we are experiencing today), the boards must work extra hard to find enough NCOs/POs to "riff." There just aren't enough "bad cases" to go around, so they search until they find something on which they may base an unfavorable determination.

For example, the NCO Association discovered a young married Army Staff Sergeant (E–6) who was being denied reenlistment because of "misconduct." A review of his records, however, indicated that his misconduct occurred some years ago when he first entered the service. Meanwhile, in six successive years, he received a promotion in every one of those years, had been issued a "Top Secret Clearance," and possessed an exemplary conduct and performance record since his last court-martial.

In another case, a Master Sergeant (E–7), U.S. Army, with five dependent children was denied reenlistment after 16 years of honorable service to his country.

Neither one would receive a "plug nickel" from the Nation they served in war (both were Vietnam veterans) and in peace.

THE QUESTIONS

Why is it that the Services will retain these men (and women) on active duty when they are needed, but suddenly find they are unfit for duty whenever cutbacks are necessary?

Why are these men (and women) promoted to or within the NCO/PO grades, some with normal time-in-grade and time-in-service, yet are suddenly "riffed" because the same Service that promoted them is now declaring them "unfit for further duty?"

Why is it that these men (and women), many who entered the Services when the pay was insufficient and remained on active duty beyond their first enlistments, are not entitled to some remuneration for their years of service?

Why has this inequity existed for so many years without some action on the part of the Senate and House Armed Services Committees?

Why has Congress continued to authorize funds for the recruitment of these enlisted members; provided further funds for their training and for their reenlistments; authorized more funding for their permanent changes of stations to and from combat zones, but has refused to provide them with severance pay when the lawmakers decide they are no longer needed in the Services of their country?

DOD CONCURS

The Department of Defense, under its proposed Uniformed Services Retirement Modernization Act, believes that the enlisted member should receive severance payments.

It has recommended that enlisted, as well as officer members, who have completed 5 to 19 years of active service, and who are involuntarily separated, should have two possible payment options to select from upon release or discharge.

One would be a lump sum adjustment payment equal to 5% of the product of 12, the monthly basic pay to which the member was entitled at the time of discharge or release multiplied by years of service, plus a deferred monthly annuity beginning at age 60 calculated at the rate of 1/12 of his final annual pay times 2½ percent for each year of service.

OPPOSING VIEWS

There are those in Congress and in the Department of Defense who oppose separate legislation to provide severance pay for regular enlisted members. Some arguments are as follows:

1. Enlisted personnel receive enlistment and reenlistment bonuses and proficiency pay. Officers do not.

Answer: Initial enlistment bonuses just recently appeared on the military legislative field and are not available to the majority of enlistees. Reenlistment bonuses normally add up to a maximum of $2000 for the average enlisted member. Proficiency pay is of course paid only to certain enlisted personnel who are in the minority. On the other hand, many officers receive federal monetary assistance in the ROTC program, the Marine Corps Platoon Leaders Class, and in attendance at the Service Academies. They are also the recipients of higher basic pay, subsistence pay, better living quarters and other accommodations and privileges not available to the average enlisted member.

2. The Department of Defense states that it cannot agree to separate legislation that will provide severance pay for enlisted personnel because they are to be considered in the new proposed Uniformed Services Retirement Modernization Act.

Answer: Commissioned officers are considered also in the new proposed Act, yet the Secretary of the Army, with the approval of the Department of Defense, has requested separate legislation for regular commissioned officers below the grade of major (H.R. 11745 introduced Dec. 3, 1973). The Department has further requested separate legislation providing "lump sum transition payments" for commissioned officers in grades 05 and 06 (H.R. 11113 introduced Oct. 25, 1973).

ESTIMATED COSTS

With figures supplied by the Department of Defense, legislation to provide severance pay for regular enlisted members would cost the federal government an estimated $7,074,-200 (low 6 yr. figure) upward to $41,600,000 (high figure) if the legislation is retroactive to cover those enlisted personnel discharged in Fiscal Year 1973.

TO PROVIDE SEVERANCE PAY FOR ENLISTED PERSONNEL—ENLISTED REDUCTIONS IN FORCE

[Formula: 1 mo's pay in grade at time of discharge multiplied by the number of continuous years of active service preceding date of discharge not to exceed 12 yr]

Pay grade	Fiscal year 1973 (actual)	18 yr-high	6 yr-low	Fiscal year 1974 No. (estimate)	Estimated costs [1] 18 yr-high	6 yr-low
E9	0			3	$36,200	$27,600
E8	7	$69,400	$40,700	3	31,600	18,500
E7	99	875,300	361,000	164	1,539,800	635,000
E6	537	4,233,700	1,733,100	564	4,720,700	1,932,900
E5	1,859	12,441,200	5,444,300	955	6,786,600	2,968,700
E4	985	6,657,100	3,328,500	433	2,554,900	1,277,400
E3	206	1,002,600	501,300	78	402,900	201,500
E2	21	86,300	43,100	4	17,400	8,700
E1	10	36,900	18,400	2	7,800	3,900
Total	3,724	25,402,400	11,470,400	2,206	16,097,900	7,074,200

[1] All costs to the nearest $100.

Note: Fiscal year 1974 estimate is based on Army and Marine Corps figures only. Navy and Air Force did not provide estimates. E9's and E8's are required to have 10 and 8 yrs respectively of creditable service for basic pay before they may receive pay in those grades. Low cost figures for these grades are therefore 10 and 8 yrs respectively in lieu of 6. Fiscal year 1973 estimated costs per pay grade are based on pay scales in effect on Jan. 1, 1973. Fiscal year 1974 estimated costs per pay grade are based on pay scales in effect on Oct. 1, 1973.

OTHER INEQUITIES

Previous chapters have already reviewed the inequity of paying severance or readjustment pay to regular and reserve commissioned officers, certain reservists, temporary officers, and members of the Army and Air Force without component, while the regular enlisted member is not so entitled.

There are other inequities noted in the treatment of regular enlisted military personnel as compared to federal employees and railroad employees subsidized by the federal government. For example, federal employees receive up to six months' pay if they cannot be placed in another job, and if forced to take another position in a reduced pay level they continue to receive the same pay for two years or until reaching the former grade level, whichever occurs first.

Railroad employees are also protected by law from being separated from their employment (see P.L. 93-236).

SUMMARY

The NCOA strongly feels that "honorable separation without remuneration for regular enlisted members denied further active duty in the Armed Forces" is the most unjust of our Nation's military laws.

Of the greater dedications offered to our Country by its living veterans, none may be as important to our future defense posture than that provided by the NCO/PO corps—"the backbone of our Armed Forces." It was they, and will be them who recruit, train, mold and supervise and set the example for the young men and women who man our Armed Services today and tomorrow.

For those NCOs and POs no longer needed in the Nation's shrinking military forces, the NCOA submits that they deserve better than a slap in the face.

LIVESTOCK GRAZING ON FEDERAL LAND

Mr. MONTOYA. Mr. President, I have recently received from Dr. Gerald W. Thomas, the president of New Mexico State University, a report prepared by the task force for the Council for Agricultural Science and Technology concerning livestock grazing on Federal lands in the 11 Western States.

The report points out that grazing is compatible with other uses of Federal lands and is an ecologically sound practice under proper management techniques.

As Senators may be aware, the Natural Resources Defense Council and certain other groups are challenging the policies of the Bureau of Land Management and the U.S. Forest Service which permit livestock grazing on Federal land. The information contained in the report, which I ask unanimous consent to have printed in the RECORD, is particularly timely in light of this controversy and I hope that those who are interested in this question will take the time to read it.

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

980.2 AGRICULTURE GRAZING ON FEDERAL LANDS

Enclosed is a copy of your report as it was transmitted to The Honorable Steven D. Symms on January 22. Enclosed also is a copy of the letter of transmittal. You will note that the Congressman's assistant asked for 100 copies for distribution among members of the relevant Congressional committees. I was pleased to receive this request because it implies that your report will be widely distributed in Congressional circles.

In addition, I am sending a copy of the report to approximately 100 deans and vice presidents of agriculture in universities. With this copy is included information on the members of the task force (see the enclosure). Dr. Cook has asked that I send a copy to each of the deans of forestry in the western states, and he is supplying a mailing list for this purpose. I shall be sending copies to a few magazines and newspapers.

If there are other places to which you think a copy of the report should be sent, please give me full information on the names and addresses. If you wish to make distribution on your own, I shall appreciate your calling me for an official release. The reason for this is that our board of directors approved the policy that "the board shall have the responsibility for dissemination of the information developed by the task force in a form useful for the purpose intended . . ." Although it was not intended to do so, this policy has the effect of restricting the free distribution of the reports. We shall be considering a revision of the policy at our next board meeting February 1 and 2.

Dr. Heady has already discussed with me the possibility of publishing the report in the *Journal of Range Management*. I would personally be pleased if you wished to do this, and I think the members of the board would agree with me. I have edited your report before having it reproduced for submission, so that it is not exactly as I received it. If you wish to publish the report in the *Journal of Range Management*, you should feel free to re-edit the report to suit yourselves and the editorial board of the *Journal*. To take care of the niceties of the situation, should you do this, I suggest adding a footnote of the nature of the following: "Based on a report prepared by the authors for the Council for Agricultural Science and Technology." This footnote implies that the paper does not necessarily agree in all detail with the report, and it gives you the license to introduce any changes you may wish.

Agricultural science is indebted to you for your work on this task force. The issue is an important one. Your report was very well done. We in CAST are pleased to have had the privilege to serve as the medium through which it has been possible to bring your talents to bear in the interest of the national welfare. We hope we shall have your cooperation again, should the need arise.

AGRONOMY DEPARTMENT,
IOWA STATE UNIVERSITY,
Ames, Iowa, January 22, 1974.

Hon. STEVEN D. SYMMS,
Longworth House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE SYMMS: Enclosed is a copy of the report of our task force on Livestock Grazing on Federal Lands in the Eleven Western States. One hundred additional copies will be arriving shortly under separate cover as per Mrs. Pankonin's request.

This report covering the economic and environmental impacts of grazing on Federal lands has been prepared by fifteen of the top range scientists in the United States. The group we assembled included scientists from Arizona, New Mexico, California, Colorado, Idaho, Utah, Wyoming, and Washington, D.C. Scientific specialties included were range science, economics, agronomy, animal science, and soil science. None of the fifteen members of the task force is employed by either the Bureau of Land Management or the U.S. Forest Service. The report, therefore, represents an evaluation of the economic and environmental impact by a group of knowledgeable scientists who are not involved in the administration or management of Federal lands. Members of the task force met in Salt Lake City, Utah, to discuss their assignment and prepare a draft of the report. The report has since been reviewed and revised.

We appreciate this opportunity to be of service and hope you and your colleagues in the Congress will find that the report provides valuable background for your deliberations. Please let us know if you have questions.

We look forward to hearing from you again as additional matters related to agricultural science and technology come up for consideration.

Sincerely yours,
CHARLES A. BLACK, *President.*

MEMBERS OF TASK FORCE ON LIVESTOCK GRAZING ON FEDERAL LANDS IN THE ELEVEN WESTERN STATES

Harold F. Heady, Professor of Range Management, School of Forestry and Conservation, University of California, Berkeley, California. 35 years in range management teaching and research, 100 publications, Chairman of U.S./Australia Range Panel, Chairman of the Task Force.

Thadis W. Box, Professor of Range Management and Dean, College of Natural Resources, Utah State University, Logan, Utah. 15 years

in range management teaching and research. Member of Utah B.L.M. Advisory Board, U.S.D.A. Forestry Research Advisory Com., Sports Fisheries and Wildlife Research Unit Boards, Nat'l Acad. Sci., Com. on Rehabilitation of Western Coal Lands.

John E. Butcher, Professor of Animal Science, Utah State University, Logan, Utah. 22 years in research and teaching in ruminant nutrition and livestock management including most phases of range, farm, and feedlot production.

Francis T. Colbert, Executive Secretary, Society for Range Management, 2120 South Birch Street, Denver, Colorado. 23 years in professional management of range livestock operations and promoting sound management of all aspects of rangeland use.

C. Wayne Cook, Professor and Head, Department of Range Science, Colorado State University, Fort Collins, Colorado. 30 years in range management teaching and research, over 100 publications. Past President of Society for Range Management. Chairman of joint USDA–USDI advisory committee on Management of Free-Roaming Wild Horses and Burrows, Chairman of USDA task force on Range and Forest Resources, Chairman of National Research Council task forces on (a) Pasture and Range and (b) Nonrenewable Energy Sources and member of National Research Council task force on Rehabilitation of Western Coal Lands.

James R. Gray, Professor of Agric. Economics and Agric. Business, New Mexico State University, Las Cruces, New Mexico. 24 years in teaching and research into production factors, organization, and returns to cattle and sheep ranches; recreational demand for resources; economics of multiple uses.

D. W. Hedrick, Professor and Dean, School of Natural Resources, Humboldt State University, Arcata, Calif. 25 years as land manager, teacher, researcher, and administrator.

Harlow J. Hodgson, Principal Agronomist, Cooperative State Research Service, U.S.D.A., Washington, D.C. 24 years in research and administration. Responsible for review of all Hatch-supported research in the fields of forage corps and range science.

W. Gordon Kearl, Professor of Agricultural Economics, University of Wyoming, Laramie, Wyo. 17 years in teaching, research, and extension related to costs and returns in ranching and evaluation of range improvements.

James O. Klemmedson, Professor of Range Management, Department of Watershed Management, University of Arizona, Tucson, Ariz. 18 years in teaching and research in soil science, grazing management and wildlife habitat management. Member of Land Planning Committee of Governor's Advisory Commission on Arizona Environment.

Darwin B. Nielsen, Associate Professor of Resource Economics, Department of Economics, Utah State University, Logan, Utah. Research into the economic importance of grazing on public land. Helped develop the grazing fee formula for the Bureau of Land Management and the Forest Service.

Lee A. Sharp, Professor and Academic Chairman, Range Management, College of Forestry, Wildlife, and Range Science, University of Idaho, Moscow, Ida. 25 years in teaching and research in grazing management and resource planning. Forage Resource Report for the Public Land Law Review Commission, member of Idaho Range Use Coordinating Committee.

Gerald W. Thomas, President, New Mexico State University, Las Cruces, New Mexico. Over 25 years in range management teaching and research and in university administration, consulting, and land-use policy.

John P. Workman, Assistant Professor of Range Economics, Department of Range Science, Utah State University, Logan, Utah. 8 years in teaching and research, appraisal of ranch properties, wildlife resource development, 23 publications. Member of Editorial Board of Soc. for Range Mgmt.

NEW MEXICO STATE UNIVERSITY,
Las Cruces, N. Mex., February 12, 1974.

Hon. JOSEPH MONTOYA,
U.S. Senator, New Senate Office Building, Washington, D.C.

DEAR SENATOR MONTOYA: As you probably know, the Natural Resources Defense Council and certain other groups are challenging the policies of the Bureau of Land Management and the U.S. Forest Service which permit livestock grazing on Federal lands. To eliminate livestock from public lands would have a very serious economic impact in the Western states. Furthermore, years of research on the effects of grazing indicate that grazing is compatible with other uses and is an ecologically sound practice under proper management on vast acreages of Federal lands.

Attached is a special report prepared by a large group of scientists on this subject. It warrants your special attention, and I would like very much to see someone (or all of our representatives to Congress) introduce this report in the Congressional Record.

Many thanks for your attention to this matter.

Sincerely yours,
GERALD W. THOMAS, *President.*

LIVESTOCK GRAZING ON FEDERAL LANDS IN THE 11 WESTERN STATES

SUMMARY

Almost half the land area in the 11 Western States is Federally owned. Domestic livestock graze on 73% of this area. Federal land is estimated to supply 12% of all grazing resources in the region and to provide the equivalent of the feed required yearlong for 1.7 million head of cattle and 1.0 million sheep. These grazing lands provide energy, water, minerals, recreational opportunities, and wildlife in addition to grazing for domestic animals. The forages on Federal lands represent a renewable natural resource and an economical source of feed for production of cattle and sheep.

Loss of the products of grazing currently derived from Federal lands would increase the scarcity of feed, meat, and wool. The mounting demands for both grain crops and meat point to an increase in importance of forages on both private and public lands to support the beef and sheep industries.

Elimination of grazing from Federal rangelands in the 11 Western States would require a shift of animals to other lands or would result in loss of these animals from the productive pool. More animals on non-Federal lands would require more intensive use of private rangeland; acreage increases in pastures, harvested forages, and feed grains; more acres in cultivation; and greater dependence on feedlot feeding for meat production. Only limited acreage is available for development of additional intensive pastures in the United States.

The alternatives to less grazing on Federal rangelands appear to us to be wasteful of natural resources and uneconomical for the producers dependent on these lands unless prices of meat and wool were to be increased considerably.

Small communities and subsistence-type livestock operations within large areas of Federal grazing land would suffer most if grazing on Federal lands were eliminated.

The grazing of herbage has been a natural process in grasslands, shrublands, and forests for as long as grazing animals have existed. The effect of grazing on the range environment depends upon the kind of vegetation, the intensity of grazing, the kind of animal, and the degree of management employed to control the animals. Experiments and widespread experiences show that moderate and planned grazing restores protective vegetational cover on deteriorated ranges, thereby reducing accelerated erosion and improving wildlife habitats. Most rangeland is better suited to all types of use today than it was before 1950.

THE FEDERAL RANGELANDS RESOURCE

The Federal lands of the United States constitute a resource of national importance. Of the 1.9 billion acres in the conterminous 48 states, 407 million acres, or 21%, are under Federal ownership. We recognize, as do most people, an obligation to use and care for these lands in a manner that assures their greatest contribution to the national welfare in perpetuity. Constantly growing demands for energy, food, fiber, water, minerals, recreational opportunities, and wildlife give the Federal lands an ever greater intrinsic value. Concomitant with the demand for products is a growing public concern for the preservation of the resources just mentioned, often resulting in conflicts between alternative interests.

One of the land uses, livestock grazing, has generated much historical and current controversy. The purpose of this report is to present a brief analysis of (1) the economic effects of prohibiting livestock grazing on Federal lands, and (2) the impacts of livestock grazing on environmental quality. In considering these effects, we focus attention on the Federal lands in the contiguous 11 Western States, where the nation owns 48% of the total land area and where 88% of all Federal lands of the 48 states is located (see appendix 1). In particular, our comments are applicable to the 87% of all Federal lands in those 11 states that is administered by the Forest Service or the Bureau of Land Management.

As historical background, we note that livestock production played an important role in the settlement of the 11 Western States and was a significant factor in the economic and cultural development of the Nation as a whole. Prior to 1900, the major uses of the vast expanses of unappropriated lands in the West were mining, homesteading, and unregulated livestock grazing. Numbers of domestic animals increased markedly after the Civil War and reached a high point in the early part of the present century. The withdrawal of substantial portions of the public domain for national parks and forests before 1920 initiated the regulation and management of livestock grazing on Federal lands. For a variety of complex reasons, the use of these lands by livestock—particularly by sheep—has gradually declined from World War I to the present.

Livestock numbers in the 11 Western States are still large. Utilization of Federally owned rangeland to produce meat and wool contributes a significant proportion of the area's economy. In 1970, the total livestock population in the region included 14.6 million head of cattle and 8.4 million head of sheep and lambs (see Appendix 2). Approximately 12% of the necessary forage in terms of animal-unit-months (AUM's) was supplied by grazing on 73% of the Federal lands in those states. An AUM is the forage required to keep a mature cow or its equivalent for a month.

We note also that, because of policies regarding disposal of public land, the western Federal lands are extensively interspersed with private and state-owned lands. As a result, the use and management of land under one ownership has a strong influence on the use and management of adjacent land owned by others.

ECONOMIC CONSIDERATIONS

The subject to be considered in this section is the economic effects—nationally, regionally, and locally—that would be expected if livestock grazing were eliminated from Federal lands.

Production of beef and lamb in the United States involves rearing the young animals in breeding herds and flocks followed by heavy feeding until the desired market weight and degree of fattening are obtained. The breeding animals subsist almost wholly on forages, including range and pasture vegetation, harvested forages, and crop residues, whereas feed grains and concentrates are used in addition for the finishing of animals for the market. Forages now supply 75% of the feed units consumed by beef cattle and 90% of the units consumed by sheep in the U.S. (A feed unit is the nutritional equivalent of one pound of corn.) The difference in feeding practices between breeding herds and finishing operations is a consequence of a combination of factors, including the availability of both forages and feed grains, the essentiality of grain feeding for producing the quality of beef demanded by the market, and the high cost of grain relative to forages.

An increase in demand for U.S. grains has resulted recently from a complex set of factors including droughts, crop failures, increased affluence in many countries, dollar devaluation, and expanding populations. We believe this trend will continue and that grains will become increasingly limited and higher priced. The result will be an increased reliance on forages from range, pasture, and harvested supplies for meat and wool production.

The prices of meat and wool, like those of other commodities, are largely determined by the relation of supply and demand. The principal determinant of supply is numbers of breeding animals. The demand for wool may be expected to increase as shortages of fossil fuels reduce the availability of synthetic fibers. Manufacturers of synthetic fibers are now reducing deliveries to customers on account of the shortage of petroleum. Based on current trends, estimated increases in U.S. consumer demand for beef will require an additional 13 to 14 million beef cows by 1985—an increase of about 30% over current numbers. These additional cows and their calves will need the equivalent of about 70 million acres of forage-producing land, assuming the National average of 5 acres for a cow and calf. However, only limited unused acreages of forage-producing land are available in the U.S. In fact, forage-producing areas will likely diminish as the better lands are converted to grain and soybean production and nonagricultural uses, such as houses, roads, and industry, encroach on productive land. In the 11 Western States, for example, the area of rangeland available for grazing is decreasing at the rate of 1.4 million acres per year. Thus, we see pressures for greater production on less land area to meet consumer demands for meat and wool. Elimination of livestock grazing from Federal lands would intensify these pressures.

Three factors limit the accuracy of information available on livestock produced on Federal rangelands independently of total livestock production: (1) The yearly feeding cycle includes joint use of Federal and private rangelands and cropland feeds. (2) Published statistics on meat production usually combine beef and dairy cattle and do not distinguish between grazing and feedlot operations. (3) Values for specific products, such as feeder calves and yearlings or sheep and lambs, are not separated. In this report we use statistics from Nevada, Oregon, Utah, and Wyoming to estimate production and value per AUM for range-cattle operations (see Appendixes 3, 7, and 8) because these states have few feedlots and the lowest contribution to beef production from dairying. These four states plus Montana and Washington (see Appendixes 4, 5, 7, and 8) provide our estimates of production and value of sheep, lambs, and wool. Most of the meat and wool production in the six states comes directly fror rangelands and other forages.

Cattle produce an average of 28.6 pounds of meat (Appendix 3) and sheep produce an average of 23.3 pounds (see Appendix 5) per AUM in the states mentioned in the preceding paragraph. Wool production is 4.3 per AUM. The number of AUM's grazed on Federal land in the 11 Western States in 1972 and the estimated amounts of meat and wool produced by the forage consumed during such grazing may be summarized as follows from Appendix 6:

	AUM's (millions)	Production (million pounds)
Cattle and calves	15.0	429.2
Sheep and lambs	3.3	76.9
Wool		14.2

Gross receipts from the sale of livestock represent new money brought into the local economy. This money is respent several times within the community, which expands economic values far beyond the original amount. The multiplier effect of new money at the local level has been estimated conservatively at 2.25. If one uses a gross production value of $10.00 per AUM for cattle (the range is from $9.70 to $11.23 in the four states mentioned in a preceding paragraph—Appendix 3) and $7.00 for sheep (the range is from $5.92 to $9.26 in the six states mentioned in a preceding paragraph—Appendix 5), the contribution to the local economy per AUM grazed on Federal rangelands would be $22.50 for cattle and $15.75 for sheep. The annual values of livestock production due to grazing on Federal rangelands in the 11 Western States may thus be estimated as follows:

[In millions]

	Value of production	Contribution to economy
Cattle and calves	$150	$338
Sheep, lambs, and wool	23	52
Total	173	390

As may be inferred from the magnitude of the figures, the withdrawal of Federal lands from livestock grazing would hamper state and local economies. The effects would vary widely among the 11 Western States. In the mid 1960's, the proportion of the total forage supply (in terms of AUM's) derived from Federal lands was only about 2% in Washington but was 49% in Nevada. Dependence of individual ranches and counties on Federal land in western rangeland areas often exceeds even the high level of Nevada. If livestock grazing on Federal lands were discontinued, ranches with small grazing permits would, of course, be relatively unaffected, but the large numbers that are highly dependent on such permits would be affected severely.

The interdependency, within a given range livestock enterprise, of Federal, private, and other lands must also be viewed from the standpoint of yearlong forage supplies. The private land holdings of many ranch units can not supply the necessary forage for all seasons of the year. They must combine grazing on Federal land with forage produced on private and other land to obtain a yearlong supply of feed. Many such operations would not survive a complete withdrawal of Federal grazing privileges. On the 21% of all Forest Service and BLM grazing lands where yearlong livestock use is practiced, herd reduction to compensate for decreased Federal grazing would reduce operations in about the same proportion as the decrease in Federal AUM's. In other areas, the loss of forage for summer grazing would cause imbalances in the yearlong feed supply and greater ultimate reduction in over-all ranch grazing capacity than just the loss of summer feed.

Adjustments ranchers could make to compensate for reduced grazing on Federal land include reduction of herd numbers, purchase of more feed, improvement of private rangelands to increase forage productivity, and conversion of cropland to irrigated pasture or hayland. These alternatives to grazing on Federal lands would provide a lower economic return to the ranchers unless meat and wool prices were to increase greatly. A reduction in herd numbers would decrease total production. Purchased feed is expensive. Private rangelands, like most rangelands, have limited physical capabilities for increased forage production. They can not support agronomic ecosystems.

Elimination of grazing from Federal lands would have an adverse effect on minority groups in northern New Mexico where an average of 57 of the 215 animal-unit-months of grazing per ranch would be lost by 990 subsistence-type livestock operations. Based on 1972 livestock sales of $1,565 per family, income would decline by at least $317 or 20%. Similar situations exist in other portions of the Four-Corners States and in scattered locations throughout the West.

The energy required from fossil fuels and electricity to produce beef cattle and sheep is less on the range than anywhere else. Cattle ranches in the Southwest used approximately 4 gallons of gasoline and 62 kilowatt hours of electricity to produce 100 pounds of beef on the hoof in 1972. If range cattle production were shifted from grazing to feeding with a ration of 20 pounds of alfalfa hay per day, fossil fuel requirements would double, and requirements of electrical energy would increase about 50%. In 1969, livestock ranches in the U.S. spent 2.8 cents for fossil fuels per dollar of product sold. If harvested feed grains were substituted for grazing on Federal lands, they would cost more than twice as much in fossil fuels (see Appendix 9).

Fertilizer usage in range livestock operations is small, but some fertilizer is applied to cropland for production of homegrown hays and grains. If additional harvested forages and grains were to replace forage grazed from Federal lands, more fertilizer would be needed to increase yields per acre. As explained in another current report by the Council for Agricultural Science and Technology, there is a scarcity of fertilizer worldwide, and this is partly a consequence of the scarcity of energy required in manufacture. Large quantities of natural gas are used to supply the hydrogen that is reacted with nitrogen to form ammonia, the basic nitrogenous fertilizer material. A shift of livestock production from rangeland to cropland would aggravate the situation by substituting a type of agriculture relatively expensive in fertilizers and in fossil-fuel energy for one relatively economical of both.

In rangeland agriculture, animal wastes are widely dispersed and are readily assimilated by the ecosystem. Substitution of confined

feeding for extensive grazing, however, would concentrate the wastes in small areas, where disposal without pollution would present an economic problem. The wastes are of such low value for purposes of soil improvement that the expenditures necessary to spread them over a large area of cropland cannot be economically justified.

ENVIRONMENTAL EFFECTS

Grazing influences the environment on Federal lands. The purpose of this section is to consider in a broad context the nature of the influences and their significance.

Eating of plant materials by animals is a natural process in terrestrial and aquatic systems. Thus, with the coming of European man to the West, the introduction of domestic livestock did not constitute an entirely new component in the environment. More realistically, the domestic livestock replaced, or were added to, the wild animals that were already there. Rangeland vegetation, especially grassland and shrubland, in the Western States evolved to withstand grazing to a moderate degree. Without grazing, different vegetational characteristics develop. The range forage that livestock utilize is a renewable natural resource because the forage regrows each year and has done so for many centuries.

Mistakes in grazing practices have occurred. The most significant of these in the U.S. was the exploitive grazing practiced between 1865 and the 1930's. The effects were near catastrophic. Nevertheless, they were not the result of grazing ranges that had never been grazed before. Rather, they resulted from several decades of grazing the western ranges with too many animals for too long and often at the wrong season each year. Most range livestock operators at that time were unaware of the limits of grazing pressure that the vegetation and soil could tolerate.

Scientific management of rangeland began at the turn of the century, but the accumulation of knowledge and its application advanced slowly. The management aim was to adjust the number, kind, and location of livestock and the timing of the grazing in such a way as to restore and maintain the natural resources. Range managers and livestock operators found that controlling grazing improved both range conditions and livestock production. Development of this new concept marked the end of the exploitative period of grazing and the beginning of managed grazing on the western ranges.

Following World War II, scientific grazing management was undertaken within the limits of available funding and manpower on much of the Federal grazing land. The change from a laissez-faire rangelands attitude to one of planned grazing management improved vegetational and soil conditions. Intensification of grazing management paralleled the development of increasing emphasis on other land uses, including the preservation of natural systems.

Rangeland is often incorrectly thought of as a homogeneous kind of land. In actuality it consists of widely diverse soil and vegetational types, ranging from deserts to high mountain meadows. Productivity and vulnerability to misuse vary accordingly. Practical experience has shown that livestock grazing must be adjusted to meet the ecological requirements for maintenance and improvement of each dissimilar type. When that is accomplished, each site supports vegetative cover in accordance with its production capabilities.

The environmental effects of grazing depend upon the kind of range, the intensity of grazing, and the kind of management employed to control livestock on the range. We have examined the results of long-term grazing studies throughout the Western States. They show that unregulated heavy grazing results in loss of desirable forage plants, increased runoff and erosion, and other indications of range deterioration. Moderate and light grazing result in fairly stable or improved range conditions. Planned seasonal grazing and controlled animal distribution foster rapid vegetational growth. Most grazing experiments have shown that ranges may be improved more rapidly under proper grazing management than with no grazing at all. Knowledge of forage preferences by livestock and of the physiology of plants is employed to plan grazing treatments that will selectively favor some plants over others. The desired changes, however, are achieved only when grazing is carefully regulated to preserve properly functioning biological systems. Overuse or grazing without management tips the balance toward site deterioration, loss of valuable soil and water resources, and impairment of environmental quality.

Based upon widespread experience, we find that livestock grazing is being managed and integrated with other uses of Federal lands. The extent of enhancement of other resources with grazing or lack of grazing varies with the kind of range, the grazing objectives, and the skill of the manager. Desert vegetation responds slowly, but vegetation in moist and humid areas changes rapidly. After giving due weight to these natural landscape differences, we find no evidence to indicate that well-managed grazing of domestic livestock is incompatible with a high quality environment. There is ample evidence that managed grazing by livestock enhances certain uses and that poor management detracts from them. Properly managed grazing is a reasonable and beneficial use of the range.

Big-game numbers on Federal lands have increased during recent years, and wildlife production is an increasingly important use of rangelands. Game habitat can be destroyed by poor grazing management that permits overuse by either wildlife or livestock. Conversely, game habitat improves through management which maintains the type of vegetation preferred by wildlife. For example, cattle grazing has been used to reduce the amount of grass and permit increased production of browse species for big game. Moderate use of browse species by cattle tends to keep forage within reach of wildlife. In all grazing systems, withholding areas from grazing or adjusting the time of beginning grazing provides vegetative cover required by game birds for breeding and nesting sites.

Modification of vegetation by grazing management can create contrasts in landscape color and pattern that convey a different aesthetic impression than uniform vegetation. Although many speculate on the impact of grazing animals on recreational and aesthetic values, however, no firm evidence was found for a general statement that aesthetic values gain or lose when grazing is removed. We believe that severely overgrazed ranges and areas of animal concentration, such as bedgrounds, detract from an outdoor experience for most people. On the other hand, the livestock industry is central to the image and traditions of the American West, and a well-managed range with its cattle herd, roundup, or sheep camp presents positive recreational values. At least two studies have shown that cattle and sheep on the landscape are aesthetically pleasing to tourists who come to view the West and its present-day activities. In the end, the extent to which aesthetics would be affected by discontinuation of grazing would depend on the value system of the individual concerned.

Ungrazed ranges are subject to loss when wildfires occur. Tall stands of mature, ungrazed grasses create extreme fire hazards because fire spreads more rapidly in dry grass than in any other natural vegetation. Ungrazed areas around campgrounds, homesites, and timberstands are especially flammable. Reduced grazing, especially in grasslands, often requires construction of additional or larger firecontrol lines with disturbed soil conditions and increased investment in firefighting equipment.

During the period from 1865 to 1930, overgrazing of western ranges resulted in excessive overland water flow, erosion, nutrient loss from watersheds, flooding, sedimentation, and fouling of water supplies. Range watershed management has brought comparative stability to these areas, largely through restoration of vegetational and litter cover. Exceptions occur on watersheds with unstable soils and steep topography. Well-planned grazing management, often in combination with brush control, seeding, and other soil-protecting practices, achieves soil- and water-conservation objectives.

Ranges properly grazed by hoofed animals produce safe water. Counts of fecal coliform organisms, as indicators of water pollution by warm-blooded animals, relate more closely to quantity of fecal material than to kind of animal. Investigations in mountainous regions of Colorado and Montana showed that the counts of harmful bacteria in the streams were no greater in areas grazed by livestock than in areas grazed by native animals alone. Moreover, moderate livestock grazing had little effect upon the chemical and physical quality of the water.

Animals compact soils by overgrazing and by reducing organic matter returned to the soil, but proper vegetational and litter management, activities of soil organisms, and climatic phenomena correct the problem on an annual basis. The trampling of standing dead material by livestock places it in contact with the soil, decomposition proceeds. Several studies have shown that litter accumulates without grazing, eventually, smothering new plant growth. Broadleaved, flowering, herbaceous plants suffer more than others, and seedlings of browse plants fail to become established under too much standing dead material.

Few western ranges are ever in a stable natural condition, whether or not they are grazed by domestic animals. Most are in a stage of vegetational development following disturbance by such phenomena as drought, flood, avalanche, freezing, or fire. Cyclic phenomena, such as large numbers of deer, rodent epidemics, or insect plagues, temporarily change the natural ecosystems. An absolutely stable rangeland is seldom attained or maintained.

Significantly, the greatest diversity of animal and plant species and the highest rates of reproduction occur when the landscape supports many stages of ecosystem development. Fire, grazing, and drought stimulate plants and animals to new growth. Each stage of vegetational development is more productive of certain animal species than of others. Grazing on Federal rangelands in the 11 Western States helps to keep the natural environmental systems active and productive. However, grazing must be scientifically controlled and responsive to the needs of all users. We cannot allow overgrazing by livestock, by bison in their reserves, by deer on their winter ranges, or by wild horses in their preserves. We manage domestic animals, but rarely game, to maintain ecosystems compatible with all of man's uses.

APPENDIX 1

AREA AND OWNERSHIP OF LAND IN THE UNITED STATES AND PROPORTION OF FEDERAL LAND ADMINISTERED BY THE U.S. FOREST SERVICE AND THE BUREAU OF LAND MANAGEMENT [1]

State	Total land area (thousands of acres)	Federal ownership (percent)	Federal land administered by USFS and BLM (percent)
Arizona	72,688	44.9	75.1
California	100,207	44.8	79.3
Colorado	66,486	36.4	94.1
Idaho	52,933	63.9	95.7
Montana	93,271	29.6	90.1
Nevada	70,264	86.6	80.5
New Mexico	77,766	33.9	85.0
Oregon	61,599	52.2	96.7
Utah	52,697	66.1	87.9
Washington	42,694	29.4	79.4
Wyoming	62,343	48.4	88.6
Total 11 western States	752,948	47.8	87.1
6 plains States	407,182	2.8	44.5
Other States	741,626	4.8	62.0
Total United States (except Alaska and Hawaii)	1,901,756	21.4	83.8

[1] Sources: U.S. Department of the Interior, Bureau of Land Management. Public Land Statistics, 1970. U.S. Government Printing Office, Washington, D.C., p. 10. (Statistics are as of June 30, 1969.) U.S. Department of the Interior, Bureau of Land Management, 1967. Public Land Statistics. U.S. Government Printing Office, Washington, D.C., table 9.

APPENDIX 2

AREA USED FOR GRAZING BY DOMESTIC LIVESTOCK, PROPORTION OF LAND AREA GRAZED, AND NUMBERS OF NONDAIRY CATTLE AND SHEEP PLUS LAMBS IN 11 WESTERN STATES

State	Thousands of acres		Proportion of land area grazed (percent)	Thousands	
	Range and pasture in farms [1]	Federal land allocated for grazing [2]		Nondairy cattle 1970 [3]	Stock sheep and lambs 1970 [3]
Arizona	35,398	25,441	83.7	812	424
California	20,957	21,169	42.0	2,576	1,185
Colorado	27,159	20,492	71.7	2,374	823
Idaho	8,952	23,934	62.1	1,080	632
Montana	49,057	16,546	70.3	2,474	1,051
Nevada	6,937	48,712	79.2	512	213
New Mexico	44,486	22,326	85.9	1,073	791
Oregon	14,410	24,111	62.5	1,155	449
Utah	10,865	29,600	76.8	576	939
Washington	10,369	5,110	36.3	764	125
Wyoming	30,814	25,011	89.5	1,182	1,784
11 Western States	259,403	262,452	69.3	14,578	8,416

[1] Source: U.S. Department of Agriculture, Economic Research Service. 1968. Major uses of land and water in the United States with special reference to agriculture, summary for 1964. Economic Report No. 149. U.S. Government Printing Office, Washington, D.C. pp. 61–62.
[2] Source: Data for 1966 supplied to the University of Idaho by the Public Land Law Review Commission.
[3] Source: U.S. Department of Agriculture, 1971. Agricultural Statistics, 1971. U.S. Government Printing Office, Washington, D.C. p. 308.

APPENDIX 3.—VALUE CONTRIBUTIONS TO THE ECONOMY FROM CATTLE AND CALVES ON FEDERAL LANDS IN WESTERN STATES, 1971–72 [1]

State or type of ranch [2]	Per animal-unit-month			Animal-unit-months on Federal lands (AUM's)	Contributions from Federal lands	
	Production (pounds)	Value of cattle	Contribution to economy		Gross receipts	Contribution to economy
Nevada	27.5	$9.81	$22.07	1,985,146	$19,474,282	$43,812,172
Oregon	29.3	9.70	21.82	1,377,400	13,360,780	30,054,868
Utah	28.5	9.89	22.25	860,565	8,510,987	19,147,571
Wyoming	29.3	11.23	25.27	1,792,157	20,125,923	45,287,807
11 Western States		10.00	22.50	15,008,143	150,081,430	337,683,218
Cattle ranches:						
Northern Plains		11.70				
Northern Rocky Mountains		13.62				
Southwest		11.46				
Wyoming ranches:						
Cow-calf		10.90				
Cow-yearling		11.50				
Yearlings only		15.84				

[1] Sources: W. Gordon Kearl, Economic Comparisons of the Cow-Calf and Cow-Yearling System for Northern Plains Cattle Ranching, Wyo. Agr. Exp. Sta., RJ 67, December, 1972. W. Gordon Kearl, Unpublished data for stocker systems during 1971 and 1972. Wiley D. Goodsell and M. J. Belfield, Costs and Returns—Northwest Cattle Ranches, 1972, ERS–525, U.S. Dept. of Agr., July, 1973. Livestock and Meat Statistics. Statistical Bull. 522, ERS/SRS and AMS, USDA pp. 11, 20, 26, 42. 1973.
[2] States not normally fattening large numbers of cattle in feedlots and low contributors to beef production from dairy animals.

APPENDIX 4

PRODUCTION OF SHEEP, LAMBS, AND WOOL PER ANIMAL-UNIT-MONTH IN 11 WESTERN STATES, 1971–72

State	Thousands		Production (thousand pounds)		Production per animal-unit-month (pounds)	
	Stock sheep	Animal-unit-months required	Sheep and lambs	Shorn wool	Sheep and lambs	Shorn wool
Arizona	412	989	19,836	3,692	20.1	3.7
California	1,011	2,426	68,362	11,655	28.2	4.8
Colorado	720	1,728	82,959	11,473	48.0	6.6
Idaho	678	1,627	58,242	6,949	35.8	4.3
Montana [1]	900	2,160	43,023	8,501	19.9	3.9
Nevada [1]	176	422	10,702	1,627	25.4	3.9
New Mexico	682	1,637	25,106	6,134	15.3	3.7
Oregon [1]	426	1,022	27,039	4,823	26.5	4.7
Utah [1]	891	2,138	52,916	9,218	24.8	4.3
Washington [1]	112	269	6,753	1,240	25.1	4.6
Wyoming [1]	1,561	3,746	67,362	16,026	18.0	4.3
11-State total	7,569	18,164	399,880	81,734	22.0	4.5

[1] States not normally fattening large numbers of lambs in feedlots.

APPENDIX 5.—VALUE AND CONTRIBUTION TO THE ECONOMY FROM SHEEP, LAMBS, AND WOOL ON FEDERAL LANDS IN WESTERN STATES, 1972 [1]

State or area [2]	Per animal-unit-month				Animal-unit-months on Federal lands (AUM's)	Contributions from Federal lands	
	Production (pounds)		Value of sheep, lambs, and wool	Contribution to economy		Gross receipts	Contribution to economy
	Sheep and lambs	Wool					
Montana	19.9	3.9	$6.21	$13.97	174,904	$1,086,153	$2,443,409
Nevada	25.4	3.9	7.93	17.84	333,424	2,644,052	5,948,284
Oregon	26.5	4.7	8.58	19.30	62,907	539,742	1,214,105
Utah	24.8	4.3	7.73	17.39	589,197	4,554,492	10,246,136
Washington	25.1	4.6	9.26	20.84	5,034	46,614	104,909
Wyoming	18.0	4.3	5.92	13.32	848,932	5,025,677	11,307,774
6-State total [3]	23.3	4.3	7.61	17.11	2,014,398	15,329,567	34,466,350
11 Western States			7.00	15.75	3,301,013	23,107,091	51,990,955
Wyoming:							
Southwest			8.15	18.34			
North-central			10.05	22.61			
Utah-Nevada			9.09	20.45			

[1] Source: Delwin M. Stevens, An Economic Analysis of Wyoming Sheep Industry (1960, 1964, 1968). Wyo. Agr. Expt. Sta. Bull. 546. June, 1971. Livestock and Meat Statistics, Statistical Bull. 522, ERS/SRS and AMS, USDA, pp. 11, 20, 26, 42. 1973.
[2] States not normally fattening large number of sheep in feedlots.
[3] Simple totals and averages.

APPENDIX 6

PRODUCTION OF CATTLE, SHEEP PLUS LAMBS, AND WOOL ON FEDERAL GRAZING LANDS IN 11 WESTERN STATES, 1971–72 [1]

State	Cattle		Sheep		
	Animal-unit-months on Federal lands (AUM's)	Total production at 28.6 lb (pounds)	Animal-unit-months on Federal lands (AUM's)	Total production	
				Sheep and lambs at 23.3 lb (pounds)	Wool at 4.3 lb (pounds)
Arizona	1,898,676	54,302,000	34,757	810,000	149,455
California	601,398	17,200,000	122,397	2,852,000	526,307
Colorado	1,170,474	33,476,000	359,688	8,381,000	1,546,658
Idaho	1,419,611	40,601,000	467,220	10,886,000	2,009,046
Montana	1,760,800	50,359,000	174,904	4,075,000	752,087
Nevada	1,985,146	56,775,000	333,424	7,769,000	1,433,723
New Mexico	2,062,235	58,980,000	302,562	7,050,000	1,301,017
Oregon	1,377,400	39,394,000	62,907	1,466,000	270,500
Utah	860,565	24,612,000	589,197	13,728,000	2,533,547
Washington	79,681	2,279,000	5,034	117,000	21,646
Wyoming	1,792,157	51,256,000	848,933	19,780,000	3,650,412
Total	15,008,143	429,233,000	3,301,013	76,914,000	14,194,356

[1] Source: Livestock and Meat Statistics, Statistical Bulletin 522, ERS/SRS and AMS, U.S.D.A., pp. 9, 32, 45. 1973.

APPENDIX 7

ANNUAL GRAZING STATISTICS FOR LAND ADMINISTERED BY THE U.S. FOREST SERVICE IN 11 WESTERN STATES, 1971 [1]

State	Number of livestock			Animal-months		Total animal-unit-months
	Cattle and horses	Sheep and goats	Total	Cattle and horses	Sheep and goats	
Arizona	141,307	37,011	178,318	1,226,057	143,193	1,254,695
California	110,729	75,666	186,395	339,877	210,478	381,972
Colorado	196,088	322,846	518,934	688,848	737,250	836,298
Idaho	129,916	380,012	509,928	449,117	1,000,368	649,190
Montana	136,590	70,649	207,239	474,032	140,832	502,198
Nevada	56,508	87,060	143,568	222,002	281,566	278,314
New Mexico	100,467	37,673	138,140	736,644	163,356	769,314
Oregon	114,533	61,332	175,865	352,953	205,477	394,048
Utah	110,894	322,203	433,097	340,036	883,168	516,669
Washington	51,219	9,311	60,530	79,681	25,168	84,714
Wyoming	151,798	283,734	435,532	503,103	697,349	642,572
Total 11 western States	1,300,046	1,687,497	2,987,543	5,412,000	4,485,000	6,309,584

[1] Source: Public Land Statistics 1972.

APPENDIX 8

ANNUAL GRAZING STATISTICS FOR LANDS (DISTRICT AND LEASED) ADMINISTERED BY THE BUREAU OF LAND MANAGEMENT IN 11 WESTERN STATES, 1971 [1]

State	Number of livestock			Number of animal-unit-months [2]		
	Cattle and horses	Sheep and goats	Total	Cattle and horses	Sheep and goats	Total
Arizona	92,602	14,345	106,947	672,619	6,118	678,737
California	108,716	254,859	363,575	261,521	80,301	341,822
Colorado	335,510	692,782	1,028,292	481,626	212,238	693,864
Idaho	366,746	674,278	1,041,024	970,494	267,146	1,237,640
Montana	630,370	362,310	992,680	1,286,768	146,738	1,433,506
Nevada	353,237	318,316	671,553	1,763,144	277,111	2,040,255
New Mexico	230,737	220,200	450,937	1,325,591	269,891	1,595,482
Oregon/Washington	272,008	61,755	333,763	1,024,447	21,812	1,046,259
Utah	126,303	602,900	729,203	520,529	412,563	933,092
Wyoming	776,518	1,874,593	2,651,111	1,289,054	709,463	1,998,517
11 Western States	3,292,747	5,076,338	8,369,085	9,595,793	2,403,381	11,999,174

[1] Source: Public Land Statistics 1972, tables 60 and 64.
[2] Assumed same length of grazing season for sheep and cattle.

APPENDIX 9

EXPENDITURES FOR PURCHASES OF FOSSIL FUELS AND AGRICULTURAL CHEMICALS PER DOLLAR OF PRODUCT SOLD BY TYPE OF FARMS IN THE UNITED STATES, 1969 [1]

[In cents]

Type of farm	Expenditures per dollar of product sold		
	Gasoline and other fuel	Sprays, dusts, and fumigants	Fertilizer
All farms	3.95	1.76	4.73
Cash grain	6.86	3.01	9.05
Tobacco	7.20	1.78	8.38
Cotton	8.42	9.27	8.98
Other field crop	4.17	4.11	9.83
Vegetable	2.89	4.87	7.55
Fruit and nut	2.91	6.19	5.20
Poultry	1.52	.19	.56
Dairy	3.38	.64	3.48
Livestock other than diary and poultry	3.21	.84	3.54
Livestock ranches	2.81	.30	1.42
General	5.90	3.24	8.22
Miscellaneous	3.55	.88	1.76

[1] Source: Social and Economic Statistics Administration, Bureau of Census. "1969 Census of Agriculture," Type of Farm, ch. 8, vol. 11, U.S. Department of Commerce, pp. 36–37, 42–45, 48–49, June 1973.

THOUGHTS ON REVITALIZING THE CITIES

Mr. JAVITS. Mr. President, on March 19, 1974, at the 45th anniversary dinner of the Regional Plan Association in New York City, Andrew Heiskell, the chairman of the Board of Time, Inc., gave a most interesting address discussing the problems of our cities and suggesting some solutions.

Mr. Heiskell correctly observed that cities which have been revitalized in the past made progress primarily because of a coalition of local political and business—presumably including labor—leaders. He further points out that this coalition has broken down over the last several years as a result of the changing character of business management and the increasing need for new groups to take part in the decisionmaking process. I share with him that new mechanisms must be developed so that local interests may play the proper leading role in rebuilding and maintaining the major urban areas of our country.

I believe Mr. Heiskell's remarks are well worth the attention of the people and the Congress and others and I ask unanimous consent that they be printed in the RECORD.

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

REMARKS BY ANDREW HEISKELL, 45TH ANNIVERSARY DINNER, REGIONAL ASSOCIATION, NEW YORK, N.Y., MARCH 19, 1974

Quite a few months ago, when I was first informed of the honor I was to receive here tonight, I was really sincerely pleased. The satisfaction eroded very rapidly as I realized I had to speak—presumably about cities. In those pre-Yom Kippur war days one more speech on that well worn subject could blow the speaker right off the podium. Most people were ready to solve the problems of cities by running away from them to suburban complexes of offices and homes. Now, with limited energy, what looked like a pleasurable escape has become a trap. Mr. Lucky is no longer the person who reverse commutes from the outskirts of Danbury to the I.B.M. headquarters in Armonk. Today Mr. Lucky is the guy who can step onto the 49th Street bus and the Lexington Avenue subway. The suburbs, which once seemed like pleasurable escapes from city problems, begin to look more like prisons with no escape routes, despite their amply stocked garages. So once again cities seem to be a subject worth taking seriously. The fact is they are neither obsolete nor irrelevant, and yet their problems remain. It may well be worth taking a look at recent urban history to see whether any patterns emerge that can guide us in the way we approach the problems of cities in the future.

My first observation is that no city ever made it on outside help alone. Despite the billions of dollars that have been poured into cities by the Federal government, I think it's safe to say that no federal program was in itself responsible for the renaissance of a city. It's true that no major urban redevelopment would have occurred without some federal assist. But at the same time for every federal program designed to rebuild cities there has been another program equally big that has worked to destroy cities. The highway program, for one example, has consistently been the foe of all those who have sought to rebuild cities. And the FHA is another program which destroyed the tax base of most cities by chasing the middle classes to privately owned houses in the suburbs.

But even if you concentrate only on the programs that were designed to aid cities you find a curious reaction. Namely, that over the last 25 years these federal goodies were available equally to all cities and yet at any one point in time only a handful of cities were taking advantage of them.

For instance in the fifties Pittsburgh, Philadelphia and New Haven were going great guns while Chicago, Boston and Kansas City were moribund Twenty years later, Pittsburgh, Philadelphia and New Haven appear to have lost momentum while Chicago, Boston, Kansas City and a number of other cities are bursting with action.

Before speculating on the relative vitalities of cities, let me define the criteria I go by.

(A) A city must have a core—a downtown area—that represents a cultural cutting edge of civilization in terms of aesthetics, amenities, convenience and pleasure. This is its reason for being.

(B) A city must provide jobs, hopefully jobs which are rewarding to the individual and at the same time valuable in economic terms to the city.

Of course housing, transportation, schooling and a host of other factors are all important. But I start with the core and jobs first.

If you grant me these two criteria, we can begin to see what made some cities move while others stood still.

Essentially it was a combination of strong political leadership in tandem with dedicated business leadership, curiously enough usually of a different political persuasion. As an Atlanta businessman put it., "successful development occurs when the first team, the people who've been able to make decisions, have been kept in the game all the time." The collaboration of municipal leaders with corporate muscle, because it was pursued with determined action, attracted talent and gave the talent the tools for implementation of its plans.

Probably the best know urban partnership consisted of Republican Dick Mellon

and Democrat David Lawrence, and later his successor Joe Barr who revived Pittsburgh. They literally cleaned the air, tamed the rivers, conned U.S. Steel, Alcoa, Pittsburgh Plate Glass and others into staying in Pittsburgh—with some of Mellon's friendly persuasion—before they rebuilt the central city. Of the roughly $500 million spent in two decades 70% of it was private money.

In Philadelphia in the early fifties, reform minded Mayor Joe Clark and a group of old line businessmen brought about a strong Home Rule city charter and turned the planning office over to famed Ed Bacon. For years city leaders from across the country made pilgrimages to Pittsburgh and Philadephia to find out how it was done.

During the fifties and sixties New Haven and its Mayor Richard Lee were the envy of every city planner. And Lee found Ed Logue who after rebuilding New Haven went on to Boston, and with Mayor Collins, saved Boston from ruin by remaking its core. Lee was also a past master at the art of tapping the federal till. He used to say, "we study the programs, write the legislation, and then when the money is passed out, we are there with a bushel basket." As of 1967 his take for New Haven was $130,000,000 which amounted to about $800 for each New Haven resident. At the same time Newark was getting $286 and Chicago $49 for each of their residents.

Today the mayors of Pittsburgh, Philadelphia and New Haven are perhaps uninspired but more importantly they have become powerless in a sea of divergent voices and interests. To make matters worse, business leadership which once represented ownership with a major stake in its headquarters city has been largely replaced by professional managers whose interests are countrywide and often multi-national. And their cities suffer from their broader views.

In the sixties, Chicago, Boston and Hartford came to life. In the last ten years Chicago, which had hardly seen a new building in nearly 30 years created one of the most exciting skylines of our day. This was accomplished once again as a result of a long term bond between a Democratic mayor with undoubted clout and Republican businessmen more oriented to Chicago than to the world scene. Boston, Hartford and Kansas City, under aggressive political business leadership, dug up their rot and replaced it with buildings their citizens could look upon with pride.

Even the most unmanageable city of all—*New York*—appeared to survive on some form of self-propulsion. But I suppose that in fact most of the credit must go to Bob Moses, the R.P.A. and the Rockefellers. The latter are primarily responsible for the Cloisters, Morningside Heights, Lincoln Center, the Museum of Modern Art, Rockefeller University, the U.N., Rockefeller Center and the revival of downtown Manhattan. Quite a performance.

The examples I've cited and many others I have skipped clearly show that the right combination of leadership in a city can bring about great change. Or at least in the past this formula has worked. Far less easy to explain is why the efforts nearly always falter after eight or ten years. Is it simply a change in cast or environment; it is exhaustion, or has the task itself changed? Probably all of these factors and a few more.

Rebuilding the downtown can be done by a relative handful of decision makers with private capital or locally floated bonds. But rebuilding a city, as the past decade has taught us, incloves more than erecting office towers. Office towers may provide jobs but they do not provide housing, schooling and transportation and it is these areas that have been neglected by the great city planners of the past. Once into these areas, leadership instead of dealing with architecture, concrete and metal must deal with human beings.

And many of these human beings belong to the tide of underprivileged persons who come to the city for their salvation only to find frustration. They demand representation. A cacaphony of voices engulfs the leaders. The citizens—all the citizens—want to be heard. And they have learned the art of going to court to stop the bulldozers. The three year time span that it takes to put up a spanking new building in core city mushrooms into an eight year span for a housing development that can only be built with the assent of the local inhabitants, with federal and state approvals, necessary for funding, and with feuding unions to which minorities want admission in order to build their own homes.

At the end of his third year the most effective and idealistic mayor has nothing to show for his efforts but a pile of litigation, the rubble of torn down buildings and millions of forms shuttling back and forth between City Hall, the State Capitol and Washington. That is the most he can hope for assuming he has good relations with his Governor and the White House. If they are bad I leave the answer to your imagination, which for New Yorkers shouldn't be much of a strain.

The almost inevitable conclusion is that what our cities need is some new mechanism by which to rebuild themselves. The old power structure of reform minded mayors backed by strong Chamber of Commerce interests served a good purpose at one time: it could make decisions and implement them within a relatively short time. But the exclusiveness of that alliance has made it obsolete. The cry of the times is for some form of what is optimistically called citizen participation. The problem is how to meld all the voices who rightfully want to participate in their destiny into an action-oriented body.

The starting point in looking for reform may still be the mayor's office. It used to be the mayor's strength came from being the party leader and the party was an army with clout. But it seems likely that parties, rather than getting stronger, will continue to decline in influence. As a consequence the mayor is no longer the man the party counts on to maintain itself in power in the next election. Instead, the mayor is a man trying to placate all groups. Unfortunately this often results in a standstill program. While I know the objections to a one time six-year term, I think it's probably the best solution. It gives the mayor independence of action, enough time to implement his decisions and also the ability, as Zeckendorf once said, "to control the local demagogues and predators who inevitably rise up to attack or to fatten off a great development."

The second problem has to do with the role of business. With personal ownership of corporations coming to an end, companies are more and more in the hands of professional managers, most of whom have, in the process of moving up the ladder, lived in many cities here and abroad. They have less control over their companies, relatively short time spans as chief executives, and usually have no emotional or historical tie to headquarters city. Yet this city or any city in which a corporation operates creates the climate which, for good or bad, affects the health of the company. This being the case, shouldn't corporations include, in a serious and continuous manner, education about city management as part of executive development programs?

Then there is the question of representation by the people who in one way or the other are affected by city-planned change. Their voices used to be heard through the party system. That being no longer an effective channel, new ways are being developed so that racial, ethnic and other groups can participate. This is being done by creating coalitions which allow leaders of these groups to deal on an equal basis with the existing leadership. It also requires the structuring of forums for individual voices while at the same time bringing about the recognition of limits to discussions and protest.

There is one city that seems to have made continuous progress under revolving leadership and may well represent a pattern to be examined. That is Atlanta.

Atlanta got rolling in the early 60's under the mayoralty of former Chamber of Commerce president Ivan Allen who had the ear and interest of Atlanta's extraordinarily cohesive business coterie; he led and eased the road to integration for the city's corporate kings and then launched a Forward Atlanta movement to pour money into downtown. The build-up really gained force when John Portman announced his plans for Peachtree Center for which he acted as architect-developer. Called a one-man urban renewal program, Portman led the crusade to save downtown by pouring $200 million into the now famous southern Rockefeller Center which includes the Regency-Hyatt Hotel, a Merchandise Mart, and a cluster of office buildings, restaurants and shops. Before he had finished he had doubled Atlanta's tax base downtown. The businessmen hung in during Sam Massell's administration and to his credit Massell managed to launch a $2 billion rapid transit system scheduled for completion in 1980; to finance it he slapped on an additional 1% in sales tax, but as a softener he managed to lower the bus fare to 15¢. Sam Massell seems to have provided Atlantans with a good transition to the new politics of the 70's; he was elected by 92% of the black vote with Maynard Jackson as his vice mayor and yet he managed not to alienate the old white guard which had been used to running Atlanta without consulting the black population of Atlanta. Another force for the good was that the old guard seemed to make way for the young just at a time when radical new social ideas were gaining headway.

By the time the south's first black mayor of a major City, Maynard Jackson, came to office, the local corporate élite had begun to widen the scope of their planned urban reforms. In fact some of them actively supported and worked for Jackson's election, not the least of whom is John Portman.

A unique instrument of good will, perhaps a latter day successor to the Mellon-Lawrence type of combination which functioned effectively in Pittsburgh when times were somewhat different, is the Atlanta Action Forum, a biracial inner circle of Atlanta's businessmen and civic leaders who meet monthly to deal with the city's most pressing issues. I think if urban renewal is ever going to work in the broadest sense it's going to depend on a broadening of the ranks to include all the voices of the city.

I have stressed local leadership rather than federal because rebuilding a city is not a program like getting to the moon—mainly because there are no people on the moon. Only the local leaders are close enough to understand the most important aspect of a city—its human component. This doesn't mean we don't need federal help, lots of it in terms of dollars. But I would like to see federal programs initiated and shaped by city leaders who will implement them. In the final analysis only they can be held responsible.

We here in this room must learn to manage our society and that means, in good part, managing our cities. We must structure and manage our society properly if it is to remain free. If we do not we will be forever spending our time and money correcting and controlling to overcome the excesses that we allowed to flourish.

We, if we are to remain a democracy, must build a society of responsible, self-disciplined individuals. We must devote our minds, our

time and our money to that goal rather than believing that every problem can be resolved by passing another law. We can't afford many more mistakes because with each one there comes a demand for more government, more controls, more civil servants, more forms. If we follow this course, rather than creating the responsible building blocks that make up a democracy, we will have fashioned instead a ready made machine for a tyrant.

SMALL COAL MINE OPERATORS

Mr. COOK. Mr. President, over the weekend, several articles appeared in the press which highlighted the problem being faced by the coal operator who will be forced to cease operations unless he is able to obtain permissible equipment as required by the Coal Mine Health and Safety Act of 1969. What concerns me about this problem is that we seem to concentrate on the direct effect on the operator while seeming to ignore that as many as 6,000 individual miners may become unemployed. Many of these miners are self-employed, and because of physical disabilities ranging from lung problems to missing fingers or toes, they cannot pass the physical examination for employment in a big-time mine. The only answer for many of these men and their families will be to accept Government relief.

I wish to place in the RECORD an article entitled "New Rules Too Rough—11th Hour at Mines" which appeared in The Washington Star on March 24, 1974, which I believe places this picture in perspective.

In so doing, I would like to say to my colleagues that I in no way advocate that we cease our efforts to provide these individuals the greatest degree of safety possible. While I have compassion for these individuals, and will continue my efforts to do anything possible to assist them within the limits of the law, I believe that we have a responsibility to see that they are provided the safety afforded to them by the law. If such safety provisions require them to cease operations, then so be it.

There is an inherent responsibility which accompanies this enforcement, and that is to see that an equal effort is made to provide the means to comply with the law. To this end, I would like to place a second article in the RECORD, and in so doing I would like to clarify my position in this regard. On March 25, 1974, an article entitled "SBA To Make Equipment Loans" appeared in the Washington Post.

This article expressed a willingness by SBA and other agencies of the Federal Government to provide an opportunity to the operator to purchase the required permissible equipment. While there is nothing new about the SBA authority to provide this assistance, their effort to make these loans available has been intensified. However, one new and very important ingredient has been added, and that is the willingness of the Federal enforcement agencies to accept these loan applications as proof of "good faith" by the operator.

This action on his part, coupled with a bona fide purchase order for the necessary equipment, will satisfy this one requirement of the law. If he has complied with other requirements as spelled out in pertinent regulations, he is then authorized to continue operations until such time as the equipment is received. This exception is limited by law to 2 years.

There are several points I would like to make concerning this article. For some reason, the conclusion has been drawn that we are speaking only of small independent mine operations. While this is most often the case, I note that the following producers are listed by the Mine Enforcement Safety Agency as violaters of this permissible requirement: Adkins Coal Co., No. 11 mine employs 56 with an annual tonnage of 281,000; Island Creek Coal Co. has one mine employing 82 miners and produces 175,000 tons per year; Consolidation Coal Co. has four mines employing 342 men, and their annual production exceeds 700,000 tons. My efforts have been and will continue to be directed to all of these operators and miners, and are not limited to any one segment of the industry.

I am convinced that American ingenuity will prevail, and many of these operators will find a way to obtain the required equipment or remove all nonpermissible equipment from the mine. I agree with the prediction of the Mine Enforcement Safety Administration that we shall see this list of 500 mines now programed for closure on March 30, 1974, dwindle to less than 150, and possibly lower.

Following this date, wherever it is economically feasible by virtue of SBA loans or other action, many of these 150 mines will reopen as soon as permissible equipment can be obtained.

The question then remains—can we afford to waste that coal located in small seams above the water table which is a truly small mine operation and cannot justify expensive equipment? To this question, my answer is "no"—but I offer no ready solution.

Later this week, I will be briefed by representatives of the Department of the Interior. This briefing is in answer to my request of Secretary Rogers Morton that I be informed of all research and development programs now being pursued in the field of methane detection with the hope that in the near future we will develop the technology which will make the production of coal more economically feasible. When this day comes, and it will come, we will then have kept faith with all operators and all miners and with the Nation itself.

Mr. President, I ask unanimous consent that the articles to which I have referred be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, March 24, 1974]

NEW RULES TOO TOUGH—11TH HOUR AT MINES

(By Ned Scharff)

GRUNDY, VA.—Kenders Harman cannot afford the new, fire-resistant equipment now required by federal safety statutes, so like 101 other small, independent coal mine operators in Southwest Virginia he will have to shut down his Dorothy Mae Coal Mine at the end of the month.

Harman and 14 employes extract 100 to 150 tons of coal a day from their narrow, mountainside mine. The men, who are not union members, earn $35 to $45 a day, depending on the amount of coal they haul.

On March 30, when the Interior Department will order Dorothy Mae and 500 similar mines across the country to close because of failure to comply with the 1969 Coal Mine Health and Safety Act, national coal production will drop more than 5 percent, and some 6,000 miners will lose their jobs, according to Interior's Mine Enforcement and Safety Administration (MESA).

Harman, 45, will lose his $125,000 investment in mining equipment, which will become worthless because it does not meet the new safety standards. Harman estimates it would cost at least $200,000 to buy new equipment, so he has decided to go out of business.

"I thought somebody would come to their senses before it came to this," Harman said. "I've put my life into coal and now I've lost everything because of the federal requirements."

Besides the expense and difficulty of obtaining the new equipment, the independent miners—backbone of the economy here—feel it is unnecessary.

They are angry because the 1969 federal safety act superseded state laws which distinguished between so-called gassy and nongassy mines.

The gassy mines—deep shafts thought to contain methane, an explosive natural gas—already had been required to use equipment with sealed motors, insulated cables and non-sparking drills. Non-gassy mines, generally those above the water table, were exempted from the requirement.

MESA administrator Jack M. Day believes elimination of the distinction between gassy and nongassy mines was badly needed. Under the federal law, which went into effect in April 1970, non-gassy mines were given a four-year grace period in which to buy new equipment.

Since that time, Day said, there have been at least 12 explosions in mines previously considered non-gassy. One was the Hayden, Ky., disaster in December 1970 which killed 38 men.

Day said about 50 percent of the non-gassy mines have come into compliance with new standards, and predicted that many of the remaining 500 also would comply once convinced that MESA would enforce the law strictly.

Day admits the law will cut coal production and create unemployment, but he feels the safety problem is more important than economic considerations.

Day's arguments are not accepted by the men who spend their lives here stooped in the dark and narrow drift mines, hauling high-grade coal from inside a mountain down corridors no more than three and a half feet high.

In the light that comes only from the lanterns on their helmets, the miners hunch together, nodding agreement about the federal safety act they think was created at the urging of the United Mine Workers union.

The intent, the miners say, was not to save lives, but to drive the small, nonunion mines like Dorothy Mae out of business. "It's like the government and the gas companies getting together to drive the independent gas stations out," said one blackened face. "We're like the independent gas stations."

The independent miners in this region say they are unused to thinking about the future. It is a fact of life that a coal seam may end after the next powder blast, or take a steep turn up hill becoming impossible to mine.

But just as surely as miners have expected each mine to run out, they have known eventually another would open. The supply of rich, metallurgical coal in these dark hills is considered almost inexhaustable.

But the hills do not have an abundance of the thick, easily accessible coal seams that

attract big companies with large capital and sophisticated equipment.

Like the tall timber that once covered the mountains, most of the more profitable mines here were depleted by the end of World War II, and the big corporations moved their equipment elsewhere.

Since that time, the economy of Buchanan County has depended largely on the independent truck miners—so-called because their mines were too small to rate individual railroad spurs. There is light industry in Grundy and in nearby Richlands, but most of it is devoted to mining equipment manufacture.

The waning of the independent truck mines and attacks on strip mining are such critical issues that the local newspapers print editorials almost daily criticizing the Interior Department. It is difficult to find anyone who does not agree.

The Rev. Murphy D. Miller of the First Presbyterian Church of Buchanan County, was at work last week on a Sunday sermon entitled "Coal and Christianity." He said the sermon was an attack on outside forces that seemed bent on destroying the coal industry.

"Coal is a religious issue because it is the light of life and a natural resource, just like Christianity is," said Miller. "The equipment problem is one more example of outsiders trying to muscle into our way of life, destroying the will of men to earn their daily bread."

The small miners still are trying to appeal the March 30 deadline through their trade association, the National Independent Coal Operators Association, but MESA officials say there is little chance appeals will succeed except in cases where operators can show they already have the new equipment on order.

MESA said last week that any small mine which did not have the new equipment could apply for a Small Business Administration loan, and use the loan as the basis for an extension to remain in operation.

For the first time in the lives of many miners, the future is becoming an unavoidable topic of conversation, and when they speak of it, they speak like Eugene Hughes, 42, a youthful-looking man with a fifth-grade education, seven children, and 22 years of coal mining behind him.

"I'm gonna let the government feed me, buddy. It's the only thing I know to do, and when they get tired of feeding me and a lot of others who will be on welfare with me, maybe they'll let us go back to work," Hughes said.

Were he a younger man, Hughes might consider working in a large, union mine, for higher wages, but those jobs are scarce, and with 22 years' worth of rock dust accumulated in his lungs, Hughes could never pass the physical examination for employment in a big mine.

For the first time in his life, Hughes now thinks that he would consider some job other than coal mining if he were starting out again, but that would involve moving from here.

"In Buchanan County," he says, "coal mining's about all you have to look forward to."

[From the Washington Post, Mar. 25, 1974]

SBA To Make Equipment Loans—Appalachia Mine Closure Stayed

(By Kenneth Bredemeier)

About 400 small Appalachian coal mines, which for four years have been on notice that they will be shut down at the end of this month unless they install explosion-proof machinery, have been given more time to acquire the equipment.

With a considerable assist from Sen. Marlow W. Cook (R-Ky.), a longtime friend of the small mine owners, the Small Business Administration has agreed to grant long-term, low-interest loans to the mine operators to buy equipment that would put them in compliance with the 1969 Federal Coal Mine Health and Safety Act.

A safety compliance panel within the Interior Department has agreed to postpone closure if a mine operator applies for and wins approval of an SBA loan. The law called for the installation of the equipment by March 30, but the small mine operators have virtually ignored the four-year-old deadline.

As a result of the recent agreement, James M. Day, administrator of the Interior's Mine Enforcement and Safety Administration, predicted that no more than 150 of the mines will be ordered shut by federal mine inspectors. Originally as many as 500 small mountainside mines faced an April 1 shutdown.

But as the deadline approached, the Federal Energy Office objected to the closures of the mines, which annually produce about 3 per cent—16 to 20 million tons—of the nation's coal supply. FEO said the coal is needed to ease the energy shortage and the mines should not be closed needlessly if there is no danger to miners working in them.

Moreover, Sen. Cook, according to an aide, worked with Interior officials to delay the deadline and with the SBA to assure the availability of the loans, which SBA said will be granted for up to 30 years at the current SBA interest of 6⅛ per cent.

The Cook aide said that in 1969 the senator unsuccessfully attempted to have the small mines located above the water table declared "non-gassy" and thus exempt from the mine safety law's provision for spark-proof equipment.

The 500 mines, scattered over a 12-state area but concentrated in the Appalachian hills of southwestern Virginia and eastern Kentucky, employ 5,500 to 6,000 workers.

The key section of the 1969 law prohibits use of "nonpermissible" electric drilling, digging and hauling equipment after March 30. This essentially is equipment that is not enclosed to prevent electrical sparks from igniting methane gas in the mine.

The small-mine owners, however, claim that cost of the spark-containing equipment is greater—some estimates range as high as $500,000 per mine—than the value of the coal in the mines.

These operators say that their mines, often with small seams of coal that bigger companies found unprofitable to dig, are usually high on mountainsides above the water table. Gaseous conditions are usually found below the water table, where most large mines are located, they claim.

Thus, the operators say there is little danger of a gas explosion in the small mines, which usually employ from 5 to 30 miners and often are family enterprises.

"Since the law was passed there has been only one fatality from a methane explosion above the water level," said Louis Hunter, executive vice president of the National Independent Coal Operators Association. "It's all very foolish anyway. They'll let these people take a burning torch into the mines to repair equipment, but then they say all equipment has got to be sparkproof and watertight."

The number of mines that actually will be forced to close is difficult to ascertain. The mine safety act set up an independent interim compliance panel to review applications from mine owners to stay open past March 30 without the required equipment.

The panel has heard 256 cases, denying 168 bids to stay open and granting 88. The only criterion for permission to stay open, according to an Interior spokesman, has been whether the mine has proof that it has ordered the necessary equipment to comply with the new safety standards.

In lieu of buying the new equipment, the coal operators have asked that they be permitted to install methane monitors on mining equipment that would automatically shut off the equipment when there is 0.25 per cent methane in the air near the mining area. However, no decision has been made on the owners' request.

The law requires that mines be shut down when there is 2 per cent methane in the air. Explosions occur when there is 5 to 15 per cent of the odorless gas.

The United Mine Workers, which represents about 10 per cent of the affected workers, said it supports the mine closures. A union spokesman said: "The law is very clear. We're not going to tolerate endangering miners' lives."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. ALLEN). Time for transaction of routine morning business has now expired. Morning business is closed.

NATIONAL CANCER ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. ALLEN). At this time, in accordance with the previous order, the Chair lays before the Senate Calendar No. 710, S. 2893, which the clerk will state.

The second assistant legislative clerk read as follows:

S. 2893, to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "National Cancer Act Amendments of 1974".

SEC. 2. Section 301(h) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the words "during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years,".

SEC. 3. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out "in amounts not to exceed $35,000" in paragraph (1) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(2) by striking out "in amounts exceeding $35,000" in pargaraph (2) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only".

SEC. 4. (a) Section 407(b)(7) of the Public Health Service Act is amended by striking out "where appropriate".

(b) Section 407(b)(4) of such Act is amended by inserting after the word "data" the following: "(including where appropriate nutritional programs for persons under treatment for cancer)".

(c) Section 407(b)(9)(A) of such Act is amended by inserting after the words "National Cancer Program," the words "including the number and types of personnel necessary to carry out such program,".

(d) Section 407(b)(9)(B) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and the allocation of personnel requested to carry out the National Cancer Program".

(e) Section 407(b) of such Act is amended by adding the following new paragraph:

"(10) The Director of the National Cancer Institute shall conduct or contract for programs to disseminate and interpret on a cur-

rent basis for practitioners and other health professionals, scientists, and the general public, scientific and other information respecting the cause, prevention, diagnosis, and treatment of the disease or other health problem to which the activities of the Institute are directed. The Director of the National Cancer Institute shall issue such regulations as are necessary to carry out this activity.".

SEC. 5. Section 408(a) of the Public Health Service Act is amended by striking out "fifteen".

SEC. 6. Section 409(b) of the Public Health Service Act is amended by striking out "and" before "$40,000,000" and by inserting before the period at the end thereof a comma and the following: "$50,000,000 for the fiscal year ending June 30, 1975, $65,000,000 for the fiscal year ending June 30, 1976, and $85,000,000 for the fiscal year ending June 30, 1977".

SEC. 7. Section 410 of the Public Health Service Act is amended—

(1) by striking out "fifty" in paragraph (1) and inserting in lieu thereof "one hundred";

(2) by striking out "and" at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (8) the following new paragraph:

"(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program."

SEC. 8. Section 410A(a) of the Public Health Service Act is amended by inserting the word ", contracts," after the word "grants".

SEC. 9. Section 410C of the Public Health Service Act is amended by striking out "and" before "$600,000,000" and by inserting before the period at the end thereof a semicolon and the following: "$750,000,000 for the fiscal year ending June 30, 1975; $830,000,000 for the fiscal year ending June 30, 1976; and $985,000,000 for the fiscal year ending June 30, 1977".

SEC. 10. Part A of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"AVAILABILITY OF APPROPRIATIONS

"SEC. 410D. Notwithstanding any other provision of law, unless enacted after the date of enactment of this section expressly in limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program for which appropriations are authorized by the Public Health Service Act (42 U.S.C. 201) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2661) shall remain available for obligation and expenditure until the end of such fiscal year."

SEC. 11. Section 454 of the Public Health Service Act is amended to read as follows:

"DIRECTORS OF INSTITUTES

"SEC. 454. (a) The Director of the National Institutes of Health shall be appointed by the President by and with the advice and consent of the Senate. Appointees shall be eligible for reappointment.

"(b) The Director of the National Cancer Institute shall be appointed by the President. Except as provided in section 407(b)(9), the Director of the National Cancer Institute shall report directly to the Director of the National Institutes of Health.

TITLE II—BIOMEDICAL RESEARCH

SEC. 201. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"SEC. 455. (a) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the 'Panel') which shall be composed of (1) the Chairman of the President's Cancer Panel; and (2) four members appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program of the National Institute of Mental Health). At least three of the members of the Panel shall be distinguished scientists or physicians.

"(b)(1) Appointed members of the Panel who are appointed pursuant to clause (2) of subsection (a), shall be appointed for three-year terms, except that (i) in the case of the four members first appointed after the date on which this section becomes effective, two shall be appointed for a term of one year and two shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(2) The President shall designate one of the appointed members to serve as Chairman of the Panel for a term of one year.

"(c) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(d) The Panel shall meet at the call of the Chairman, but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(e) The Panel shall monitor the development and execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) shall immediately be brought to the attention of the President and the Senate Committee on Labor and Public Welfare, the House Committee on Interstate and Foreign Commerce, the Senate Committe on Appropriations and the House Committee on Appropriations. The Panel shall submit to the President periodic progress reports on the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and annually an evaluation of the efficacy of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health."

Mr. ROBERT C. BYRD. Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. CLARK). Without objection, it is so ordered.

EXTENSION OF TIME FOR COMMITTEE TO FILE ITS REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs have until midnight of March 28 of file its report on S. 1017, the Indian Self-Determination and Educational Reform Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed at this time to the consideration of the unfinished business.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PELL. Mr. President, as chairman of the Senate Subcommittee on Privileges and Elections, I wish to emphasize the importance of S. 3044 to the future of our democracy. In particular, I wish to stress the importance of title I of this legislation, dealing with the public financing of elections.

This is historic legislation. Let me place it briefly into a framework of recent history. In mid-September last year our subcommittee conducted 4 days of public hearings on this most important subject area. Members of Congres deeply concerned with election reform were among the more than 40 witnesses who testified and presented their thoughtful views and recommendations. My bill, S.2718, resulting from these comprehensive hearings, was reported forward to the Committee on Rules and Administration, and its fundamentals formed the basis of our committee deliberations on public financing.

We have thus worked with careful and detailed consideration on the development of this legislation. We have weighed a variety of alternatives, as set forth in the very thorough and informative report our chairman has submitted.

Mr. President, it was just over 2 months ago, on December 3, 1973, that the able and distinguished chairman of the Committee on Rules and Administration (Mr. CANNON) gave assurances to the Senate in this chamber that every effort would be made, so that this report

could be submitted within 30 days after the beginning of the second session of the 93d Congress.

I wish to commend the chairman for the successful meeting of this target date.

In submitting this report we have taken full cognizance of historic precedents and historic forerunners to public financing concepts. Let me praise, especially in this connection, my senior colleague from Rhode Island (Mr. PASTORE) for his pioneering work in this area.

In essence, I believe we have prepared legislation which goes to the very heart of our democratic process, and which will enable that heart to beat once again with confidence.

It can be argued that we cannot legislate morality, cannot mandate an end to dishonesty, an end to venality, cannot by public law eliminate all the shocking abuses which have so plagued us as a nation and, in particular, this administration.

But we can, through enlightened legislative action, create a climate which minimizes the cause of abuse, and we can return to our voters their rights to choose candidates who are not beholden to the large, and so often compromising, political contribution.

As the committee report points out, the amount to be contributed by each individual taxpayer in the public financing of elections is modest—$2 per year for one individual, $4 on a joint return. That is an investment which I believe will benefit each individual, in terms of more responsible government and in terms of a government responsive to human needs rather than to special interests.

There are those who will say that this bill goes too far, and others who maintain it does not go far enough. I believe it goes the right distance. It provides the advantages of public financing and yet leaves them optional. It limits the contribution any individual can make to a campaign to a meaningful yet moderate sum. It covers all Federal elections, including primaries. In those primaries, it establishes the basis for serious, not frivilous participants. It provides incentives for minor party candidates to enter the mainstream of political life. It preserves the constructive role of the political party in our Nation.

We will debate the details of this legislation, but I set them here within a framework of the goals which I believe this bill can enable us to attain.

We may not eradicate all future Watergates, but certainly we will discourage the perpetuation of a climate in which power is abused by the clever at the expense of the unwary, where power is perverted by a calculated deception which—in Richard Sheridan's words—we might call a "school for scandal."

Mr. President, I urge passage of this legislation. As I have stated in our committee report, I believe it is in accord with historic Jeffersonian principles which place abiding confidence in the wisdom of the individual and in the individual's fundamental role in the development of an enlightened democracy.

At this time, let me comment on the proposals recently offered by President Nixon under the heading of "Campaign reform." I would point out that a number of them are scarcely original. One authorized political committee per candidate, contributions openly identified as to individual donors, a limit of $3,000 for individual contributions to candidates, no loans as possible contributions, a bipartisan Federal elections commission—these are examples of provisions already in our Senate legislation today and in S. 372, passed by the Senate months ago.

The President takes strong exception to the concept of public financing. He talks about "diverting hundreds of millions of tax dollars away from pressing national needs" in order to underwrite campaigns. I submit that the individual taxpayer's investment is very modest, that the return is to be measured in terms of honesty in government, that this is a most pressing national need, and that American taxpayers are paying far more out of their own pockets now to finance campaigns and an administration which has achieved the dubious reputation of being the most purchasable of any since Harding's Teapot Dome one.

I would also point out that when I conducted the public hearings on this legislation last September, I expressly asked the administration well in advance to provide us with an appropriate witness who could educate us on the administration's position on election reform.

I inquired of the witness, an assistant attorney general whom the administration selected for this purpose, as to whether he spoke for the White House, for the Justice Department or for the whole administration.

His reply was:

I am trying to speak for our best understanding of what may be the Administration's position on a matter we frankly have no final position on in detail.

This was about the extent of our Senate education in this regard.

It seems a bit surprising under these circumstances that we should now receive Presidential recommendations, this long after the hearings, this long after Senate adoption of S. 372, this long after requests for elucidation, this long after committee action and deliberations.

We may not always be noted for celerity of action in this body, but this time, compared to the White House, we have been like a veritable greyhound compared to a snail.

Perhaps we should be pleased and say, "Better late than never, Mr. President," but I for one believe that if these administration proposals were to have received serious consideration—as were the recommendations of more than 40 witnesses at those comprehensive September hearings—they should have been transmitted to us at the appropriate time, and certainly long before this.

Let us, therefore, not be diverted in our deliberations. Let us give our approval to the soundness and wisdom contained in the bill we have before us, which is truly in the best interests of all our citizens.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. PELL. I am glad to yield.

Mr. ALLEN. First, I commend the distinguished Senator from Rhode Island for his dedicated and diligent efforts in the direction of campaign reform legislation.

I should like to inquire of the distinguished Senator if he feels that public financing is a necessary feature or element of campaign reform. Could it not be reformed and still leave the campaign expenditures in the private sector, rather than calling for public support?

Mr. PELL. There are two separate approaches. Two separate parts of the same cloth, like the warp and the woof. I am not sure they can be separated. If we were people of complete morality and complete conscientiousness they could be. But being, as we are, frail people, and human people, there is an intertwining here of the two, just as there is in the warp and the woof.

Mr. ALLEN. I noticed a provision in the Kennedy-Scott rider offered last year that does not seem to be carried forward in the Senate committee bill, S. 3044, the pending bill, and that was that the matchable contributions had to have been made within a certain time limit before the general election. I wonder why that provision was not carried forward in the Senate bill.

Mr. PELL. The Senator has pointed out—I will not say a flaw, but an area not covered in our legislation intentionally. We considered many problems and did not believe we should approach the question of the time limit in this legislation.

Mr. ALLEN. As far as it appears, then, contributions may have been made 4, 5, 6, 7, or 8 years prior to the convention, and I speak now of Presidential preference primaries leading up to the convention; contributions made many years before the convention would be subject to being matched by the Federal Treasury. Is that not correct?

Mr. PELL. That is correct in the bill as presently drafted.

Mr. ALLEN. Then, as quick as the bill becomes law, the various candidates who send up trial balloons in the Presidential race could come in and present a statement to the public treasury, assuming they reached the $250,000 threshold amount authorizing the matching of their contributions, and they could say, "I have been running now for President for 5 or 6 years and collected these amounts of money and I want these sums matched." Is that permissible under the Senate bill?

Mr. PELL. My understanding is that it is permissible under the Senate bill.

Mr. ALLEN. So that there would be quite a nice little payment by the Federal Treasury to catch up with the political campaigns of various candidates for President just to bring them up to date.

Mr. PELL. In other words, a Harold Stassen could reap a windfall.

Mr. ALLEN. But anyone who collected $250,000 would be eligible, not only to have that matched, but up to the time of the convention he would have his contributions matched dollar for dollar out of the Federal treasury provided they were $250 or less.

Mr. PELL. He could raise the sum, as the Senator has pointed out, but it would

mean he is a serious candidate and carrying his argument to the American people. It may be from the point of view of the public interest and the national interest, a man like Harold Stassen over the years running for President served an important role and purpose.

Mr. ALLEN. I have an amendment I expect to offer later providing that no contribution could be matched unless it was made not more than 14 months prior to the general election. Would the Senator feel inclined to go along with that amendment?

Mr. PELL. Not as floor manager of the bill, but speaking for myself as an individual I think that particular amendment of the Senator from Alabama makes good sense to me and I would accept it.

Mr. ALLEN. I thank the distinguished Senator.

Mr. PELL. But I hasten to add that I am speaking only for myself.

Mr. ALLEN. I understand the Senator's statement but I do know his influence would go much further than that and I feel that with his support, we will get that amendment agreed to, at least.

So under the bill there is no starting point beyond which contributions would be ruled out. Then, looking prospectively, would it be possible for a candidate for the Presidential nomination to say, "Well, I do not believe I can run in 1976, but I will be able to run by 1980 or 1984." Under this bill would it be possible for a candidate for the Presidential nomination to start collecting matching funds from the Federal Government for a nomination far on down the line in terms of years?

Mr. PELL. It would be.

Mr. ALLEN. I see. So we get a set of candidates, then, running for the Presidential nomination in 1976, and the Government footing one-half of the bill, and then another set of candidates running for President in 1980, and the Government footing one-half of those bills, and then another set of candidates running for the nomination in 1984 and the Government footing one-half of these bills. Would that be possible under this bill?

Mr. PELL. It would be possible under this bill, but it would be hard to find many people interested in contributing to the potential candidates of 1988 or 1992 at the present time. I cannot imagine many private citizens doing so.

Mr. ALLEN. But still it would be possible for a college student to say, "I always have had an ambition to be President. I want to run in 1990."

Mr. PELL. 1992.

Mr. ALLEN. 1992, then. He could say, "I have raised this $250,000 among my fellows, and now I want the Government to start matching my contributions to my campaign." That is possible under the bill, is it not?

Mr. PELL. It is, and if he is successful in raising that amount of money from his fellows, he might be President long before 1992.

Mr. ALLEN. Another thing that disturbs me is the fact that every candidate for the Presidential nomination can receive up to $7.5 million from the public Treasury to further his candidacy. And it is not required that a candidate participate in a single Presidential preference primary in order to start getting this money from the Federal Government, is it?

Mr. PELL. That would be correct, but just thinking back, we have had Presidents elected who have not competed in Presidential primaries under our present system.

Mr. ALLEN. That is the very point the Senator from Alabama is getting to. We are speaking of reform legislation. We want to reform the election process and make it less susceptible to improper influences. Yet under the bill it would be possible for a candidate for the Presidency, for one, two, three, or four, or more, for that matter, to collect $7.5 million in matchable contributions from the public and then $7.5 million each from the Federal Government, and then go to the convention, each one armed with a $15 million campaign fund, competing for the votes of the various delegates to the convention. Is that possible under the bill?

Mr. PELL. It is possible, if the candidates were serious enough and were successful in raising private money. The idea here is that if they raised private money, they would receive public money, but they would not receive public money without first receiving private money.

Mr. ALLEN. Would it not be possible to go to the convention with a campaign fund of $15 million?

Mr. PELL. It would be possible, just as it is possible now for a candidate to do the same thing, only he would have to raise it out of the private sector.

Mr. ALLEN. The candidate would have to raise $7.5 million from private money in order to get $7.5 million from the Federal Government?

Mr. PELL. Yes. Today he has to raise $15 million from the private sector.

Mr. ALLEN. Is not $7.5 million enough to run for a Presidential nomination?

Mr. PELL. According to the witnesses who came before us, it is not enough to run a serious campaign.

Mr. ALLEN. $7.5 million is not enough?

Mr. PELL. That is right.

Mr. ALLEN. So the bill, instead of cutting down campaign expenses, is going to make it possible to have more expensive campaigns in the nomination drive for the President?

Mr. PELL. It could. It could result in that. It would depend on the individual and his appeal how much he would raise in the private sector. In my own small State, in my last campaign, I regret to say I had to spend more than half a million dollars in a State that has less than 1.5 percent of the vote. In the other States—I believe the Senator from Alabama is in one of the more fortunate States—such sums go a much longer way. I would hope that would apply more generally.

Mr. ALLEN. I notice from Senate Resolution 60, setting up the Watergate Committee, this provision:

> The select committee shall have authority to recommend the enactment—

This is on page 13, section 4—

> of any new congressional legislation which its investigation considers it is necessary or desirable to safeguard the electoral process by which the President of the United States is chosen.

The Watergate Committee is on the verge of winding up its affairs and making its report. Would it not be of interest to the Members of the Senate and the Members of the House and the public generally to find out what the Watergate Committee is going to recommend with regard to election reform?

Mr. PELL. But, as the Senator has suggested, the language there is permissive. It has the authority to do it; it is not mandatory that it must make a recommendation. I would think the first responsibility for such legislation should come from our own Rules and Administration Committee, which is the standing committee where this authority has been vested as a matter of course through the years.

Mr. ALLEN. Yet the Senate adopted this resolution setting up the Watergate Committee.

Mr. PELL. And giving it the permissive authority to recommend legislation. So far I see no signs of such permissive authority being exercised.

Mr. ALLEN. Would the Senator be interested in knowing that five out of the seven Watergate Committee members are opposed to public financing of elections?

Mr. PELL. What was that again, may I ask the Senator?

Mr. ALLEN. Five out of the seven members of the Watergate Committee are opposed to public financing of elections.

Mr. PELL. That could be. I simply do not know what the results of a poll in the Watergate Committee would be, but I do know that under rule XXV the Senate Committee on Rules and Administration is given jurisdiction and whatever legislation the Watergate Committee recommended would have to come before it for action. I believe I am correct in that.

Mr. ALLEN. I believe Senate bill 3044 goes one step further than did the Kennedy-Scott-Mansfield-Mondale-Pell-Cranston rider last time, in that that rider did not provide for public financing in House and Senate primary races. Did it?

Mr. PELL. It did not apply, and our attention was called to that omission, just as the Senator from Alabama called to my mind the possible omission that we did not have a cutoff date for past contributions. As we discussed it in committee, it seemed that we should include primaries for all Federal elections.

Mr. ALLEN. I believe the Washington Post is for campaign reform and even for some assistance of public financing of elections. I notice that that publication this morning, in referring to the rider which failed of adoption last year, said in its editorial:

> Today the Senate begins debate on a very ambitious bill to extend public financing to

all federal primary and general-election campaigns.

If the goal of reforms is to make federal campaigns more open in every respect—above-board, broadly based and genuinely competitive—then some degree of public financing is an important complement to limitations on private funds. Outlawing large private contributions will reduce, or at least make more perilous, the domination of the political marketplace by well-heeled individuals and special interests. Public financing, direct or indirect, will broaden public participation in campaigns and enable challengers to combat the large advantages which incumbents now enjoy. That principle lies behind the existing dollar check-off and provisions for tax credits or deductions for small private contributions. It is an approach worth expanding in a sensible and incremental way.

The problem with the latest Senate bill is that it tries to do too much, too soon, and goes beyond what is either feasible or workable. For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries. No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries. Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense. As for congressional primaries, they are so varied in size, cost and significance among the states that no single system of public support seems justifiable without much more careful thought.

I am just wondering if there is now a wide difference of opinion among those who support public financing of elections. Apparently the Washington Post does not think too much of this bill, and certainly does not think anything of the presidential preference primary subsidy or the congressional subsidy. I am just wondering if there is now a kind of breakup in the group that has been pushing for public financing of elections. Is this editorial indicative of that?

Mr. PELL. I think there are certainly differences of view among those who believe in public financing, differences of gradation, differences of emphasis. Although I usually find myself in agreement with the Washington Post, sometimes it has an idea with which I am in disagreement. Basically, the Washington Post, or the liberal establishment, or the middle-of-the-road establishment, who I think are tired of the role that money has played in election decisions and campaign contributions for elections, inclines to some kind of public financing. What kind of public financing, is open to argument, just as we are doing now.

As far as being "indigestible" with the House, the Washington Post may be accurate. That is what the purpose of conferences is—to see how much they will accept and what is not palatable.

Mr. ALLEN. I thank the distinguished Senator for the information he has given me with respect to this bill.

Mr. CRANSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. PELL. I yield to the Senator from California.

Mr. CRANSTON. Mr. President, I ask unanimous consent that two members of my staff, Roy Greenaway and Jan Mueller, may be accorded the privileges of the floor during consideration of this measure, including rollcalls.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

RECESS UNTIL 1:15 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1:15 this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:45 p.m. the Senate took a recess until 1:15 p.m., when it was called to order by the Presiding Officer (Mr. HATHAWAY).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS TO 2 P.M.

Mr. GRIFFIN. Mr. President, with the approval of the distinguished majority leader, I move that the Senate stand in recess until the hour of 2 p.m.

The motion was agreed to; and at 1:31 p.m. the Senate took a recess until 2 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. DOMENICI).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over impoundment of funds by the executive branch, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BOLLING, Mr. SISK, Mr. YOUNG of Texas, Mr. LONG of Louisiana, Mr. MARTIN of Nebraska, Mr. LATTA, and Mr. DEL CLAWSON were appointed managers on the part of the House at the conference.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DOMENICI). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. S. 3044.

NATIONAL CANCER ACT AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 3044, the unfinished business, be laid aside temporarily and that the Senate proceed to the consideration of Calendar No. 710, S. 2893.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 2893, to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years.

The Senate resumed consideration of the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, it is a special pleasure for me to present for action here this afternoon S. 2893, the National Cancer Act of 1974, on behalf of the Subcommittee on Health and the Committee on Labor and Public Welfare. We come to the Senate this afternoon with the unanimous support of the committee. It will continue what I think has been one of the really dynamic and effective health programs that have been developed by the Senate in recent years.

To trace the legislation very briefly for the benefit of the Senate, the cancer legislation initially was developed after a special panel of consultants had been established by the chairman of the Subcommittee on Health in the Senate, former Senator Ralph Yarborough, of Texas. This cancer panel of consultants brought together some of the finest minds in the biomedical community, those who had worked in cancer research, as well as dedicated laymen. They made recommendations to the committee, and to the Senate. Their report was the basis of the 1971 cancer legislation, which we are extending and improving today.

I want to pay a special tribute to the chairman of that panel and the chairman of the President's Cancer Panel, Mr. Benno C. Schmidt. His willingness to work ceaselessly in this public interest program is an example which is unparalleled.

The legislation we are recommending today is a result of hearings we have had before the Subcommittee on Health, in which we took testimony from the administration, the President's panel, the Candle Lighters, one of the most effective consumer groups in the cancer area, the Association of American Medical Colleges, as well as the American Cancer Society.

Mr. President, today I would like to comment on the National Cancer Act of 1974, which I introduced in the Senate, January 24, 1974.

Many of you know at first hand the enormity of the cancer problem. Many of you have already experienced the fear and helplessness unleashed by this family of more than 100 clinically distinct diseases.

But for those of you who have been fortunate enough not to confront this second major killer of Americans I would like to present some facts in support of the new National Cancer Act. I hope that these facts will persuade you—as they have me—that as Members of the U.S. Senate we all have a compelling mandate to hasten the conquest of cancer, and that in S. 2893 we have the proper legislative instrument with which to help forge this humanitarian accomplishment.

Cancer is a term for more than 100 clinically distinct diseases which kill someone in this country every 1½ minutes. This year it is estimated that 655,000 Americans will become new cancer cases and 355,000 will die; that is about 975 persons a day. Two out of every three American families will be stricken with cancer over the years.

The annual cost of these diseases is more than $15 billion. The cost in human suffering of the victims, their friends and families, is incalculable.

If cancer was one disease we might expect a single cure or dramatic breakthrough. But it is not. Unfortunately cancer is far more complex than all of the infectious diseases conquered in the long march of medical progress.

Cancer is a widespread biological phenomenon with different incidences, appearances, and functioning. It is induced by widely different chemical, physical, and biological agents, most of which are unknown.

To find the causes and cures of cancer may indeed require unlocking the innermost biologic secrets of life itself.

Let me give you one example of the scope of the scientific challenge to which we must address ourselves. Scientists have long had reason to believe that many, if not the majority, of human cancers are caused by chemical or other environmental agents. About 1,000 chemicals are now known to induce cancer in animals and 22 chemical agents have been implicated as causes of human cancer.

But roughly 200,000 new chemicals are introduced into the environment each year—costly in industrial countries—and about 10,000 of these are produced in quantities capable of contaminating the environment—about one ton or more.

To counter this chemical onslaught, in the United States we are now testing about 500 compounds a year. Just to test one chemical requires roughly 2 years, 400 animals of various species, and costs about $70,000. Obviously, at this level we cannot catch up with testing the older chemicals or even make a dent in the yearly inundation of the new.

Therefore, the national cancer program is continuing a sustained effort to develop what might be called a "mini-screen" to bioassay compounds in a matter of months, at a fraction of the present cost and, hopefully, with better predictability as to whether the chemicals might cause cancer in man.

One of the most critical aspects of National Cancer Institute activities under the national cancer program is delivering research results to the people. If we are to be accountable to the mandate of our people, we must insure that the latest advances in cancer prevention, detection, treatment, and rehabilitation are made available to all of the people.

The cancer program has moved forward in this area with the establishment of nine comprehensive cancer centers and the initiation of numerous cancer control projects. These efforts must be continued.

Simply stated, we must bring the best in cancer medicine to the people wherever they are, and assure that centers of excellence are available throughout the country.

Although significant progress against cancer has been achieved under the National Cancer Act of 1971, changes have been recommended in the proposed new law to enable the Director, National Cancer Institute, to carry out his mission more effectively and to provide National Cancer Institute with the tools which we believe are necessary for successful accomplishment of the objectives of the national cancer program.

The major features are as follows:

First, need for additional cancer centers. The National Cancer Act of 1971 limits the number of new comprehensive cancer centers to 15. This limitation severely restricts the goals of the cancer program to get the latest methods of prevention, detection, treatment, and rehabilitation out to practitioners and the people. I believe the Nation requires 30 to 35 such centers to bring high-quality comprehensive cancer care within the reach of everyone. I can see no reason why any family should be denied the best possible diagnosis and treatment for some forms of cancer simply because of where they live.

Second, need to assure the continued education of biomedical researchers.

It is an obvious and absolute essential that training and fellowship programs must be provided by the national cancer program at levels adequate to insure attracting the brightest young scientists and clinicians. A continuing influx of new scientific talent is necessary to insure progress both in cancer and in medical research in general. The cost of these programs is minimal compared with the value of lives that will ultimately be saved.

Third, funding levels.

Funding for the national cancer program has more than doubled since enactment of the National Cancer Act of 1971. The authorizations in the new bill provide for further increases at levels recommended by both the President's Cancer panel and the National Cancer Advisory Board.

The committee feels these authorization levels are satisfactory to assure continued maximum progress of the national cancer program.

Fourth, cancer control program.

The cancer control program, through its efforts to insure rapid and effective dissemination of the latest research advances and knowledge of cancer, strengthens the general practice of medicine in this country. The program should develop into a major demonstration force for the rapid application of improved diagnostic, treatment and rehabilitation methods. For this reason, S. 2893 increases funding authorizations for the cancer control program for the next 3 years.

Fifth, need to submit personnel requirements with budget requests.

The National Cancer Institute has been severely limited in its efforts to secure the numbers and kinds of personnel necessary to administer expanded programs because of inadequate super grade positions, personnel ceilings and reductions imposed on the institute by the administration. Recognizing that adequate personnel are essential for an effective program, S. 2893 provides a mechanism for the national cancer program to make these personnel needs known to Congress. By requiring National Cancer Institute to submit personnel needs along with the yearly budget request, it is intended that Congress will be informed of and able to act upon these personnel needs.

AVAILABILITY OF FUNDS

The medical facilities construction and modernization amendment of 1970—the Hill-Burton amendment—contained a provision designed to assure the availability and expenditure of appropriated health funds.

This provision, unless amended, would expire on July 1, 1974. S. 2893 would permanently extend it. The committee has felt it appropriate to do this in view of the recent administration record of impoundment of funds and the administration's express desire to terminate many health programs prior to congressional review of them.

The provision which requires obligation and expenditure of the appropriated funds is section 601 of the medical facilities construction and modernization amendments of 1970 (Public Law 91-296) 42 U.S.C.A. sections 201 note and 2661 note—section 601. Section 601 reads as follows:

Notwithstanding any other provision of law, unless enacted after the enact-

ment of this act expressly in limitation of the provisions of this section, funds appropriated for any fiscal year ending prior to July 1, 1973, to carry out any program for which appropriations are authorized by the Pubilc Health Service Act—Public Law 410, 78th Congress, as amended—or the mental retardation facilities and community mental health Centers Construction Act of 1963—Public Law 88–164, as amended—shall remain available for obligation and expenditure until the end of such fiscal year.

Section 601 has been understood by the Congress, as preventing any withholding of appropriated funds. The section was initially inserted into the bill which became the Medical Facilities Construction and Modernization Amendments of 1970 by the Senate. Although there was no comment regarding section 601 when passed by the Senate, the subsequent conference report stated as follows:

AVAILABILITY OF APPROPRIATIONS

The Senate amendment would have provided that funds appropriated for any fiscal year to carry out any program under the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, certain acts relating to Indian health programs, the Vocational Rehabilitation Act, the Clean Air Act, the Solid Waste Disposal Act, and title V of the Social Security Act would remain available for obligation and expenditure until the end of the fiscal year for which appropriated.

The conference substitute is the same as the Senate amendment, except that it is limited to funds appropriated for fiscal years ending before July 1, 1973, and applies only to funds appropriated to carry out programs under the Public Health Service Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. The purpose of the amendment is to prevent administration imposed freezes, reductions and rollbacks from applying to *health programs* authorized under these acts. Where a program authorizes availability of appropriations for more than 1 fiscal year, the conferees intend that the amendment shall apply to the entire period covered by the appropriations.

After passage of the bill, it was vetoed by the President on June 22, 1970. He stated in his veto message:

> One of the most unacceptable provisions of the bill is in section 601. Here, the Congress insists that funds appropriated for any fiscal year through 1973 to carry out the programs involved must be spent. In addition to restricting flexibility in management of federal expenditures, this provision would interfere with my ability to comply with the limitation on total 1971 spending that has already passed the House of Representatives and has been reported by the Senate appropriations committee. The amount of money involved is large; section 601 would affect $2.5 billion of my budget request for the Department of Health, Education, and Welfare for 1971. This kind of provision puts the Congress in the position of withdrawing with one hand the authority necessary to do what it requires with the other. I ask the Congress to eliminate section 601.

With this common understanding as basis for action, the House and Senate each overrode the Presidential veto on June 25 and 30, 1970, respectively.

Section 601 was then scheduled to expire June 30, 1973. Last year the Congress extended the authority for an additional year as a part of the Public Health Service Extension Act of 1973, Public Law 93–45.

In summary, it is unarguable that, assuming there have been public moneys validly appropriated, section 601 mandates that such funds must be obligated and expended.

There was no General Appropriation Act enacted by Congress for fiscal year 1973 for the programs administered by the Department of Health, Education, and Welfare: Although Congress on two occasions passed fiscal year 1973 Appropriations Act for DHEW—H.R. 15417, H.R. 16654, 92d Congress, second session, 1972, both were vetoed by the President. Thus the Congress enacted—and the President signed—a continuing resolution appropriating funds for such agencies, House Joint Resolution 1234, 92d Congress, second session, 1972, Public Law 92–334, which was extended four times to cover the entire fiscal year 1973.

Although Congress appropriated funds for the DHEW programs for fiscal year 1973 and under section 601 mandated the obligation and expenditure of all of such funds, the Secretary refused to obligate and expend the entirety of such funds, claiming that the need to control Federal spending in order to curtail the rate of inflation and eliminate the need for a tax increase requires cutbacks in these particular programs, which he has characterized as either ineffective or nonessential. As a result, a number of legal actions were instituted, relying on the authority of section 601, to force the release of the impounded health funds for obligation and expenditure. The legal actions were uniformly successful, and on December 19, 1973, President Nixon announced the release of all impounded funds, whether subject to legal actions or not. Section 601 clearly served an important function in this series of actions.

A summary of the legal actions brought under section 601 is listed below:

National League for Nursing v. *Ash* (D.D.C., C.A. No. 1316–73). Preliminary injunction entered July 10, 1973, requiring HEW to record as a fiscal year 1973 obligation for $21.7 million balance of the $38.5 million appropriated for grants to nursing schools. Final order entered November 19, 1973, requiring obligation and expenditure of funds.

American Association of Colleges of Podiatric Medicine v. *Ash* (D.D.C., C.A. No. 1139–73), consolidated with:

American Association of Colleges of Pharmacy v. *Ash* (D.D.C., C.A. No. 1244–73). Association of Schools and Colleges of Optometry permitted to intervene as plaintiff. Preliminary injunction entered June 27, 1973, requiring HEW to record as an obligation for fiscal year 1973 the unallotted balance of funds appropriated from grants to schools of podiatry, pharmacy, and optometry. On October 26, 1973, the court granted plaintiffs' motion for summary judgment requiring the allotment $9,914,327.

Eastern Virginia Medical School v. *Weinberger* (E.D. Va., C.A. No. 73–315–N.) Plaintiff seeks the allotment of $240,000 for fiscal year 1973 and $180,000 for fiscal year 1974. The statute involved is 42 U.S.C. 295F–1(A), concerning startup assistance to schools of medicine, osteopathy, and dentistry, plaintiff moved for summary judgment on November 1, 1973, defendants answered on October 8, 1973.

Association of American Medical College v. *Weinberger* (D.D.C., C.A. No. 1794–73 and 1830–73, consolidated), No. 1794–73 involves special project grants to medical schools under 42 U.S.C. 295F–2—approximately $28.6 million at issue. No. 1830–73 concerns research grants, research training grants and fellowships to medical schools under 42 U.S.C. 241 and 242F—approximately $112.5 million is involved. On October 26, 1973, the court granted plaintiffs' motion for a preliminary injunction and granted a final judgment in favor of plaintiffs.

National Council of Community Mental Health Centers, Inc. v. *Weinberger* (D.D.C., C.A. No. 1223–73). Plaintiff's motion for summary judgment granted on August 3, 1973, requiring the obligation of approximately $50 million.

National Association for Mental Health, Inc. v. *Weinberger* (D.D.C., C.A. No. 1812–73). Plaintiff's motion for tro denied on September 28, 1973.

National Association of Regional Medical Programs, et al. v. *Weinberger* (D.D.C., C.A. No. 1807–73).

The committee continues to strongly believe that the continuation of section 601 is essential to assure the allocation, obligation, and expenditure of funds appropriated pursuant to the authorities of the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

Finally, Mr. President, I want to comment on title II of the committee's bill which proposes to establish a Presidential Biomedical Research Panel.

Mr. President, I am alarmed that the integrity and vitality of this Nation's biomedical research program conducted largely by the National Institutes of Health is now threatened. I believe that the administration's budgets of the last several years, now seriously call into question this Nation's leadership in the quest for new knowledge upon which the medical sciences are based.

In enacting the National Cancer Act of 1971 the committee intended to maximize the benefits of additional research opportunities respecting cancer. The committee did not intend that increases for cancer research be funded at the expense of equally meritorious other biomedical research. Regrettably though, this administration has chosen to consistently pursue such an ill-advised and shortsighted policy.

Based upon testimony which the committee received at its hearings on S. 2893, the committee believes decisive action is necessary to legislatively remedy this situation.

Accordingly, on February 19, 1974, I along with Senators BEALL, JAVITS, and SCHWEIKER, introduced S. 3023, a bill to

establish a President's biomedical research panel to oversee and monitor the biomedical research program of the National Institutes of Health—including the research programs of the National Institute of Mental Health. This panel is directly modeled after the existing President's Cancer Panel and includes the chairman of the President's Cancer Panel as one of its five members.

I believe that the President's Biomedical Research Panel will be as effective as the President's Cancer Panel has been under the remarkable leadership of its chairman, Mr. Benno C. Schmidt.

In testimony before the committee, the Association of American Medical Colleges indicated:

The association expressed its concern about the possible adverse impact that the singling out of one institute for special status and authority would have upon the other institutes and divisions at the National Institutes of Health. During the past few years, budget requests of staff positions for the National Cancer Institute have increased dramatically, while the total budget request and staffing for the remaining research components of the NIH have been reduced. The full meaning of this situation is not clear, but the association is nontheless deeply concerned about its implications because of the association's concern for the welfare of all of the NIH research programs. In order for the cancer program to be effective, it must have imput from the other bioscience disciplines. If these activities are not adequately staffed and funded, the effectiveness of the cancer program must necessarily be impaired.

The association and its membership are in agreement that extensive biomedical research efforts are essential if medical science is to discover the causes and to develop cures and treatment for this complex of killer diseases.

The association has repeatedly stressed that the basic causes and nature of the cancerous process are unknown. The nature of cancer is deeply embedded in the most elemental life processes and is an obscure and complex part of the life cycle. Major further progress in the conquest of cancer is, in the final analysis, dependent upon greater understanding of the intricate working of the basic life cell and its responses to both internal and external forces.

It is important to realize that the new leads which seem to offer promise for advances in cancer have emerged in scientific fields which at the same time were far removed from the mainstream of scientific effort in cancer. These new efforts are derived from, and are dependent upon, scientific achievements in the fields of virology, immunology, genetics, and cell biology. No one can predict with certainty the fields from which will come the findings that will provide further insights into the nature of cancer. All bioscientists, however, will agree that real progress in understanding cancer can only come through greater understandings of the fundamental life processes of which it is a part.

The national attack upon cancer cannot be fought exclusively with programs sponsored by the National Cancer Institute. Cancer research is also dependent, in part, upon advances in the various biosciences which are sponsored by the other institutes at the NIH—particularly the general basic reseach programs of the National Institute of General Medical Sciences.

The administration's failure to perceive the importance of the other NIH disciplines in the national attack against cancer is evident not only in the lowered budgets of these institutes, but also in the distribution of staff positions within the NIH. Over the past several years, the NIH as a whole has suffered an outright loss of approximately 600 permanent fulltime staff positions. In addition, over 350 more positions have been transferred from the other institutes of the NIH to the NCI and the National Heart and Lung Institute. The net result has been a loss of approximately 950 staff positions within the other institutes of the NIH—a loss which has seriously compromised the ability of the NIH staff to administer the programs under its direction.

The impact of the administration's decisions on the morale and effectiveness of NIH administrators is clear. The national biomedical research program established by the Congress has been stymied by administrative fiat. The repeated attempts to terminate research training programs, abolish peer review, and reorganize staffing patterns indicate all too clearly that biomedical research and the Nation's health do not hold a high priority within this administration. Such an attitude cannot be allowed to stand unchallenged.

The Secretary of Health, Education, and Welfare, the Honorable Caspar W. Weinberger, also testified in respect to the need to maintain the integrity of biomedical research when he stated:

NCI operations are only one of the avenues of approach. The understanding of the abnormal growth and spread of cancer is inextricably linked to the biology of normal cells. The National Cancer Act recognized that, "the present state of our understanding of cancer is a consequence of broad advances across the full scope of the biomedical sciences." This ranges from the molecular biology of genetic control to the biochemistry of cell membranes, metabolism, and immunology. The National Institute of General Medical Sciences, the National Institute of Allergy and Infectious Diseases, the National Institute of Arthritis, Metabolism, and Digestive Diseases, along with the National Cancer Institute and the other institutes, are responsible for exploring these fundamental life processes through support of basic research. These processes are still far from being fully understood.

Mr. Benno C. Schmidt, Chairman of the President's Cancer Panel, also testified in respect to this problem area when he indicated:

We have also been deeply concerned about the cuts which have occurred in the budgets of general medical sciences, allergy and infectious diseases, arthritis and metabolic diseases, and the other institutes. Neither the cancer program nor biomedical research in general can thrive if these institutes are not healthy. At the time we were urging on the Congress and the administration a greater effort in cancer, we were very explicit in the position that the increased cancer effort should not be at the expense of other biomedical research. I am not sure that the cancer effort has been the cause of these other institutes receiving less, but it is difficult to prove the contrary when the cuts have in fact taken place. Also regardless of what would have been the case in other circumstances, the fact is that this country cannot afford to reduce the research efforts of these other institutes at this time. Therefore, we have urged the Office of Management and Budget to give the highest priority to budget increases for these institutes.

I am hopeful that the budget for 1975 will include increased appropriations for these institutes.

The most recent example of the effectiveness of the President's Cancer Panel can be found in a letter from President Nixon to Secretary Weinberger on January 29, 1974—the day before the committee's hearings on S. 2893—which states in part:

I have followed progress on the attack on cancer carefully. In addition, I have met with Benno Schmidt and other members of the President's Cancer Panel and have reviewed their report and the report of the National Cancer Advisory Board with great interest. It is my feeling that considerable progress has been made in the attack on cancer in recent years and that there is much hope for additional knowledge that can be developed in the future.

That is why I plan to ask for an additional $100 million above last year's request of $500 million for the expanded attack on cancer in the budget that I will be submitting to the Congress next Monday. I realize that his will result in spending over $415 million more for this effort next fiscal year than was available the year I took office, but I think the dual goals of an expanded research effort to find the causes of cancer along with more intensive demonstration and education programs to help prevent and control cancer warrant this support.

The genesis of the authority for the President's Cancer Panel dates back to the actions of the Committee on Interstate and Foreign Commerce of the House of Representatives in its bill to authorize the establishment of the national cancer program of 1971. In its report, 92–659, to accompany H.R. 11201, the House committee stated:

The bill provides for a three-man President's cancer attack panel, whose duty it will be to monitor the development of the national cancer attack program and report directly to the President. The committee recognizes the fact that the President of the United States has many responsibilities and although the attack on cancer is a significant one, it would be impossible for him to follow its progress on a day-by-day basis. Therefore, direct oversight of the program will be accomplished through this panel of highly qualified individuals, who will meet at least twelve times a year, to evaluate the program and make suggestions for improvements, as well as to report directly to the President on any delays or blockages in rapid execution of the program.

The House committee also went on to comment:

The committee recognizes that cancer, while it is the number one health concern of the American people, is not the only or even the major killer disease. Many eminent scientists have testified that promising leads now existing in cancer research are paralleled in other areas of biomedical research. The strengthening of cancer research should in no way diminish research efforts in other areas of biomedical research.

Biomedical research conducted and supported by the National Institutes of Health has long been recognized as an outstanding American contribution to the worldwide effort against the physical and mental diseases and impairments of man. Recently a number of factors have emerged which threaten the continued excellence of the NIH. Establishment of the President's Biomedical Research Panel is designed to correct those factors.

Within the NIH, problems have arisen in attempts to make effective decisions regarding allocations of resources, judgments have had to be made for achieving optimum balance within finite resources. Choices have had to be made

between individual projects versus multifaceted program projects and centers, between research versus training, between basic research versus applied research and development, between investigator-initiated research versus targeted or NIH-directed programs, between grants versus contracts, between scientific disciplines versus disease categories. In addition, the NIH programs of research have faced increasing difficulties due to such factors as rapidly escalating costs of research and training efforts, increased competition for available funding due to increased numbers of institutes but limited increases in funds, differences of opinion regarding selection of the most appropriate national goals for health, bases for new targeted or directed programs questioned by various sectors of the scientific community, needs for investigators to improve definition and explanation of their work to the satisfaction of broader audiences, and implications of Government control inherent in the trend toward forward planning and direction of programs.

The coming together of these problems has resulted in intense pressures on the NIH. These pressures have been aggravated by singling out 2 of the 12 research institutes and divisions for special national emphasis because of their work with major killer diseases: cancer and heart disease. Targeting special attention on segments of biomedical research—while highly appealing in one sense—disregards the interrelationship of research generally and of advances in knowledge of specific diseases. An example of this is research on diabetes. While the principal NIH institute responsible for investigating diabetes is the National Institute of Arthritis, Metabolism and Digestive Diseases, numerous other NIH institutes also conduct and support research directly or generally related to diabetes.

Moreover, a key scientific breakthrough in diabetes may come in research totally unrelated to the disease. Thus, a decision to increase funds and staff for the NIAMDD in order to advance a national attack against diabetes might in fact have exactly the opposite effect. The effect might be to set back diabetes research. This is particularly likely if funds and staff for other research institutes and divisions are sacrified to increase the resources available to the NIAMDD.

The complex set of interconnecting relationships among various fields of biomedical research was perhaps best described by a former NIH Director, Dr. James A. Shannon:

> The inescapable fact is that biomedical science is a complex, interrelated, n-dimensional universe. One can wish it were not, but it is. True, there are within it some large confluences of great density, such as cancer, but even this is inseparable from other large islands such as aging, human development, etc., which in turn relate to arteriosclerosis and stroke. To look at any isolated fragment, no matter how large, apart from its innumerable major and minor connections in the vast network of relationships, would be at best naive and at worst selfdefeating. This reality animates the processes that the scientific community has institutionalized in the NIH, to view biomedical sciences, to the extent possible, holistically and thereby to assess opportunities not in isolation but in the context of the past state of the art and recent changes in contiguous domains of science.

Since enactment of the National Cancer Act of 1971 and of the National Heart, Blood Vessel, Lung and Blood Act of 1972, there has been a measurable shift in the NIH research effort. Instead of advances over the broad front of NIH research activities, the NIH generally has stood still, while the National Cancer Institute and the National Heart and Lung Institute have surged ahead, comparisons of fiscal 1972 appropriations and the fiscal 1975 budget requests illustrate the point. Funding for the National Cancer Institute is up 61 percent. Funding for the National Heart and Lung Institute is up 37 percent.

Funding for all medical research institutes and divisions is down $2.3 million. NIH staffing levels tell a similar tale. Over the past several years the NIH as a whole has been forced to cut back some 600 permanent full-time staff positions. In addition, more than 350 additional positions have been transferred from other institutes and divisions to the NCI and the NHLI. The net result has been a loss of approximately 950 staff positions within the other institutes of the NIH—a loss which has seriously compromised the ability of the NIH staff to administer the programs under its direction. These decisions have been ordered and approved by the Office of Management and Budget, despite its lack of staff experts in biomedical research. The OMB professional staff does not include a single physician or Ph. D. in the biological sciences.

The President's Biomedical Research Panel is designed to deal with these problems before they further disrupt the Nation's biomedical research effort. The panel is to monitor the complete range of research activities of the NIH. Recognizing the indivisible, unitary nature of biomedical research, the Panel is to assess the research programs of the various institutes and divisions in light of the available resources and of the scientific opportunities across the whole front of biomedical science. The Panel is to have direct access to the President and is to identify for his consideration and possible action any problems that threaten the coherent development and prosecution of an effective biomedical research effort. The Panel is to be particularly mindful of presently identified problems and is to be alert to, and shall be responsible for identifying as rapidly as possible, the development of new problems which threaten or may threaten the continued excellence of the National Institutes of Health.

The committee recommends that the President, in selecting the appointed members of the President's Biomedical Research Panel, solicit the names of appropriate candidates from groups of experts in the scientific and biomedical fields, such as the National Academy of Sciences.

The committee's recommendation for establishment of a President's Biomedical Research Panel stems in part from experience under the National Cancer Act, since the growth of the cancer program has clearly been at the expense of other NIH research activities. More importantly, however, it represents the committee's concern that the present administration does not understand the importance of a balanced, stable biomedical research program, and that the consequences of this misunderstanding will be far reaching and difficult to remedy.

The panel of consultants on the conquest of cancer emphasized in its initial report to this committee that while a national cancer program would demand additional resources, "it is of utmost importance that the financing of this program not result in cutbacks in other health programs." Yet, the present administration has in effect reduced the resources available to other NIH institutes—except the National Heart and Lung Institute. A major task of the new panel will be to call to the President's attention the consequences of such shortsighted policies, and to inform the Congress—and the public—of obstacles to continued progress across the broad spectrum of biomedical research for which NIH is responsible.

A broader issue to which this provision is addressed is the unavailability of scientific expertise and advice to those administration officials who make the ultimate decisions about funding and program emphasis in health research. The dissolution of the White House science advisory apparatus has left a major gap in the chain of advice and command affecting NIH programs. The committee feels that the decisions affecting the level and direction of NIH efforts are far too complex to be treated simply as part of "health," "HEW," or even "human resources" budgets. What is needed is a strengthening of the interpretive process, through which the demands of scientific inquiry and management of the Nation's resources are melded into responsible public policy.

At present the "health" dimension of NIH activities is reviewed at higher levels in reasonably responsible fashion, but there is no voice for the underlying and essential science dimension, as may be seen by an examination of NIH budget and staffing patterns over the last 5 years.

No responsible scientific investigator, at NIH or elsewhere, would deny that the ultimate goal of publicly supported biomedical research is to improve the health of our citizens. The administration and the Congress have become increasingly concerned—and properly so—with the quality and availability of health services. The committee notes with regret, however, that the department appears to be ignoring the warning of the NIH that service needs "—should not be viewed as competitive with those of the research programs which have made them possible. The goose and the golden egg—medical research and health services—are not alternatives. They are a continuing sequence essential to the progress and well-being of man." The advancement of knowledge for the Nation's health: A report to the President

on the research programs of the National Institutes of Health, 1967.

Despite this warning, the various HEW organizational arrangements have traditionally lumped together all "health" programs, so that research in effect does compete with service programs, and the first level of departmental analysis involves budget tradeoffs that are inherently exchanges of noncommensurable quantities. Even more disturbing is the fact that NIH funds constitute a highly visible and substantial proportion of the shrinking HEW "controllable" budget, so that biomedical research has become increasingly vulnerable.

The point to be made is not that other HEW programs are not meritorious, but that level of the Nation's biomedical research effort is measured not by a single year's budget, but by the quality of the institutions, and individuals performing the research.

The committee believes that this administration, in its laudable concern for reexamination of the proper Federal role in many areas of national life, has overlooked the importance of stable support and reasonable program growth in the maintenance of a pool of excellent institutions and talented investigators. The committee hopes that the Panel will be able to articulate the importance of maintaining and strengthening the Nation's biomedical resources.

It is significant that the initiative for Federal medical research—beginning with establishment of the NCI in 1937—has traditionally come from the Congress, as has the concern for the long-range well-being of the biomedical research enterprise. The committee intends that the Panel will strengthen the executive's capacity to assess the long-term needs of biomedical research. Certainly both branches will have an even greater need for the long view as they continue to work to resolve the related—but fundamentally different-issues of the financing and organization of health care.

The Panel's specific task is to appraise the biomedical research program of the NIH. However, I believe that the Panel could play a number of additional, useful roles, for example, it could add its advice to the process by which NIH identifies areas of scientific inquiry suitable for increased emphasis. It could also serve to promote coordination of related research by NIH and other agencies. Certainly the committee intends that its evaluation of NIH research take place in the context of all Federally support biomedical research.

At the time the committee met in executive session to take final action on S. 2893, the acting secretary of the department of HEW, the honorable Frank Carlucci, wrote to the committee expressing the departments' objections to S. 2893. Specifically with respect to the Presidential Biomedical Research Panel, he stated:

Dear Mr. Chairman: It is our understanding that the full Labor and Public Welfare Committee will hold an executive session in the near future on several bills which are of considerable interest to the department.

Many features of these bills are desirable and have our support. But we strongly oppose certain provisions which have been included by the Health Subcommittee or are expected to be considered in the full committee. This letter will explain briefly our opposition to certain undesirable features of these bills.

S. 2893—extension of cancer research authority

The administration supports extension of the authority for the expanded cancer research effort, and we so testified before the Senate Health Subcommittee on January 31, 1974. However, the bill which has been reported to the full committee includes the provisions of a separate bill, S. 3023, raising entirely new issues. S. 3023 would establish a three-member presidentially appointed panel (the President's Biomedical Research Panel) to oversee the biomedical research activities carried on by the National Institutes of Health (including the National Cancer Institute). The panel would report directly to the President and could bring to the attention of the Congress directly any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health.

I believe that the National Institutes of Health are well-run and well-managed, and that their programs are easily accessible to congressional oversight and review. I do not believe that the establishment of a presidentially appointed panel would either enhance congressional control or aid in the administration of the health programs of HEW. To the contrary, it would make program administration more complicated and inefficient. Moreover, the proposed dual reporting relationship cannot but result in undermining the responsibilities of the HEW Secretary and the Assistant Secretary for Health.

For these reasons, I strongly oppose the creation of such a presidential panel. I would feel constrained if S. 2893 is sent to the President with provisions for such a panel to recommend to the President that he veto that bill, in spite of our strong support for an extension of the Cancer Research Authority.

In recognition of this serious challenge by the administration the committee voted on the question and in a rollcall vote unanimously endorsed the inclusions of the authority for the President's biomedical research panel as title II of S. 2893.

The committee believes that it is in the Nation's interest for this panel to come into existence as quickly as possible. The committee does not believe it is in the Nation's interest, if the President were to veto the National Cancer Act of 1974.

I believe this Panel will go a long way toward increasing the strength and vitality of the Nation's biomedical research effort. I am disappointed and distressed with the letter from Acting Secretary Carlucci which indicates that the Department would feel constrained to recommend to the President that he veto this bill if it contains the provisions respecting the creation of this Panel. I believe that point of view is unwise. And I believe that if this Panel is ever to see the light of day, it must be included in this bill. I believe my committee has a hearing record which justifies this portion of the committee's bill. At the end of my remarks I will include the appendix to the committee's report which support this conclusion.

I understand that the companion cancer bill in the House of Representatives has no comparable provisions with regard to the need to redress the growing imbalance in this Nation's biomedical research program. Frankly, that means this issue will be resolved in the conference between the Senate and the House on this bill. And persons who have a stake in the outcome of this issue would do well to focus their interest on the forthcoming conference.

Mr. President, the committee has worked very hard on this legislation. And it has produced a good bill, a bill which I believe every Member of the Senate can support. I urge my colleagues to vote in favor of S. 2893.

Finally, I would just say that this legislation would not be in its present fine form were it not for the very splendid industry of the members of the minority of our Health Subcommittee. This legislation is legislation that represents joint bipartisan effort. I want to particularly mention the very active contributions of the ranking minority member (Mr. JAVITS), as well as the ranking minority member of the Health Subcommittee (Mr. SCHWEIKER), and the staff of both the majority and the minority for the very constructive work they have done.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. JAVITS. Just to supply the names of the staff who are not improperly often referred to as our brains: Lee Goldman, staff director of the Health Subcommittee, and our own minority staff member, Jay Cutler, minority counsel of the Health Subcommittee, who have both done very distinguished work in this whole field.

Mr. President, I endorse what the Senator from Massachusetts (Mr. KENNEDY) has said and express for the minority our appreciation for his graciousness and the credit to us.

As for me, I would like to deal only with those elements of the bill which I think deserve special attention. The Senator has already referred to the amount of authorization, $2.765 billion, and the deletion of a limitation on the number of cancer centers. Considering the economic and human loss which is involved in cancer, with the expectation that we will have 665,000 new cases and nearly 350,000 deaths—one out of four—in this year, we can realize why we undertook a crash effort in cancer.

In a real sense, it began when Senator Yarborough and I undertook to first sponsor the Senate resolution in 1970 which appointed the panel of consultants on the conquest of cancer, it was chaired by Benno Schmidt and composed of 13 eminent laymen and 13 eminent scientists. Then when Ralph Yarborough was no longer with us as a Senator, the Senator from Massachusetts (Mr. KENNEDY) and I took up the work and sponsored the bill which laid the groundwork for the enactment into law of the National Cancer Act of 1971 (Public Law 92–218).

We realize that, as in military matters, we have to mass our forces at a given point in order to have a breakthrough, and we felt that the most propitious point was the dread killer disease, cancer.

I believe that time and experience have

now justified this choice. In order to make the choice good, it will be remembered that at that time there was a considerable feeling that cancer research would activate a crash program of this kind and drain necessary support away from other programs. We argued that it would not, and that there was no reason why it should; that other programs were also entitled to support, so that our total National Institutes of Health effort in biomedical research would continue its excellence.

We still feel that the total biomedical research effort is a critical element, but it has been embarrassed by a lack of support. There is considerable evidence to back that up. Indeed, I should like to refer to one or two aspects of that evidence with respect to this matter.

First is the testimony of the Association of American Medical Colleges. They said before the committee in its consideration of cancer legislation:

No one can predict with certainty the fields from which will come the findings that will provide further insights into the nature of cancer. All bioscientists, however, will agree that real progress in understanding cancer can only come through greater understanding of the fundamental life processes of which it is a part.

The national attack upon cancer cannot be fought exclusively with programs sponsored by the National Cancer Institute. Cancer research is also dependent, in part, upon advances in the various biosciences which are sponsored by the other institutes at the NIH—particularly the general basic research programs of the National Institute of General Medical Sciences.

The Administration's failure to perceive the importance of the other NIH disciplines in the national attack against cancer is evident not only in the lowered budgets of these institutes, but also in the distribution of staff positions within the NIH. Over the past several years, the NIH as a whole has suffered an outright loss of approximately 600 permanent fulltime staff positions. In addition, over 350 more positions have been transferred from the other institutes of the NIH to the NCI and the National Heart and Lung Institute. The net result has been a loss of approximately 950 staff positions within the other institutes of the NIH—a loss which has seriously compromised the ability of the NIH staff to administer the programs under its direction.

The impact of the Administration's decisions on the morale and effectiveness of NIH administrators is clear. The national biomedical research program established by the Congress has been stymied by administrative fiat. The repeated attempts to terminate research training programs, abolish peer review, and reorganize staffing patterns indicate all too clearly that biomedical research and the nation's health do not hold a high priority within this Administration. Such an attitude cannot be allowed to stand unchallenged.

Because of that kind of finding, I believe it was entirely warranted on the facts that we should establish in this bill the President's Biomedical Research Panel, duplicating the same kind of effort we had sponsored with respect to cancer, under the leadership of Benno C. Schmidt, a distinguished New York banker. This is an effort which is being made to remove the shortsighted policy that is running down biomedical research, and to inform Congress and the public of the obstacles that are continuing.

That tells the story, I believe, as to the necessity for this Panel. The administration opposes it. They would, because this program is expressly designed to show to the public the facts as to what is necessary to maintain the integrity and vitality of this Nation's biomedical research program conducted largely by the National Institutes of Health.

In the aggregate, the answer to the cancer effort is to show what is being done in all biomedical research and the administration can hardly be expected to invite that. But the committee felt that this was the question, and the committee sustained the Senator from Massachusetts (Mr. KENNEDY) and me in the effort to bring out all the evidence. I hope the Senate will, too.

We are satisfied that it is absolutely the critical element in the answer to the riddle of cancer, notwithstanding the great progress that has been made, as shown in the statistics on mortality, to which I have already referred.

I hope very much that the Senate will sustain us in this view. The program is working in response to the demand for cancer research, and therefore should be carried on in that corollary and discipline with respect to all biomedical research. That is the real, controversial element of the bill, and I will explain in detail why we put it in and why I therefore believe it is logical and sound that it should be encouraged.

In enacting the National Cancer Act of 1971 and introducing S. 2893 to continue at an increased rate an intensive and sustained program of cancer research on all fronts, I intended to maximize the benefits of additional research opportunities respecting cancer. It was not, as I previously indicated, anticipated or intended that increases for cancer research be funded at the expense of other equally meritorious biomedical research. Regrettably, this clearly has become the case.

Therefore, upon my motion the committee unanimously endorsed the inclusion of the authority of the bill I introduced with Senators KENNEDY, BEALL, and SCHWEIKER to establish a President's Biomedical Research Panel to oversee and monitor the biomedical research program of the National Institutes of Health (S. 3022) as title II of S. 2893.

Although I am aware that Benno C. Schmidt, the distinguished and highly respected Chairman of the President's Cancer Panel is opposed to title II, and I value and respect his views, it is in fact his compelling testimony—as was the previously cited testimony of the AAMC—that makes clear the problem and the need for title II. Mr. Schmidt testified:

At the time we were urging on the Congress and the Administration a greater effort in cancer, we were very explicit in the position that the increased cancer effort should not be at the expense of other biomedical research. I am not sure that the cancer effort has been the cause of these other Institutes receiving less, but it is difficult to prove the contrary when the cuts have in fact taken place. Also, regardless of what would have been the case in other circumstances, the fact is that this country cannot afford to reduce the research efforts of these other Institutes at this time.

Cancer research is a complex and interrelated problem and a key scientific breakthrough may come in research totally unrelated to the disease. Thus, a decision to increase funds and staff for NCI in order to launch a national attack against cancer might in fact set back cancer research, particularly if funds and staff for other research institutes and divisions are sacrificed to increase the resources available to the NCI.

Mr. President, the tragic statistics and human suffering intrinsic to the dread killer disease, cancer, cry out for prompt favorable action on this measure.

Mr. President, I ask unanimous consent that a description of the committee bill at pages 11 and 12 of the report be printed in the RECORD.

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

III. DESCRIPTION OF THE COMMITTEE'S BILL

The provisions of S. 2893, as introduced, included the recommendations of the National Cancer Advisory Board and the President's Cancer Panel.

Basically, the National Cancer Advisory Board and the President's Cancer Panel recommended that the program be extended for an additional three years with increased funding levels (See section V); that the current limitation in the Act for 15 comprehensive cancer centers throughout the nation be removed; that the Act be clarified to assure its continuation of Federal support for the training of cancer researchers of the future; that the authority in the Act respecting construction assistance be clarified so as to explicity permit the construction of basic research facilities; that the authority of the Director of the National Cancer Institute to employ expert consultants be increased from 50 to 100 such experts; and that the authority of the Director of the National Cancer Institute be streamlined in order to permit the awarding of grants which do not exceed $35,000 in direct costs.

In executive session the Committee further amended the bill by including a number of provisions which were suggested by one or more of the witnesses who testified January 30, 1974. The Committee amendments are as follows:

1. The Committee has extended the authority of the National Institutes of Health to let research contracts which expire June 30, 1974. The Committee has permanently extended this authority.

2. The Committee has amended section 407(b) of the Act by including where appropriate data respecting nutritional programs for persons under treatment for cancer.

3. In order to assure an adequate number of competent personnel to administer the national cancer program, the Committee has amended section 407(b) of the Act by including the number and types of personnel necessary to carry out the program in the submission of the annual budget estimate for the program to the President.

4. The Committee has also amended section 410A(a) to assure that contracts be subjected to the peer review process.

5. The Committee has amended section 407(b) by including authority which requires the Director of the National Cancer Institute to conduct and contract for programs to disseminate and interpret information respecting cancer.

6. The Committee has amended section 454 of the Act to require the Senate to advise

and consent in respect to the appointment of future directors of the National Institutes of Health.

7. The Committee has included an amendment which would permanently extend the expiring section 601 of public Law 91-296 respecting the availability of appropriations for the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

8. Finally, the Committee has amended Title IV of the Public Health Service Act by establishing new authority which proposes to establish the President's Biomedical Research Panel to be composed of the chairman of the President's Cancer Panel and 4 members appointed by the President who are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program of the National Institute of Mental Health). It further requires that at least three members of the President's Biomedical Research Panel shall be distinguished scientists or physicians. The panel shall monitor the development and execution of the biomedical research programs of NIH and shall report directly to the President. Any delays or blockages in the rapid execution of the NIH research program shall immediately be brought to the attention of the President and the Congress. At the request of the President, the panel shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health.

Mr. BEALL. Mr. President, I support S. 2893. I went to the NIH to make some observations with regard to the National Institutes of Health and some difficulties we have had with regard to the legislation. I am particularly happy that the amendment I offered was adopted, increasing the panel from three to five, and that the biomedical research program of the National Institute of Medical Health was placed within the purview.

The bill would:

First. Extend and improve the national cancer program by authorizing increased funding levels, removing the present ceiling on the number of comprehensive cancer centers, and clarifying the present act with respect to the training of cancer researchers, and construction assistance;

Second. Establish a Presidential Biomedical Research Panel.

An accelerated cancer effort was launched over 2 years ago. Those of us on the Health Subcommittee understood at that time that cancer was not likely to be solved overnight, and that there would not be a single or magic cure. This is true because the term "cancer" encompasses a large variety of different diseases, all characterized by the property that cells grow abnormally when they should not.

The toll of cancer is staggering. Almost all of us have had a loved one or friend whose life was prematurely claimed by cancer. One out of four of our citizens are expected to develop cancer in their lifetime. It is expected that there will be 665,000 new cases of cancer and 350,000 deaths this year from cancer.

While cancer is a stubborn foe, there are some areas where significant progress has been made. Four decades ago, only one out of five cancer patients could be expected to be free of cancer 5 years subsequent to receiving treatment; by 1970, this record has improved until now it is one out of three. Improvement in life expectancy for certain leukemia and Hodgkin's disease have also been made.

The Cancer Institute has also reported improvements in patient survival rate 3 years or longer after the detection of cancer of the urinary bladder, brain, larynx, prostate and thyroid.

Progress is also being made in the understanding of the causes of cancer, its prevention, detection, diagnosis, and treatment; in the education of the public; and in the dissemination of the latest findings of researchers to our medical centers and practitioners. I am pleased that the committee included the provisions of S. 3023, which I cosponsored and which would establish a Presidential Biomedical Research Panel to oversee and monitor the biomedical research program of the National Institutes of Health. I am pleased that two suggestions I made during committee consideration were adopted.

First, I offered an amendment increasing the Panel from three to five.

Second, I urged, and the committee agreed, that the biomedical research programs of the National Institutes of Mental Health should also be placed under the purview of the Panel.

Mr. President, I believe the Panel is essential. Hearing many disquieting and disturbing reports regarding the morale and conditions at NIH, I decided to personally investigate the situation. My investigation included a number of interviews with NIH officials, both present and former, with directors of institutes, and with a number of the scientists, including a meeting with the Assembly of Scientists. This investigation included a personal visit to the NIH facility on February 11.

As a result of this investigation, I concluded that the cumulative impact of administration action regarding NIH, if left unchecked, would jeopardize the excellence of this great biomedical center, not only of this Nation, but the world. I would like to discuss with my colleagues some of the concerns I found and the conclusions that I drew as a result of this investigation.

First. The administration's effort, which has now been modified but not corrected, to end the training grants and fellowship programs, is a threat to the needed flow of bright and talented young scientists.

When the administration attempted to end these programs, I did not hear from a single scientist who backed the administration's position. Yet, the administration persisted, apparently on the advice of their experts whom they could not, or would not, reveal. Both Houses have passed legislation which would restore the programs and we should move quickly to resolve our differences in conference so as to remove the uncertainty at NIH regarding the status and future of these programs.

Second. The NIH community was nervous and upset regarding the administration's views on the peer review system. This system whereby panels of distinguished scientists review and approve grants on the basis of merit has served the country well. As evidence of the Congress commitment to the peer review system, the pending bill extending the cancer program would extend the peer review not only to grants, but also to contracts.

Third. There was considerable concern regarding the condition and future of the clinical center. I observed signs from small items like paper and soft drink bottles lying around, to more serious evidence that the clinical center has been the victim of budgetary and other reductions. For example, in the 1960's and the early 1970's, the center operated at 75 percent bed capacity; now the center has been forced to reduce that level to 60 percent. Also, I learned that this great clinical center is unable to produce X-rays in the evenings, and on the weekends, one cannot get tests run in the laboratories. Now, I submit this may be acceptable for a small hospital, but it is not the way to run the clinical center of the biomedical center of the world.

Fourth. One of the most devastating and demoralizing actions was the personnel cutbacks at NIH. Over the last few years, NIH has been forced to cut back some 600 permanent full-time staff positions and more than 350 additional positions have been transferred to the Cancer Institute and the National Heart and Lung Institute. This, according to the committee report, has resulted in a—

Loss of approximately 950 staff positions within the other Institutes at NIH—a loss which has seriously compromised the ability of the NIH staff administering the programs under its directions.

I came across some really absurd situations resulting from the personnel cuts. For example, even in the National Institute of Heart and Lung, which has been well funded, they could not hire adequate personnel to monitor an important approved project because of the personnel policies.

As a result, I became convinced that the singlemost important step that the administration could take to help the Institutes and to restore the morale there was to increase the number of personnel. During my visit, the estimate of the minimum additional personnel required ranged from 300 to 500. After I returned from NIH, I raised this personnel issue with Secretary Edwards during a Health Subcommittee hearing. The Secretary replied that the situation was going to be eased.

I am pleased that subsequently the administration announced an increase of 200 in the number of personnel. While this was a welcomed step, I believe it still falls short of the minimum requirements and I believe at least another 150 positions are imperative. I have sent a telegram to Secretary Weinberger urging an additional 150 positions, but have not received an answer as of this date. I ask unanimous consent that this telegram be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Fifth. I also received numerous complaints at NIH regarding the Office of Management and Budget. Spe-

cifically, I was advised that NIH's official presentation to OMB was received by junior employees and that the real issues and problems of NIH were not really addressed and explored. Dr. Marston, the former NIH director, I am told, has indicated that he has seen the OMB associate director for Human and Community Affairs more often since he left NIH than when he was director there.

The budget is supposed to be a document in which balanced decisions are expressed. As my colleagues know, these decisions themselves require judgment. That judgment will only be sound if based on a sound analysis and understanding of NIH. With the blunders made by OMB regarding NIH, it is obvious that there was little understanding. OMB cuts, if allowed to stand, could have damaged, or possibly destroyed, in a short period the excellence at NIH, which took years to build.

I have written to OMB Director Ash urging that in the future NIH's budget be received by top OMB officials and that the Associate Director of OMB meet with the Director of NIH from time to time so that OMB will not repeat some of these past blunders in the future.

One of the primary reasons I began my investigation of NIH was reports that I was receiving that the efforts in the Institutes, other than Cancer and Heart and Lung, were being reduced. I strongly support the accelerated attack on cancer and heart diseases, as evidenced by my cosponsorship of the pending bill, but I do not believe that the cancer and heart program should be waged at the expense of the other Institutes. To do so would clearly be against the intent of the Cancer Panel as well as the intent of the Congress. Earlier this year, during hearings held by the Health Subcommittee, on which I serve, I raised this issue with Health, Education, and Welfare Secretary Weinberger. He responded that such was not the case and indicated that I would be satisfied when I examined the fiscal year 1975 budget. I have not only examined that budget but also the appropriations for the various Institutes back to 1968. I am not satisfied with the fiscal year 1975 budget for the other Institutes, for the budget provides only an additional $1 million to be spread among the other Institutes.

Further, I find that although the overall budget of NIH from 1968 to the proposed fiscal year 1975, shows a healthy increase from $1.08 billion to $2.04 billion, some of the Institutes, such as General Medical Science and the National Institute of Arthritis, Metabolism, and Digestive Diseases, when inflation is taken into account, have decreased approximately 25 percent in terms of 1968 dollars. I plan to call to the attention of the Appropriations Committee the plight of both the clinical center and the other Institutes.

Because of my concern that the whole of NIH remain healthy, I cosponsored S. 3023, which I indicated is included in this bill. It would authorize the creation of a five member, Presidentially appointed biomedical research panel to oversee the overall NIH program. I am convinced from my meeting with the NIH officials and the scientists there that the support of basic research for the other Institutes, is not only critical to the overall health of our biomedical research program in general, but also to the Cancer and Heart programs as well. The Biomedical Panel will help to make certain that NIH is strong in all of its parts and that there will be a proper balance at the National Institutes of Health.

The Federal salary ceiling is hurting many Federal agencies but it is particularly harmful at NIH. Top management and scientists at NIH often could receive wages more than double their present salaries on the outside. Many have not received an increase since 1969.

One gentleman with whom I spoke had been offered a salary double that of his present one to be dean of a medical school. While the salary is not the primary reason for top scientists being employed at NIH, there is a limit to their sacrifices. The Congress must simply focus on this problem because the ceiling is adversely affecting the recruitment and retention of talented men and women.

Finally, I might add that I heard numerous complaints with respect to the administration's overall attitude toward NIH and the lack of communication between them. I found the NIH community particularly incensed with Health Secretary Edwards' statement that there was a loss of confidence at NIH. I believe, as did former HEW Secretary Gardner, that NIH is the "jewel" of HEW. Their successes are well documented. I recall a number of years ago Sylvia Porter, the noted financial columnist, did an article entitled "Health Research Pays Its Way," in which she pointed out the dividends that we have reaped as a result of biomedical research. She calculated that the total income of 554,000 workers whose lives were prolonged as a result of biomedical research for the year 1967 was $13.8 billion. These individuals paid income and excise taxes totaling $1.8 billion, a figure which exceeded the entire NIH appropriations for that same year by $300 million.

The record of NIH has made the United States No. 1 in biomedical research and has resulted in NIH being recognized worldwide for its preeminence. Speaking I am sure for the citizens of Maryand, and probably for the entire country, I can say emphatically that there is no lack of confidence with NIH. If either Harris or Gallup were to poll the public on the confidence issue, I feel certain that both the Congress and the administration, in light of recent polls on us, would gaze at the large vote of confidence which I believe that NIH would receive with awe.

Mr. President, we must not forget that NIH has been involved in nearly all of the major medical advances in our lifetime. We must be careful and make certain that shortsighted policies do not jeopardize the health of an institution whose record is the envy of the world.

Mr. President, I strongly support the enactment of this measure, including the establishment of the Biomedical Panel for NIH. Further, I again urge the administration to continue the reexamination of their policies at NIH and to restore, as I have requested, an additional 150 personnel for the Institute.

EXHIBIT 1

The Honorable Caspar W. Weinberger, Secretary Department of Health, Education, and Welfare Washington, D.C.

I am pleased that Secretary Edwards has increased personnel at NIH by 200. While this is a welcomed step, my own investigation convinces me that this falls short of the minimum requirements needed by approximately 150 positions. I urge you to make these additional positions available.

J. GLENN BEALL, Jr.

Mr. KENNEDY. Mr. President, I want to commend the Senator from Maryland for his comments and statement. The National Institutes are located physically in the State which he represents, but beyond that, he has demonstrated very particular interest in the development of health policy, as I think is reflected by his statement. He has continued to be enormously concerned about the whole biomedical research effort in this country. I commend him for his interest and for helping to bring this issue before the Senate. I think, as he stated, it helps underscore the importance of the development of this special panel which will be concerned with biomedical research. Senator BEALL was one of the original sponsors of that measure.

So, as I say, I commend the Senator from Maryland for his interest in this particular issue as well as his concern with health issues generally.

Mr. BEALL. I thank the Senator from Massachusetts for his kind remarks.

Mr. BAYH. Mr. President, I would like to commend the distinguished Senator from Massachusetts and the other members of the committee who have labored so diligently to produce what I consider one of the most significant pieces of legislation that will be before the Senate this year.

I suppose because our family has been confronted with the tragedy of cancer twice in my lifetime, I feel a particular sensitivity toward the efforts being made here. When one realizes that there are some 365,000 Americans who will be called to their reward during this 12-month period, however, one can realize the great national loss caused by cancer even if one's family has not been confronted with the dreadful disease.

Mr. President, with the permission of the Senator from Massachusetts, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that the amendment be considered as read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH's amendment is as follows:

Strike Section 6 and insert in lieu thereof: "SEC. 6(a). Section 409(a) of the Public Health Service Act is amended by inserting before the period at the end thereof a comma and the following: 'including programs to provide routine exfoliative cytology tests conducted for the diagnosis of uterine cancer.'

"(b) Section 409(b) of the Public Health

Service Act is amended by striking out 'and' before '$40,000,000' and by inserting before the period at the end thereof a comma and the following: '$57,000,000 for the fiscal year ending June 30, 1975, $72,000,000 for the fiscal year ending June 30, 1976, and $92,000,000 for the fiscal year ending June 30, 1977',"

Mr. BAYH. Mr. President, I have discussed this measure at length with Senator KENNEDY and Senator JAVITS, who are, of course, the primary architects of this legislation.

This proposal would add to the authorization $7 million for each of the years covered by the bill, and would direct that the additional money be utilized in special programs designed to administer tests for uterine cancer.

The Pap test is the household word for this particular kind of test, although I understand that researchers and doctors have developed or are in the process of developing other types of tests for uterine cancer.

I do not want to dwell on this at length, but I would point out my concern for this particular kind of cancer.

Uterine cancer is the most common form of cancer striking women in the United States. One particular type, cervical cancer, causes 13,000 deaths each year alone. The loss through uterine cancer is compounded by the fact that it is almost 100 percent curable if it can be detected at an early stage. I emphasize the Pap test because it can detect this type of cancer at an early stage.

We are not only talking about saving thousands of lives. If we have to be brutally cold in comparing the cost of prevention, which is minimal, under the test, to the cost of ultimately trying to cure these cancers, there can be no question that this is a tremendous investment in our natural resources.

I would like to say that I have introduced another bill, which is in the jurisdiction of the Finance Committee, which would make the Pap test a covered service under the medicare program. Any contribution we can make in easing the financial burden upon older women in receiving the Pap test is most important. The amendment I am offering now to the bill, so ably floored by the Senator from Massachusetts (Mr. KENNEDY), would compliment my proposals related to medicare, by encouraging women of all ages to have Pap tests. I recommend it for the consideration of the Senate at this time.

Mr. KENNEDY. Mr. President, I think this amendment is a useful and constructive one. I have had an opportunity to talk with the distinguished Senator from New York (Mr. JAVITS) about it, and we are glad to accept the amendment.

I feel that the amendment which has been proposed by the Senator from Indiana would strengthen the bill and would be a clear indication to the director of the program that Congress feels this is a matter of considerable priority.

Therefore, in accepting it, I am glad that the Senator from Indiana has provided the additional money to take care of such a program; otherwise it might be an additional burden, without providing the resources. I shall be glad to work with the Senator from Indiana in the future to provide for expansion of the program and in any other way to make the whole cancer program more effective in terms of service programs.

I think this amendment will be a valuable addition to the bill and I will be glad to take it to conference. We will talk to the House Members about it and we will make every effort to insure that it is included in the conference report.

Mr. BAYH. Mr. President, I appreciate the willingness of the Senator from Massachusetts and the Senator from New York to accept the amendment. I want to say, as a member of the Appropriations Committee, that the Senators can count on my efforts as well as those of the other members of the committee to see that we get the moneys to fund this significant program before us today.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

CANCER LEGISLATION BENEFITS ILLINOIS

Mr. PERCY. Mr. President, I take pleasure today in what I know will be an overwhelming vote passing the National Cancer Act Amendments of 1974, the extension of the National Cancer Act of 1971, of which I was a cosponsor. This is a firm indication of the continuing congressional commitment to the conquest of cancer. The enactment of the National Cancer Act has benefited all Americans, but I would like to take this opportunity to share with my colleagues what the war on cancer has meant to the people of Illinois.

Although the University of Chicago has a long tradition of interest and involvement in cancer research, dating back to 1942, the National Cancer Act, nevertheless, made possible the establishment of a new cancer research and demonstration center at the university. This new center has allowed the university to expand greatly its research efforts in the areas of cancer cause, prevention, detection, diagnosis, treatment, and rehabilitation. It also has enabled the university to expand its educational efforts so that research findings can be translated into preventive and curative measures. The university has established a campuswide Committee on Community and Hospital Affairs with representatives from the social sciences, hospital administration, medicine and consumer interests. To expand its community outreach program the university plans to submit an application to the National Cancer Institute to fund a program which will include:

A program in cancer nursing which will give nurses from community hospitals an opportunity to get intensive training in nursing of cancer patients;

Expansion of a program on the psychological aspects of cancer care in which help is given to patients, families, paramedical personnel, nurses, physicians, clergy, and social workers to cope with the psychological aspects of cancer;

Expansion of the gynecological cancer detection program through an outreach program of cytological testing and by making available the university's extensive cytology computer program;

Expansion of university resources in gastrointestinal carcinoma for early detection and better management programs in community hospitals; and

A program in maxilofacial rehabilitation education.

Moreover, on January 24, 1974, the deans of Illinois medical schools incorporated the Illinois Cancer Council with an active board of trustees. The council's aim is to bring about more rational patterns of medical care for the diagnosis and treatment of cancer, more coordinated efforts in research, and an expansion of education and dissemination efforts to demonstrate the most effective methods for cancer prevention and control.

The enactment of the National Cancer Act Amendments of 1974 will allow the University of Chicago to continue in its efforts to explore all promising avenues of research that may lead to identifying the causes of cancer, preventing cancer where possible, diagnosing cancer earlier and more accurately, and treating it more effectively. More important, the National Cancer Act Amendments of 1974 may mean new hope for an estimated 60,000 Illinoisans who will need treatment for cancer this year.

Mr. WILLIAMS. Mr. President, passage of the National Cancer Act of 1971 represented a landmark in our Nation's efforts to eradicate this dread disease. Since the program's inception, more than 2 years ago, we have seen dramatic progress against several types of cancer and there is great hope that other forms of this disease may soon yield as a result of many new and exicting research efforts now underway. This legislation before us today represents a continuing commitment by the Congress to assure maximum sustained progress against all forms of cancer.

S. 2893, the National Cancer Act of 1974 is designed to extend and improve the existing cancer program whose authority expires at the end of this current fiscal year. This bill provides for authorizations for the national cancer program of $750 million for fiscal year 1975, $830 million for fiscal year 1976, and $985 million for fiscal year 1977.

In addition to the expansion of this research authority, the bill removes the current limitations in the act of 15 new clinical research and demonstration centers with a committee recommendation that a total of 35 such centers be established in order to assure that such services and facilities are available to cancer patients in every geographical region of the Nation.

The bill also clarifies in law the need for continuation of Federal support for the training of cancer researchers and includes specific authority requiring the Director of the National Cancer Institute to continue and carry out programs to disseminate information regarding cancer and available services and facilities for its treatment.

Mr. President, in addition to these and other modifications in the original National Cancer Act, the bill before the

Senate today contains a vitally needed new provision establishing a President's Biomedical Research Panel designed to oversee and monitor the entire biomedical research program of the National Institutes of Health. This body is modeled directly after the existing President's Cancer Panel which was created in the 1971 cancer legislation and whose duty it has been to evaluate the cancer program and make suggestions for improvements as well as report directly to the President on any delays and blockages of rapid execution of that program. In large part the Cancer Act of 1974 and the overall success of the cancer program is a result of the fine work of the President's Cancer Panel.

However, I and my colleagues of the Senate Labor and Pubic Welfare Committee have become increasingly alarmed that the administration's budget requests for the other National Institutes of Health seriously call into question the ability of this Nation to continue its leadership in the quest for new knowledge in all of the medical sciences. And while the 1971 Cancer Act was intended to maximize the benefits of additional research opportunities respecting cancer, it was not the intention of Congress in enacting this legislation that increases in our cancer research efforts be funded at the expense of equally meritorious research in the other biomedical institutes.

Unfortunately, however, the present administration has chosen to take just such a shortsighted direction. Thus, instead of advances over the broad front of NIH research activities, the National Cancer Institute and the National Heart and Lung Institute have surged ahead, while the other Institutes at NIH have generally stood still.

The President's Biomedical Research Panel, established in the bill before us today, is designed to specifically deal with this problem before it further disrupts our total biomedical research effort. It is my hope that this new Panel will be able to provide renewed impetus for maintaining and strengthening the full range of biomedical resources in the United States.

Mr. SCHWEIKER. Mr. President, as ranking Republican on the Senate Health Subcommittee, I want to express support for adoption of the pending bill, S. 2893, the National Cancer Act Amendments of 1974. As an original cosponsor of the bill, which extends the National Cancer Act for another 3 years, I recommend the bill's passage to my colleagues.

Its provisions are modeled after the recommendations of the President's Cancer Panel and the National Cancer Advisory Board. These recommendations, incorporated in the bill, include: An extension of the program for an additional 3 years with increased funding levels; that the current limitation in the act for 15 comprehensive cancer centers throughout the Nation be removed; that the act be clarified to assure its continuation of Federal support for the training of cancer researchers of the future; that the authority in the act respecting construction assistance be clarified to explicitly permit construction of basic research facilities; that authority of the Director of the National Cancer Institute to employ expert consultants be increased from 50 to 100 such experts; and that authority of the Director of the National Cancer Institute be streamlined in order to permit the awarding of grants which do not exceed $35,000 in direct costs.

In addition, the committee added several amendments to the bill. I would like to call to the attention of the Senate two of the committee amendments which, in my judgment, are the most significant.

First, the committee has included an amendment to permanently extend the expiring section 601 of Public Law 91–296 respecting the availability of appropriations for the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

Section 601 reads as follows:

> Notwithstanding any other provision of law, unless enacted after the enactment of this Act expressly in limitation of the provisions of this section, funds appropriated for any fiscal year ending prior to July 1, 1973, to carry out any program for which appropriations are authorized by the Public Health Service Act (Public Law 410, 78th Congress, as amended) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (Public Law 88–164, as amended) shall remain available for obligation and expenditure until the end of such fiscal year.

Section 601 has been understood by the Congress as preventing any withholding of appropriated funds.

I strongly believe continuation of section 601 is essential to assure the allocation obligation, and expenditure of funds appropriated by the Congress for our Federal health programs.

Second, the committee has amended title IV of the Public Health Service Act by establishing new authority which proposes to establish the President's Biomedical Research Panel to be composed of the Chairman of the President's Cancer Panel and four members appointed by the President who are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health—including the research program of the National Institute of Mental Health. It further requires that at least three members of the President's Biomedical Research Panel be distinguished scientists or physicians. The Panel is to monitor the development and execution of the biomedical research programs of NIH and shall report directly to the President. Any delays or blockages in the rapid execution of the NIH research program will immediately be brought to the attention of the President and the Congress. At the request of the President, the Panel will submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health.

This provision is a manifestation of the subcommittee's concern over the effect of recent policy and budget decisions on the National Institutes of Health. I am concerned that the Institutes are not receiving the support necessary to sustain the level and quality of research we have come to expect at the National Institutes of Health. I quote from the committee's report:

> In enacting the National Cancer Act of 1971 the Committee intended to maximize the benefits of additional research opportunities respecting cancer. The Committee did not intend that increases for cancer research be funded at the expense of equally meritorious other biomedical research. Regrettably though, this Administration has chosen to consistently pursue such an ill-advised and short-sighted policy.

I hope the President's Biomedical Research Panel established by the bill can effectively deal with this problem.

Mr. President, the objective of the national cancer program we established with enactment of the National Cancer Act, 3 years ago, is to develop the means of reducing the plague of cancer and the suffering and death which has accompanied it. The strategy has been to develop a balance between basic and applied research and to transfer the discoveries in laboratories and therapies developed in the clinics to those who will benefit. The task remains formidable. However, progress is being made. Enactment of the pending bill will reaffirm our commitment and assure the program's continuation.

Mr. MAGNUSON. Mr. President, I wish to take just a half minute. I have a deep personal interest in the bill that is about to be passed, which many Senators know about. I have another interest in the fact that in 1938, and that is a long time ago, I introduced in the House a bill which finally was passed by the Senate and the House which established the Cancer Institute.

We have worked hard. We have not done all the things we should do but we have made some progress. I merely wish to report for the record that at that time 4 out of 5 people that had cancer died. Now we have it down to 2½ people out of 5. If we keep up with the kind of bill we just passed and continue with the fine research conducted at the National Institutes of Health, we can get it down even lower than that. It is a question of whether or not they can catch these things early enough.

I compliment the Senate on this bill. From 1938 until 1974—that is a long time.

Mr. HUMPHREY. Mr. President, every effort must be exerted to improve the quality and availability of health services to the American public. Cancer, the disease that takes so high a toll on our population, must continue to receive serious attention. It is essential that the National Cancer Institute be enabled to mount a more comprehensive attack on cancer and that the progress of the national cancer program be accelerated through coordination and expansion of research endeavors.

We must embark on a multifaceted attack on the disease through an expanded national program of immunologic research, the study of relationships between environment and incidence of cancer development, the exploration for new techniques of treatment, and the development of a comprehensive national rehabilitation strategy. The success of a program with the objective of

curing or controlling cancer in man necessitates the training of cancer researchers for the future and allocations to meet rapidly escalating costs of research and training opeations.

We know that this disease, in its diverse forms, is best combated by early diagnosis and immediate treatment, which, in turn, have been improved through ongoing research. However, these research results must be rapidly and systematically put into use throughout the Nation. It is therefore necessary that the NCI have the capacity to effectively coordinate the dissemination of information accrued by investigative agencies.

These concepts and priorities are clearly embodied in the legislation before the Senate today, to improve the national cancer program and to authorize appropriations for this program for the next 3 fiscal years.

I strongly support amendments to this legislation by the Senate Labor and Public Welfare Committee which include provisions to:

Strengthen broad-based cancer research as well as basic research;

Establish the President's Biomedical Research Panel to continually monitor the biomedical research program of the National Institutes of Health as a high national priority; and

Extend certain authorities for appropriations for the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

Mr. President, I give my full support to the objectives and initiatives contained in the National Cancer Act Amendments of 1974. I urge the Senate to pass this legislation, to strengthen the attack on cancer.

Mr. MATHIAS. Mr. President, I rise in support of S. 2893, and urge my colleagues to support this measure. In 1971, the Congress passed legislation that committed the United States to an all-out effort to control cancer. Named the National Cancer Control Act of 1971—Public Law 92–218—the law was specifically aimed at finding a cure to this dreaded disease which each year kills over a quarter of a million Americans. The President, in signing the bill, enthusiastically predicted that the cancer bill would promote "the largest attack against a single disease in the history of man." Because of the National Cancer Control Act of 1971, April of each year is to be designated by the President as "Cancer Control Month," a period of time, I might add, in which this Nation shall rededicate itself to the fight against cancer. It is appropriate, therefore, for this body to be considering the National Cancer Act Amendments of 1974 today.

Mr. President, it was nearly 3 years ago that I called on the President to put more than $100 million worth of scientific equipment, scientists, and other trained personnel at Fort Detrick, Md., to work immediately in the Nation's program to conquer cancer. At that time, I argued:

> There now exists a facility which is uniquely qualified to play this role—Fort Detrick located in western Maryland, which is now being closed down as a center for research on chemical and biological warfare. . . (that) Fort Detrick embodies a tremendous investment by the American people—a total of over $200 million—yet its potential sleeps.

As we know, the President did heed my suggestion, and the Government took a long step forward by converting Fort Detrick from one of its most feared swords, the weapon of biological and chemical warfare, into a plowshare that would be used for all mankind.

Today, the Senate can take another giant step forward in our fight against cancer by passing this bill. I am pleased to note that the Labor and Public Welfare Committee voted unanimously to report this bill to the floor by a vote of 16 to 0, because, without question, the provisions of this bill will substantially improve the national cancer program over the next 3 years.

The life of almost every American has been touched by the scourge of cancer. As the committee report reveals, "one of every four of our citizens will develop cancer in their lifetime." It is distressing to note that we can expect nearly 350,000 deaths from cancer this year alone. I believe that most of us in this body know, unhappily, how cruel cancer can be and how devastating it may be to entire families, physically, emotionally, and economically. And as we consider the casualties of cancer, let us consider that fact that among the dead and dying are those who would have contributed much to this great Nation, and whose cure would have repaid its cost in dollars and cents alone. Let us not delay for 1 day the fight against this dreadful disease. The Senate can do its part by passing this bill today, reaffirming its sense of priority of the work being done at Fort Detrick and at the National Institutes of Health and elsewhere and sending a message of humanity and hope to all mankind.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that a statement by the distinguished Senator from Oregon (Mr. PACKWOOD) be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR PACKWOOD

Mr. President, the National Cancer Act of 1971 was an effort by the President and Congress to focus national attention on cancer research and to redouble our efforts in this critical area. The program we approved represents an extensive effort by top management and scientists in planning the multiple attack necessary if we are to eliminate cancer as one of this Nation's most dread diseases. This expanded investigative program is without question worthy of our investment.

The 1974 Amendments, S. 2893, authorize extension of the original legislation and continuation of the research program at $750 million for 1975, $830 million for 1976, and $985 in 1977. The bill authorizes an additional total of $200 million for the cancer control program. Because I believe this funding matches the progress, problems and incidence of cancer, I have co-sponsored and enthusiastically endorse the National Cancer Act Amendments of 1974.

Mr. President, it may be asked why we are approaching expenditure of a billion dollars a year for a single disease. I would answer that cancer is not a single disease, and that at current rates of incidence, one of four Americans can expect to die of cancer. The term "cancer" is a rubric under which a large number of different neoplastic diseases are classified. The oncologists have carefully informed us that virtually every organ of the body can be affected, in both the young and old. From this array of somewhat different diseases nearly a thousand people die each day, and many thousands of others are chronically handicapped from new and established cases still under study and treatment.

If we do not renew the basic research and clinical investigation laid out by our specialists in the Cancer Act programs, we will seriously threaten the progress now being made against the diseases of cancer. I should emphasize that we are making progress, as indicated by reliably drawn statistics on comparative death rates and the new incidence rates of cancer in our population. Age-adjusted death rates in general are leveling off and incidence rates for some types of cancer are showing a reduction. While there is a long way to go, the performance of our scientific and medical community justifies our confidence that a marked degree of cancer control will eventually emerge. For example:

Treatment for childhood leukemia has now progressed to the point where we are optimistic enough to use the word "cure." Today, half the children with acute lymphocytis—a cancer of the blood—are alive five years after the disease is detected. Twenty years ago this disease took the lives of these young victims within a few months.

Treatment of Hodgkin's disease, a cancer which tends to strike young adults, has also shown encouraging progress. The five year survival rate for patients who have had radiotherapy for the early stages of Hodgkin's disease is more than 90 percent. This rate was only 68 percent five years ago. Even in cases where Hodgkin's disease has reached advanced stages before diagnosis, a four-drug combination treatment gives a 65 percent survival rate after five years. Five years ago this survival rate was less than 10 percent.

In the area of diagnosis, great strides have been made with wider application of testing devices, such as the Pap test to detect cervical cancer in women. New tests are also being developed as screening devices for colon and breast cancer. Breast cancer causes more deaths among women than any other form of cancer, and is prevalent in relatively young and middle-aged women.

I would like to note here that the Good Samaritan Hospital in my home of Portland, Oregon, has recently been designated by the National Cancer Institute and the American Cancer Society, as sponsor of a breast cancer demonstration screening program. Early detection is vitally important in breast cancer, as in other cancers, and I'm confident that the results of this demonstration program—conducted by an extremely competent and qualified team at Good Samaritan, headed by Dr. Morton Goodman and Mr. Jack Miller—will provide new and valuable insight into early detection methods and effectiveness, not to mention the lives to be saved among the thousands of women who will be participating.

However, as in other major disease victories, the battle will have been won only when we learn how to prevent the various forms of cancer. If this capability results—and we all pray it will—the dollars saved on care and treatment will make our investment in the cancer research program very small by comparison. Gains in the status of the Nation's overall health will be equalled only by the dramatic reduction in human suffering, pain and fear.

Congress and the President have both contributed toward expansion of the cancer program. President Nixon's strong interest in

this area was again manifested on January 29, 1974, when he re-stated his commitment to our cancer research program at the National Cancer Institute. Certainly, Congressional interest remains high and our support steadfast. Let me therefore join with the many Senators who have worked long and hard on this vital legislation in urging immediate passage of S. 2893, to insure the continuation and intensification of our national commitment against cancer.

Mr. KENNEDY. Mr. President, unless there are other speakers on this bill, I will ask for a short quorum call, and then we can vote on the bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the committee amendment as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, "Shall the bill (S. 2893) pass?"

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MONDALE), the Senator from Missouri (Mr. SYMINGTON), the Senator from Missouri (Mr. EAGLETON), the Senator from Michigan (Mr. HART), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. EAGLETON) and the Senator from Michigan (Mr. HART) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) is absent on official business.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. PACKWOOD) and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 88 Leg.]

YEAS—89

Abourezk	Biden	Chiles
Allen	Brock	Church
Baker	Brooke	Clark
Bartlett	Buckley	Cook
Bayh	Burdick	Cotton
Beall	Byrd, Harry F., Jr.	Cranston
Bellmon	Byrd, Robert C.	Curtis
Bennett	Cannon	Dole
Bentsen	Case	Domenici
Bible	Eastland	Dominick
Ervin	Long	Ribicoff
Fannin	Magnuson	Roth
Fong	Mansfield	Schweiker
Goldwater	Mathias	Scott, Hugh
Griffin	McClellan	Scott, William L.
Gurney	McClure	Sparkman
Hansen	McGee	Stafford
Hartke	McGovern	Stennis
Haskell	McIntyre	Stevens
Hathaway	Metcalf	Stevenson
Helms	Metzenbaum	Taft
Hollings	Montoya	Talmadge
Huddleston	Muskie	Thurmond
Hughes	Nelson	Tower
Humphrey	Nunn	Tunney
Inouye	Pastore	Weicker
Jackson	Pearson	Williams
Javits	Pell	Young
Johnston	Percy	
Kennedy	Proxmire	
	Randolph	

NAYS—0

NOT VOTING—11

Aiken	Hart	Moss
Eagleton	Hatfield	Packwood
Fulbright	Hruska	Symington
Gravel	Mondale	

So the bill (S. 2893) was passed, as follows:

S. 2893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Cancer Act Amendments of 1974".

SEC. 2. Section 301(h) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the words "during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years,".

SEC. 3. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out "in amounts not to exceed $35,000" in paragraph (1) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(2) by striking out "in amounts exceeding $35,000" in pargraph (2) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only".

SEC. 4. (a) Section 407(b)(7) of the Public Health Service Act is amended by striking out "where appropriate".

(b) Section 407(b)(4) of such Act is amended by inserting after the word "data" the following: "(including where appropriate nutritional programs for persons under treatment for cancer)".

(c) Section 407(b)(9)(A) of such Act is amended by inserting after the words "National Cancer Program," the words "including the number and types of personnel necessary to carry out such program,".

(d) Section 407(b)(9)(B) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and the allocation of personnel requested to carry out the National Cancer Program".

(e) Section 407(b) of such Act is amended by adding the following new paragraph:

"(10) The Director of the National Cancer Institute shall conduct or contract for programs to disseminate and interpret on a current basis for practitioners and other health professionals, scientists, and the general public, scientific and other information respecting the cause, prevention, diagnosis, and treatment of the disease or other health problem to which the activities of the Institute are directed. The Director of the National Cancer Institute shall issue such regulations as are necessary to carry out this activity.".

SEC. 5. Section 408(a) of the Public Health Service Act is amended by striking out "fifteen".

SEC. 6. (a) Section 409(a) of the Public Health Service Act is amended by inserting before the period at the end thereof a comma and the following: "including programs to provide routine exfoliative cytology tests conducted for the diagnosis of uterine cancer".

(b) Section 409(b) of the Public Health Service Act is amended by striking out "and" before "$40,000,000" and by inserting before the period at the end thereof a comma and the following: "$57,000,000 for the fiscal year ending June 30, 1975, $72,000,000 for the fiscal year ending June 30, 1976, and $92,000,000 for the fiscal year ending June 30, 1977".

SEC. 7. Section 410 of the Public Health Service Act is amended—

(1) by striking out "fifty" in paragraph (1) and inserting in lieu thereof "one hundred";

(2) by striking out "and" at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (8) the following new paragraph:

"(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program."

SEC. 8. Section 410A(a) of the Public Health Service Act is amended by inserting the word ", contracts," after the word "grants".

SEC. 9. Section 410C of the Public Health Service Act is amended by striking out "and" before "$600,000,000" and by inserting before the period at the end thereof a semicolon and the following: "$750,000,000 for the fiscal year ending June 30, 1975; $830,000,000 for the fiscal year ending June 30, 1976; and $985,000,000 for the fiscal year ending June 30, 1977".

SEC. 10. Part A of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"AVAILABILITY OF APPROPRIATIONS

"SEC. 410D. Notwithstanding any other provision of law, unless enacted after the date of enactment of this section expressly in limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program for which appropriations are authorized by the Public Health Service Act (42 U.S.C. 201) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2661) shall remain available for obligation and expenditure until the end of such fiscal year."

SEC. 11. Section 454 of the Public Health Service Act is amended to read as follows:

"DIRECTORS OF INSTITUTES

"SEC. 454. (a) The Director of the National Institutes of Health shall be appointed by the President by and with the advice and consent of the Senate. Appointees shall be eligible for reappointment.

"(b) The Director of the National Cancer Institute shall be appointed by the President. Except as provided in section 407(b)(9), the Director of the National Cancer Institute shall report directly to the Director of the National Institutes of Health.

TITLE II—BIOMEDICAL RESEARCH

SEC. 201. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"SEC. 455. (a) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the 'Panel') which shall be composed of (1) the Chairman of the President's Cancer Panel; and (2) four members appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program

of the National Institute of Mental Health). At least three of the members of the Panel shall be distinguished scientists or physicians.

"(b) (1) Appointed members of the Panel who are appointed pursuant to clause (2) of subsection (a), shall be appointed for three-year terms, except that (i) in the case of the four members first appointed after the date on which this section becomes effective, two shall be appointed for a term of one year and two shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(2) The President shall designate one of the appointed members to serve as Chairman of the Panel for a term of one year.

"(c) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(d) The Panel shall meet at the call of the Chairman, but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(e) The Panel shall monitor the development and execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) shall immediately be brought to the attention of the President and the Senate Committee on Labor and Public Welfare, the House Committee on Interstate and Foreign Commerce, the Senate Committee on Appropriations and the House Committee on Appropriations. The Panel shall submit to the President periodic progress reports on the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and annually an evaluation of the efficacy of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health."

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate resumed the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is Senate 3044, and which the clerk will read by title.

The legislative clerk read the bill by title.

Mr. CANNON. Mr. President, I ask unanimous consent that during consideration of the public financing bill, S. 3044. James H. Duffy, of the staff of the Committee on Rules and Administration, and Jeffrey Doranz, assistant to the Senator from New Jersey (Mr. WILLIAMS), be permitted the privilege of the door.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield to the Senator from Connecticut (Mr. WEICKER).

Mr. WEICKER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I wish to announce, on behalf of the joint leadership, that there will be no further votes today. We are getting started on the campaign financing bill. I anticipate that there will be a number of speeches. I am sure there will be an amendment laid before the Senate tonight by the distinguished Senator from Alabama. It is my intention at this time to see if it would not be possible to have a rollcall vote on this amendment at the hour of 3:30 tomorrow. However, I have to touch some bases, and later today will make an announcement.

I thank the Senator from Connecticut for yielding to me at this time.

Mr. WEICKER. Mr. President, the current debate over the Government financing of Federal elections has come to resemble a replay of "Beauty and the Beast."

On the one hand we have the supporters of S. 3044 who view Government financing as a sparkling alternative which promises to clean up electoral abuses with a speed and thoroughness previously attributed only to the most expensive solutions.

On the other hand, we have the stanch opponents of Government financing, who view it as an incorrigible "beast," an intolerable raid on the Public Treasury, and a prescription for the end of the two-party system.

Both these views are simplistic, exaggerated, and unrealistic.

I do not think there is a Member in this Chamber who does not realize the necessity—indeed, the urgency—for campaign reform, not in a cosmetic sense, but reform that will get to the practical abuses within our election system. Because I disagree with advocates of public financing does not mean we are not striving for a similar goal: A political system that is clean, that can involve anybody, any man, any woman, in this country, regardless of his or her means. These are the matters of overriding importance on which we all agree.

The truth about Government financing of elections is that it would have some advantages. Nevertheless it would have many more serious and inevitable problems. Government financing is not a magical Clorox guaranteed to end forever the dirty laundry of Watergate. It does not cut the cost of campaigns; it just shifts the cost.

So the gut question about the Government financing of elections is not, "Is it plague or panacea?" For we know it is neither, but rather, "Do the advantages outweigh the disadvantages?" And more important, "Are the alternatives insufficient to do the same job?"

My answer to both questions must be "No."

Federal financing only acknowledges the size of the problem; it does not reform it. There are several ways to effectively reform campaign spending without resorting to Government financing. One is to reduce the length of campaigns. Another is to require full disclosure before the election, rather than after. Another is to limit campaign financing to one committee per candidate, to end the juggled books and "laundered" contributions. And yet another is to eliminate the use of cash in campaigns.

The substitute bill I am introducing today includes not just one or two of these ideas, but all of them. My amendment would provide for:

Election campaigns beginning no earlier than the first Tuesday in September, with no collections or expenditures before that period of time.

Let us take a closer look at that proposal. The Federal election process would commence with each of the candidates filing a statement of candidacy on the first Tuesday in September.

The next step in the campaign would be a single primary on the first Tuesday in October, and then the election itself on the first Tuesday in November. So we are talking about a period of 60 days, a period before which there can be no expenditures or collections. In other words, we are using "time" to cut down the cost of campaigns.

My own State of Connecticut is typical of what is now going on in the United States. In the last election there were about 14,000 registered Democrats, about 14,000 registered Republicans, and about 45,000 registered independents. We have seen, from the most recent Gallup polls, the decline of both parties and the growth of independents. On the one hand, we have a traditionally strong two-party system that has served us well. On the other hand, we have people who are not willing to commit themselves to one party or the other, who want to judge persons, without expressing party labels.

We should be able to reconcile those two. One way is a selection process open to all the people. In the case of the President of the United States, it means a nationwide primary on the first Tuesday on October, to let the people speak as to whom they want.

So the calendar, I repeat, sets a filing deadline, by the first Tuesday in September, in order for a candidate to be

eligible for election. Then there would be a single primary the first Tuesday in October. Then the regular election on the first Tuesday in November.

It is clear that this will result in a saving of money and a reduction of costs. At the minimum, it would cut campaigning expenses in half, and perhaps there could be even greater savings.

In addition, and I emphasize this, there would be only one report, 2 weeks before the election, reporting every campaign expenditure and collection. When people went to the polls they would know what role money played for the particular candidate for whom they vote.

This proposal provides for no collections or expenditures after the report is submitted, except expenses "budgeted for" and duly reported.

Today a good portion of the campaign funds come in after the election; in other words, not as a tribute to the individual, but to the power that resides in the office. That cannot be justified. A candidate should be backed before the result is in.

Campaign deficits would be a violation of law, to be paid off only under the supervision of the Comptroller General.

That may sound harsh, but, again, it will only make campaigns more honest, both for candidates and constituents.

No cash contributions of more than $50.

No more than $10,000 of an individual candidate's personal funds.

No more than one campaign committee.

The real problem in campaign reform is not that campaigns cost money, but that campaigns cost big money. President Eisenhower's campaign cost $8 million, while President Nixon's campaign cost, as far as I know, was $82 million. No one complained when a campaign cost $8 million. That is not a difficult sum for a political party to raise over 4 years.

Last year alone, a difficult year for the Republican fundraisers by any yardstick, the Republican National Committee raised $5 million, of which 85 percent was from contributions of $100 or less. Both parties can raise that kind of money from small contributions. The real problem was the advent of long campaigns with heavy media expenditures.

Consequently, the best way to cut down on the influence of big money in a campaign is not to dump the bills in the Government's lap, but to shorten the campaign itself. And that is precisely the cornerstone of this campaign reform legislation.

My legislation could mean giving up one of our most cherished rituals, the national political conventions. These circuses have become the political dinosaurs of the modern age, and it is time we let them go the way of the big city political machine and the smoke-filled room. Instead, every candidate for Federal office will have to appeal directly to the voters in order to get their party's nomination. This is the kind of reform which will be meaningful and effective without turning to a program of Government financing.

To those who are not convinced about the dangers of a Government-run system of campaign financing, I would like to refer to a passage from S. 3044 which reads:

> If the Secretary of the Treasury determines that monies in the fund are not, or may not be, sufficient to pay the full entitlement to all candidates eligible to receive payments, he shall reduce the amount to which each candidate is entitled. . . .

Now if that does not scare other Senators, it certainly scares me. I think that one of the principal lessons of Watergate is not only that Government can commit illegal acts to suppress dissent but that Government has enormous legal powers to suppress dissent and to play politics with the system.

So it is not the fact that money is involved. It is the amount of money. All we have done is shift the cost to the Federal Government; we have dropped it into the laps of the taxpayers of the United States. I do not think I have ever seen anything involving the Federal Government that cost less and less as time passed. In addition, everybody will pay, whether they want to or not.

I believe that whether it is politics, business, or unionism in this country, we have to earn our way. We have to earn respect and support.

Everyone is complaining about how power in Government is used to perpetuate itself. Here we have a bill to give Government even more of that power.

Let us have something that will stand the test of time. I hope Senators and their staffs will take the time to read the amendment I am presenting. It will shock some. But if we looked at it with an open mind, I think it will respond to some of the criticism that has been made with respect to incumbents. Any legislation that passes will not get rid of the incumbent advantage. Maybe it should be that every incumbent automatically becomes a candidate as of the first of the year in which the election is held. That would mean cutting down his exposure, and maybe that is good. There are many steps that can be taken if we really try to balance out the advantage an incumbent has over a challenger. But we will never get rid of the problem in its entirety. We can legislate on the subject, but the real problem will still confront us.

We can drive out the bad money without resorting to tax money. We can cut down the length of the campaign. We can replace political conventions with direct primaries. We can require full disclosure before, rather than after, the election.

The result of these reforms will be responsible and reasonable elections, conducted in full view of the people.

I honestly believe that in these proposals, we have a chance to reform the system in two important ways: First, by reducing the role of money in campaigns, and second, by involving the American people in the selection process.

That is the greatest guarantee against corruption. Our system is 50 percent selection and 50 percent election. It is the selection process which is now being denied to a majority of Americans. If we resolve these two issues, we will have tuned our political machinery to the times.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD at this point.

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

On page 2, line 1, strike all through page 86, line 17, and insert in lieu thereof the following:

TIME PERIOD FOR FEDERAL ELECTIONS

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—TIME PERIOD FOR FEDERAL ELECTIONS

"FILING DATE

"SEC. 501. (a) No later than the first Tuesday of September preceding a regularly scheduled election, or 60 days preceding a special election, each candidate must file a registration statement with the State Secretary of State or the equivalent State official, in order to be eligible to appear on the primary or election ballot in such state or states. The registration statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person authorized to receive contributions or make expenditures on behalf of the candidate in connection with the campaign;

"(2) the identification of any campaign depositories to be used in connection with the campaign;

"(3) an affidavit stating that no collections or expenditures have or will be undertaken in connection with the campaign prior to the filing deadline;

"(4) the identification of the party whose nomination the candidate will seek, or a statement that the candidate will seek to appear on the primary and election ballot as a candidate independent of any party affiliation.

"PRIMARY ELECTION

"SEC. 502. (a) All candidates for Federal elective office shall be nominated by means of a primary election to be held on the first Tuesday of October preceding the election, or thirty days preceding a special election. There shall be only one primary ballot or list of possible nominees for each party and one primary ballot or list for all nonpartisan candidates, and no candidate may appear on more than one such ballot or list. Each voter shall be entitled to vote for candidates from only one ballot or list.

"(b) Qualification of voters, determination of eligible parties, as well as rules and procedures for conducting the primary election shall be the responsibility of the States. Presidential electors and alternates shall be nominated by State political parties.

"PRIMARY ELECTION RESULT

"SEC. 503. The person receiving the greatest number of votes at the primary as a candidate of a party for an office shall be the candidate of the party at the following election: *Provided*, That any candidate who is the sole candidate for that office at the primary election, or who is only opposed by a candidate or candidates running on the same ballot or list of nominees and is nominated at the primary shall be deemed and declared to be duly and legally elected to the office for which such person is a candidate. Any independent candidate receiving at least 10 per centum of the total votes cast for the office for which he is a candidate at the primary, or a vote equal to the lowest vote received by a candidate seeking a party nomination who was nominated in the primary shall also be a candidate at the following election."

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 3. Section 608 of Title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contributions and expenditures

"(a) No person who is or becomes a candidate, or political committee for such candidate, in a campaign for nomination or in a campaign for election to Federal elective office may, directly or indirectly, in any way whatsoever—

"(1) accept or arrange for any contribution, or expend or contract for any obligation, prior to the filing deadline for the election; or

"(2) accept any cash contribution in excess of $50; or

"(3) accept any contribution, contract for any obligation, or make expenditures not budgeted and reported as provided by Section 434 of Title 2, United States Code, after a date two weeks prior to the scheduled election date; or

"(4) make expenditures or contributions in excess of $10,000 from his personal funds, or the personal funds of his immediate family, or from such funds being contributed or expended through the use of a third party.

"(b) Any deficit incurred in connection with a campaign for nomination or election to Federal elective office shall constitute a violation of this section, and such deficit shall be paid only by means of contributions received under the supervision of and according to a procedure which shall have the prior approval of the Comptroller General.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment not to exceed one year, or both."

SEC. 4. Title 18, United States Code, is amended by adding the following sections:

"§ 614. Contributions by political committees

"Political committees shall not make any contribution to any candidate, political committee, or other campaign for Federal elective office: *Provided*, That such committees may administer or solicit contributions, so long as such contributions are given directly by the initial contributor to a candidate or political committee.

"§ 615. No more than one political committee

"A candidate may establish no more than one political committee, which shall be in such candidate's own name: *Provided*, That the name of the committee, as well as the name of its chairman and treasurer, shall be filed with the Comptroller General immediately upon its formation; and should such a committee be established, all contributions received or expenditures made in connection with the campaign for nomination or election to Federal elective office shall be received or made by such committee and not by the candidate."

REPORTS

SEC. 5. Section 434 of title 2, United States Code, is amended to read as follows:

"§ 434. One report by political committees or candidates

"(a) Each treasurer of a political committee supporting a candidate or candidates for Federal elective office—or each candidate, should such candidate not establish a political committee—shall file a report with the Comptroller General two weeks prior to a scheduled election date for such candidate or candidates.

"Contents of Reports

"(b) The report shall be cumulative, shall report with respect to any activity in connection with the candidacy, and shall disclose—

"(1) the full name and social security number of each person who has contributed to the campaign, together with the amount of such contributions;

"(2) the full name and mailing address of each person to whom a debt or obligation is owed;

"(3) the full name and mailing address of each person to whom expenditures have been made, together with the amount of such expenditures;

"(4) the total sum of all contributions received;

"(5) the total sum of all expenditures;

"(6) the total sum of all debts and obligations."

PENALTIES

SEC. 6. (a) Section 441 of title 2, United States Code, is amended to read as follows:

"§ 441. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation."

(b) Title 18, United States Code, is amended by adding the following section:

"§ 616. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined, in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation."

COMPTROLLER GENERAL

SEC. 7. The Federal Election Campaign Act of 1971 is amended by inserting the words "Comptroller General" wherever the words "supervisory officer" appear. The Comptroller General shall make such rules or regulations as may be necessary or advisable for carrying out the provisions of this Act: *Provided*, That any rules or regulations so promulgated shall be published in the Federal Register not later than December 31, 1975.

EFFECT ON STATE LAW

SEC. 9. The provisions of this Act, and of rules or regulations promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).

PARTIAL INVALIDITY

SEC. 10. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 11. The provisions of this Act shall become effective on December 31, 1975.

AMENDMENT NO. 1081

Mr. BUCKLEY. Mr. President, the distinguished Senator from Connecticut (Mr. WEICKER) has just spoken of the indisputable advantages of incumbency. I would like at this time to focus on just one aspect of the truly mischievous campaign financing proposal now under debate. I believe that S. 3044 might well be termed the Incumbent Protection Act of 1974. While I do not believe that those who drafted the bill intended to do so, they have nevertheless come up with a scheme whose practical effect will be to help us insulate ourselves from effective challenge.

I do not make this statement lightly, but only after a serious examination of the potential impact of the provisions of S. 3044. The evidence available suggests rather strongly that the spending limits included in this bill would help incumbents who might otherwise be targets of serious challengers.

This is most readily observed in relation to House races where figures can be fairly easily quantified because of the similarity of the districts in terms of population.

In this regard I would direct your attention to a Common Cause study of the 1972 elections entitled "The 1972 Congressional Campaign Finance—A Study by Common Cause."

The authors of the study are numbered among the principal supporters of public financing and use its results to bolster their case. But I am convinced that they misread their own data; that in fact it argues against public financing generally and the provisions of S. 3044 specifically.

In 1972 more than three-quarters of all House races were decided by pluralities of 60 percent or more. In these races the average winning candidate spent $55,000 or less and the average loser spent even less.

These races all took place in what political analysts like to call "safe" districts. The districts involved were either so totally dominated by one party that a serious fight for the seat impressed almost everyone as futile, or the seat was occupied by a personally popular incumbent who just was not about to be beaten.

The authors of the study apparently believe that real races might be run in these districts if enough dollars are poured into the campaigns of those challenging now firmly entrenched incumbents. I am not persuaded that this would happen.

For reasons outlined above the incumbents holding these seats are probably impervious to real challenge. Those running against them have not failed, because they have lacked funds; they have lacked funds because their campaigns were doomed to failure. Common Cause has simply confused cause with effect in a way that has led Mr. Gardner and his friends to precisely the wrong conclusions.

Supporters of incumbents and challengers alike in these districts were apparently reluctant to give to campaigns

unlikely to be affected one way or the other by their contributions. Thus, as we shall see in a moment, the spending on both sides in these districts was significantly below the spending levels that prevailed in hotly contested races.

I must conclude, therefore, that in such districts the $90,000 per candidate allowed under S. 3044 will merely increase the level of spending without having any real impact on the final outcome.

The races in which the Federal subsidy and the limits associated with it will have an impact will take place in the 60-odd districts that might be considered marginal.

According to the same Common Cause study, only 66 House races were decided by less than 55 percent of the vote in 1972. These districts could be considered marginal by most standards and the victor in each of them had to fend off an extremely tough challenger.

Winners and losers alike spent more money in these races than was spent in the districts I have described as "safe." The cost to winners and losers alike in these districts averaged somewhat more than $100,000 each. As both the winners and losers spent about the same amount in these races, it suggests that the raising of funds needed for such campaigns is not too different. I will also admit that the limits imposed by S. 3044 might not have much of an effect in the average close race.

The real impact of the limits imposed by this legislation will occur in those races in which an incumbent finds himself in trouble and stands a chance of being defeated. Only 10 House incumbents were defeated in 1972 and in all but two cases the challenger had to spend significantly more than his opponent to overcome the advantages of incumbency.

The average spent by candidates who unseated incumbents in 1972 was $125,000 as opposed to the average of $86,000 those incumbents spent. Thus, it can be argued on the basis of these figures that a challenger must be able to outspend an incumbent opponent by a significant margin if he expects to beat him and that he will have to spend in excess of $100,000 to stand a realistic chance.

But what effect will the $90,000 limit imposed by S. 3044 have in these races? It is not at all unrealistic to assume that it will prevent challengers in marginal districts from overcoming the advantages inherent in incumbency. It is not at all unreasonable, in other words, to assume that those limits, had they been in effect in 1972, might have saved most, if not all, of those 10 incumbents.

If we are to enact legislation of this kind I believe we must either eliminate unrealistically low limits such as those incorporated in S. 3044 or eliminate the advantages of incumbency.

To help eliminate or at least minimize the advantages of incumbency I have decided to cosponsor legislation being introduced by the Senator from Delaware (Mr. ROTH) that would allow candidates to send free mailings to all voters during the course of their campaign and at the same time deny incumbents use of the franking privilege for additional mass mailings after Labor Day in an election year.

But I would go even further. At an appropriate time, I will offer an amendment to S. 3044 that will allow nonincumbents to operate under a spending limit 30 percent higher than that applicable to incumbents.

I firmly believe that such an amendment is essential if we are to avoid the charge that we are "stacking the deck" in favor of our own candidacies as incumbents, as in fact we would be if we do not seek to affect our inherent advantages.

Mr. President, I send my proposed amendment to the desk and ask unanimous consent that it be printed at this point in the RECORD.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table, and, without objection, will be printed in the RECORD in accordance with the Senator's request.

Mr. BUCKLEY's amendment (No. 1081) is as follows:

AMENDMENT No. 1081

On page 13, line 16, insert the following after "504.", and renumber the succeeding paragraphs accordingly: "(a)(1) The expenditure limitations under this section shall be applicable to incumbent candidates only (unless otherwise specified). Nonincumbent candidates shall be subject to an expenditure limitation equal to 130 per cent of the limitation applicable to an incumbent for each of the offices specified under this section.

2. For the purposes of this section, an incumbent is defined as one who

(A) is presently holding the office for which he is a candidate; or

(B) is currently holding or has within five years held an office, the voting constituency of which is the same as, or includes the voting constituency of the office for which the individual is a candidate.

Mr. BAKER. Mr. President, for the third time in less than 9 months, we find ourselves debating fundamental, and some say radical, reform of our electoral process. In the wake of Watergate and the events of the past year, it is not surprising that considerable support has developed within the Congress for new concepts such as public financing of campaigns for Federal office. In fact, having listened to months of testimony about abuse and circumvention of existing statutes, I can sympathize with the temptation to abandon that system altogether in favor of some other approach. Public financing is definitely new, and it appears pure and absolute; but is it right?

Just over a year ago, the Senate voted unanimously to create the Select Committee on Presidential Campaign Activities. That committee was charged with the responsibility of investigating any and all potential wrongdoing associated with the 1972 campaign for President of the United States. It was also mandated to report its findings and recommendations to the Senate no later than February 28, 1974. That date has passed, but the committee has yet to submit its report. The reason, as most know, is because of the possibility that our findings might prejudice the trials of individuals allegedly involved in the crimes collectively known as Watergate.

Last summer, I implored my colleagues to withhold final consideration of any significant campaign reform until the duly mandated select committee had had an opportunity to fulfill the obligations required of it in Senate Resolution 60. However, in view of the delays which may continue for several months, I no longer feel it is reasonable to expect or request this of the Senate. Instead, I am now prepared to express my personal views on what reforms of our electoral process seem necessary.

Let me begin by stating my adamant opposition to the public financing of campaigns for Federal office. I think there is something politically incestuous about the Government financing and, I believe, inevitably then regulating, the day-to-day procedures by which the Government is selected. Obviously, it is neither reasonable nor desirable to expect a laissez-faire approach to the conduct of political campaigns. The Government has been involved in one way or another in the electoral process since we undertook our present form of government; and I have no doubt that the Government will increase its involvement in the future. However, if we continue to delegate responsibility for regulating campaigns to the bureaucracy, as we would do by enacting public finance, then I fear that a situation could arise in which the executive branch had the power to manipulate political campaigns in a manner which would make Watergate pale in comparison.

I think it is extraordinarily important that the Government not control the machinery by which the public expresses the range of its desires, demands, and dissent. And finally, I genuinely believe that a statutory prohibition against political contributions, whether it applies to primaries, general election campaigns, or both, may abridge the individual's first amendment right of freedom of political expression. It is one thing to impose a limit on the total amount of an individual contribution, for it can be argued that you are, in effect, equalizing everyone's opportunity for expression. However, when that opportunity is completely eliminated, then I believe that the Congress has exceeded its responsibility to protect the integrity of the electoral process. In rural jargon, we are burning down the barn to get rid of the rats; and in so doing, we are also eliminating an important form of public participation in our political process—participation which is already at an all-time low.

I realize that a Gallup poll published last September showed that 65 percent of the people interviewed thought public financing was a "good idea." But I also realize that a recent poll showed a majority of Americans had more confidence in their trash collectors than they did in the ability of Congress to effectively deal with the problems confronting this country. So, at a time when people are becoming increasingly skeptical about the use of their tax dollars, we are considering bankrolling political candidates to the tune of several hundred million

dollars each election. I admit that in a Federal budget of over $300 billion, $300 million for political candidates is not that much. However, at the first indication that an individual who is supposedly running for public office is using tax dollars for anything other than that campaign, that is, assuaging his or her ego or generating customers for their business, I submit that a great many Americans will justifiably lower their estimation of the Congress even further.

But, having expressed my views on the evils of public financing, as I see them, it is fair to ask, "What do you plan to offer as an alternative, or how do you intend to reform our ailing electoral process?" I propose that we continue a system of private financing of campaigns for Federal office, but that we amend that system so as to broaden the base of participation and prevent the abuse of earlier campaigns. We could do this, in my judgment, by adhering to the $3,000 limitation on individual contributions included in S. 372 and S. 3044 and applying it separately to each primary, runoff, special, or general election campaign as provided for in both bills. Although many will contend that this would make it virtually impossible to raise enough money to run an effective campaign, especially for the relatively unknown challenger, we should look briefly at the facts.

Let us assume hypothetically that an expenditure limitation of 15 cents times the voting-age population of the country was imposed on each nominee for President during the general election campaign. According to my calculations, that comes out to around $24,000,000 per candidate. If $3,000 was the maximum an individual could contribute to a Presidential nominee, that candidate would have to find 8,000 people to contribute $3,000 each in order to meet the expenditure ceiling. There are over 210,000,000 citizens of this country; and obviously not all of them are old enough to vote, nor can afford to contribute $3,000 to a political candidate. However, I submit that there are far more than 8,000 people out there who would be willing to contribute $3,000 to a nominee for President; and it should not be that difficult to find them. I suspect that many believe it is difficult because we have normally aimed our fund-raising efforts at the people most capable of giving large amounts—the so-called fat-cats. But is that the proper approach? I do not believe so, for I am sure we could reap far better results by developing an effective method of broad, low-level solicitation.

I referred earlier to the terribly small amount of confidence a majority of Americans seem to have in their major governmental institutions. This is a problem which, though Watergate did not cause, it certainly has exacerbated. Moreover, it is a problem which could prevent even the most involved citizen from responding to the needs of a combination of Federal, State, and local candidates for public office. Consequently, I would propose that a clear and effective incentive be provided for those who are hesitant to contribute, and those who are not. I propose that the present tax credit of 50 percent of all political contributions made during a calendar year, up to $12.50 for an individual return, or $25 for a joint return, be increased to $50 for an individual return and $100 for a joint return, and that the figure of 50 percent be increased to 100 percent. That means that an individual can credit each dollar contributed to a political campaign in a calendar year, up to $50 for an individual return and $100 for a joint return. In this way, the contributor can control who receives the money and for what campaign it is used. Moreover, the Treasury Department is removed from any direct involvement in financing campaigns, thereby reducing the potential for bureaucratic manipulation or abuse. Obviously, the key to the success of this new tax credit proposal is education. The American people must be made fully aware that such an incentive for political contributions exists, as well as how that incentive works when they file their individual or joint tax returns. And if, in the near future, it appears that a 100-percent tax credit is no longer necessary to prompt adequate private financing, then we should consider reducing that credit back to the 50-percent level. However, for now, I would only urge that this proposal be given the most serious consideration as a viable, and in my judgment preferable, alternative to public financing.

I would also propose that the present dollar checkoff system be repealed entirely. Whereas an effective tax credit system would remove the U.S. Treasury from direct involvement in financing political campaigns, and would permit individual contributors to designate the recipient of their money, the dollar checkoff system does just the opposite. In fact, in S. 3044, unless an individual taxpayer specifies otherwise, $2 is automatically paid over to the Federal election campaign fund for use in campaigns in accordance with the provisions of the bill. The American taxpayer is not even allowed to designate the party that should receive the contribution, much less the specific candidate; and it is for this reason that I shall propose that this system be abandoned altogether.

I shall also propose that only individuals be permitted to make contributions to political campaigns. Only individuals can vote, and only individuals can decide who is on the ballot in the first place; so why should not only individuals be allowed to make political contributions? I do not think a corporation or a union should be allowed to contribute. They cannot now; but they do through AMPAC, BIPAC, COPE, and a half dozen other devices. Moreover, I do not think associations, committees, caucuses, or any other organization which aggregates funds from its members and gives those funds in the name of a cause or interest should be permitted to do so. After a full year of service on the Senate Select Committee on Presidential Campaign Activities, I am convinced that this would do more to eliminate the distortive effects of special-interest groups than any other proposal I have seen which permits private financing. This is not meant to imply that I oppose or in any way wish to diminish the persuasive capacity of lobbyists, whether they represent corporations, unions, or public interest groups. On the contrary, I have always felt that the most convincing argument available to the lobbyist, besides the individual merits of the particular issue, was not the lure of substantial financial support for sympathetic candidates, but rather the strength of a large bloc of voters which might be influenced by a stand taken on a particular issue. It should, instead, be totally incumbent upon the candidate to solicit the support of the individual voters and not specific groups; and it is for these reasons that I believe that only individuals should be permitted to contribute to political campaigns.

Essential to the success of any system of private campaign financing is complete public disclosure. S. 3044 deals very effectively, in my opinion, with the problems of disclosure and multiple campaign committees, treasurers, and depositories, cash contributions and expenditures, and an effective enforcement mechanism for prosecuting alleged violations of campaign statutes. However, there is one additional step which I consider important to the fulfillment of the public's right to examine the source and amount of individual contributions. That step is to establish a time certain before the election, say 10 days to 2 weeks, after which no further contributions can be received. And then 3 to 5 days before the election, require that each candidate report completely the sources of his or her contributions. In this way, the public is given the full benefit of examining the candidate's sources of funds and drawing their own conclusions regarding the breadth of the candidates' appeal prior to the election rather than after the election has taken place. As it is now, candidates can withhold potentially damaging information on contributions until after the election has taken place, thereby hindering the public's ability to judge support until after it is too late. However, under my amendment, contributions received after the time certain would have to be returned, and no further funds could be solicited or received until after the election had taken place, and then, only if it were necessary to defray campaign debts.

I shall also propose that the lowest unit rate provisions of the Communications Act of 1934, as amended, be repealed completely. I find something inherently unfair and inequitable about requiring local radio and TV stations and the major broadcasting networks to offer advertising time, particularly prime time or "driving time," at the same rate that it is offered to their top commercial buyers—buyers that advertise 365 days a year and legitimately earn the lower rates. I do not question the right or authority of the Congress to regulate broadcast rates, for the history and record of Federal regulation is well established. What I do question, however, is the fairness to the broadcaster and to the other advertisers. If it is absolutely necessary to attempt to offset the extraordinary cost of broadcast advertising, then I

propose that we do so at the prevailing rates and not at the lowest unit costs. In this regard, I would propose that a minimum amount of broadcast time be provided each legally qualified candidate for Federal office. Any candidate who wishes to purchase beyond the guaranteed amount would do so at the prevailing rate. In this way, the challenger would be afforded an opportunity to gain a moderate amount of public exposure without having to allocate an inordinate share of what are likely to be scarce resources just to approach the recognition factor of the incumbent.

Moreover, while guaranteeing a moderate amount of TV and radio time to qualified candidates, it would discourage the purchase of additional time by requiring the respective candidates to pay the prevailing advertising rates. In order for a candidate to qualify for this "guaranteed time," I would plagiarize the formula used in S. 3044 for major and minor party candidate eligibility. That formula requires that House, Senate, and Presidential candidates reach specific thresholds before public funds are made available on a dollar-for-dollar basis. I would require that the respective threshold be met before any advertising time was made available; and even then, I might require that an additional threshold be met later in order to insure the true intentions of the particular candidate. However, the thrust of such an amendment would be to help overcome many of the obstacles, primarily that of recognition, confronting the candidate who challenges an incumbent. In general, I oppose any form of public finance; and I realize that such a proposal might create some of the problems which I alluded to earlier. But, I am also aware of the inherent disadvantages facing a challenger in relation to an incumbent; and if anything is to be done in the realm of public financing to reduce those disadvantages, then I would prefer to see it done in the manner I have just described—at the prevailing rates and not at the lowest unit costs.

I shall also propose that overall expenditure limitations be eliminated if a system of private financing is retained with individual contributions strictly limited and fully disclosed. The reason, very simply, is that as long as the size and source of contributions are adequately controlled, particularly at the $3,000 level, then overall expenditure limitations, in effect, penalize the candidate for attracting a broad base of support. I do feel that we spend too much on campaigns and that something should be done to prevent the unnecessary expenditure of funds in political races which are not even close. However, in most cases, it seems that limits favor the incumbent, are arbitrary, and do not accurately reflect the changing costs of campaigning from year to year or from State to State. Thus, if we retain significant private financing, with the aforementioned conditions, then I shall propose that we eliminate the overall expenditure limitations.

I referred earlier to my concern that public participation in our electoral process appears to be at an all-time low. I should like to elaborate on that concern. It stems from the fact that in 1972, only 55.6 percent of the eligible voters in this country actually turned out to cast their ballots for President and Vice President of the United States. Obviously, different Presidential campaigns generate varying degrees of interest and enthusiasm among the voters; and races that are not even close, seldom attract a large turnout. However, a turnout of 55.6 percent, particularly at a time when the Federal Government is increasingly involved in our daily lives, is, in my mind, tragic. It is the clearest indication of all that a substantial number of Americans have grown disenchanted with politics and the electoral process; and it is one of the primary reasons why broad reform of that process seems warranted.

Such reform, in my judgment, should include not only campaign finance and so-called dirty tricks, but also the selection process itself. I believe we should examine voter registration requirements, the present primary system, national party conventions, the official length of political campaigns, election-day procedures, and even, perhaps, the electoral college—not all necessarily in conjunction with S. 3044, but rather as part of the overall debate on campaign reform.

As part of that debate, I would urge that serious consideration be given automatic registration of voters in Federal elections at age 18. The history of the United States has been a history of the extension of the voting franchise. Yet, even today, a significant number of our citizens are effectively prevented from participating in elections by complex and often archaic registration and residency requirements. The postcard voter registration bill passed by the Senate last year was an effort to deal with this problem, but I opposed it because of my concern for the potential for mail fraud and abuse of such a system.

Several Western nations, however, have already successfully implemented a form of automatic voter registration. In the Scandinavian countries, for example, and in Switzerland, every eligible citizen is registered ex officio in a voting register. Lists of voters are published by the elections authorities in advance of the election date. Any citizen whose name has not been included in the list then has until approximately a week before the election to correct the situation.

In the United States, however, citizens still must contend with what amounts to a perpetual registration process. I fully realize that some difficulties will arise in translating automatic registration to the realities of the American experience and attempting to reconcile it with State registration procedures. Perhaps social security numbers could be utilized to standardize this procedure, since more than 95 percent of eligible voters are already registered with social security. In any event, the concept deserves consideration, in my view; and, if workable, it could provide a valuable incentive to increase citizen participation.

I would also urge major reform of our present spasmodic system of Presidential primaries. There are essentially three alternatives in this regard: a refinement of the present system requiring the 25 States who hold Presidential primaries to do so on four or five specific dates at 2- or 3-week intervals; a single national primary for each party with a subsequent runoff unless one candidate polls more than 40 percent; and a system of regional primaries also held at specific intervals, but encompassing all of the country.

Of these three proposals, I am most inclined to support the one for a system of regional primaries in which every eligible voter who desires to participate in the selection of a party nominee can do so by voting in the regional primary which includes his State. This would permit the millions of Americans who support candidates who never get the party nomination to express that support in a meaningful way. It would also give them a personal stake in the election and increase the likelihood of their participation in the subsequent general election campaign. Specifically, I would propose dividing the country into four geographic regions, largely along the lines of time zones so as to avoid holding a "Southern" or a "New England" primary with a distinct ideological slant. I would make those regions of roughly equal population and would hold the four primaries at 3-week intervals beginning in early June and ending in early August.

The respective primary candidates would compete for State delegates who would be won according to the proportion of vote received in each State, rather than on a winner-take-all basis. Although I am aware of the high cost involved in running in regional primaries, the basic idea is to vastly expand the public participation in the nominating process and to significantly reduce the official length of Presidential campaigns.

As it is now, the first Presidential primary normally takes place in early March with the general election 8 months later, in November. But as I see it, there is absolutely no reason why that process must take that long. It exhausts the candidates, costs exorbitant sums of money, and eventually bores a great many people. The British do it all in less than 6 weeks, so why cannot we do it in less than 8 months? In this regard, I plan to offer an amendment to require that all primaries for Federal office be held no earlier than the first of June and no later than the 15th of August. This would significantly shorten the official length of campaigns for Federal office and permit the Congress to work at relatively full strength for a good 4 months before most Members are forced to return to their States or districts to campaign full time for the nomination.

I recall that before Senator Margaret Chase Smith left this body, she proposed that Senators be required to maintain a voting attendance record of 65 percent or better. Her argument was that once Presidential primaries began, the Senate found it difficult to obtain a quorum. I am not necessarily proposing that. I am proposing that we shorten the official length of campaigns and enable the Congress to accomplish as much as possible in the first few months of the year while attendance is still high.

With regard to the actual election day,

I recommend that we open and close polls all across the country at a uniform time and that they be opened a full 24 hours. The arguments for this are simple and well known; but briefly stated, this is the best way I know of to prevent the harmful effects of broadcast networks projecting the outcome of elections, based on very early returns, when polls in the Western States are still open. Moreover, 24 hours would maximize the individual's opportunity to vote before, after, or during work.

I would also recommend that the debate on the electoral college, that 18th century vestigial remnant, be reopened. Although I have no strong views one way or the other, I have long felt that in a democracy such as ours, there should be no alternative to the expressed will of a majority of the people; and the electoral college, as conceived and utilized for the past 200 years, constitutes just such an alternative. How can we ask for greater confidence and participation in our political process when we are not willing to entrust the American people with the ultimate decision? It is a difficult question to answer, but one which we should consider nevertheless.

In conclusion, Mr. President, seldom, if ever, has the need for a thorough reexamination of our electoral process been as great. Seldom, if ever, has the opportunity for reform been as ripe. We should seize that opportunity to greatly expand the suffrage and to encourage unprecedented participation in our political process.

Forty years ago, Al Smith said:

All the ills of democracy can be cured by more democracy.

I share that view and hope that we will apply that principle as we consider the pending legislation.

ORDER FOR TIME TO VOTE ON AMENDMENT NO. 1064

Mr. MANSFIELD. Mr. President, it is my understanding that the distinguished Senator from Alabama (Mr. ALLEN) will call up an amendment today. With his approval and that of the manager of the bill, after consultation with the distinguished Republican leader, I ask unanimous consent that the vote on the Allen amendment (No. 1064) occur precisely at the hour of 3:30 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON TREATY AND MINIMUM WAGE CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, some time tomorrow the Senate will take up Executive U, 93d Congress, first session, a Treaty on Extradition with Denmark, which has been favorably reported unanimously by the Committee on Foreign Relations.

I ask unanimous consent that on Thursday at the hour of 12 o'clock, there be a vote on the extradition treaty with Denmark and that following that vote the conference report on the minimum wage bill be taken up.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 12 O'CLOCK TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 12 o'clock tomorrow.

The PRESIDING OFFICER (Mr. TOWER). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM WEDNESDAY TO 11 A.M. ON THURSDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business tomorrow, it stand in adjournment until 11 a.m. on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CLARK. Mr. President, I ask unanimous consent that two of my staff members, Andrew Loewi and Brady Williamson, be allowed the privilege of the floor during the consideration of S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I ask unanimous consent that amendments Nos. 1013 and 1014 be considered as having met the reading requirements of rule XXII under the standing rules of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, the bill before us today—the Federal Election Campaign Act Amendments of 1974—is without question one of the most significant pieces of legislation the Senate has considered in the last 2 years. From Theodore Roosevelt to Henry Cabot Lodge to John F. Kennedy, the effort to establish public financing of Federal elections has continued throughout much of this century. Under the leadership of Senators LONG and PASTORE, the Congress has enacted public financing for Presidential general elections beginning in 1976. But now, through the considerable efforts of Chairman HOWARD CANNON and the Rules Committee, we have the opportunity to provide public financing for congressional campaigns as well.

This legislation (S. 3044) will provide for matching payments to primary candidates, for optional full funding for candidates in the general election, for strict contribution and expenditure limitations, for fair treatment of minor party and independent candidates. The bill incorporates the many sound provisions of S. 372, the campaign reform bill passed by the Senate last summer. These include the establishment of an independent Federal Election Commission, strengthened reporting requirements, full financial disclosure for Federal officials and candidates, tough penalties for violators, and repeal of the equal time provision of the Communications Act.

This legislation is sound, the need for it is obvious, and I certainly will support it. My only concern is that it does not go far enough, and I do plan to offer amendments to the bill.

No one contends that passage of this legislation—with or without strengthening amendments—will somehow automatically bring an end to all of the abuses that have come to light in the past 2 years. But surely this bill will help change a political process that in many ways has become the private preserve of the wealthy and special interests, and it will help us return to a Government responsive to all of the people.

Mr. President, at a time when public confidence both in the Congress and the Chief Executive are below 30 percent, at a time when a substantial majority of the American people favor public financing of elections, the failure to enact this legislation would be wholly irresponsible.

In one sense, President Nixon was right when he said that "1 year of Watergate is enough." We must never again subject this country to the kind of conduct that characterized election year 1972. It is time to bring a halt to the tyranny of the private dollar in the public's business, and the passage of S. 3044 will be a very significant step in that direction.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that two members of my staff, Ms. Francie Sheehan-Brady, and Mr. Angus King, be given the privilege of the floor during debate on S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I call up my amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 75, line 19, redesignate subsection "(a)" as subsection "(a)(1)".

On page 75, line 19, strike the word "person" and substitute the word "individual".

On page 75, line 22, strike the word "person" and substitute the word "individual".

On page 75, following line 23, add the following new subsection:

"(2) No person (other than an individual) may make a contribution to, or for the benefit of, a candidate for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $6,000."

On page 75, line 25, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the period and add the following:

"; or from any person (other than an individual) which, when added to the sum of all other contributions received from that person for that campaign, exceeds $6,000."

Mr. HATHAWAY. Mr. President, the purpose of my amendment is to correct an inequity in S. 3044 by distinguishing between individuals and organizations with regard to contribution limitations.

As reported, the bill places a $3,000 limitation on what a person—defined as an individual or an organization—may contribute to a candidate for the House or Senate in any election. Only a candidate's own campaign organization and the national and State party committees are exempt from this provision.

Obviously, the intent of the limitation is to eliminate the specter of bought elections and to lessen the role of big money in politics.

In effect, though, the limitation equates one wealthy contributor with an organization of hundreds or thousands. Thus it discriminates against the modest contributor who chooses to give through an organization that reflects his philosophy or views.

The role of broad-based citizen interest groups—whether conservative—such as the Americans for Constitutional Action or the American Conservative Union—liberal—such as the National Committee for an Effective Congress or the Council for a Liveable World—or single issue—such as the League of Conservation Voters—is to help elect persons who support the group's views or ideology. The citizens who contribute to such organizations often do not have the time or expertise themselves to find out which candidates most nearly share their views, are most qualified, have real chances of winning, and so on. By giving through such committees, they participate in the most intelligent way in the election process.

It is important to point out, too, that the limitation of the Senate bill does not greatly restrict large business interests or labor union participation. Individuals within a corporation or company may each give "voluntarily" as they do now, or they may establish committees in several cities or States, as many as they wish, and each may contribute the full amount to any single candidate. Since most labor organizations, many trade associations and business groups already have State, local, and regional affiliates, they have an existing network to support candidates, and each of these committees may contribute the maximum to each candidate.

In contrast, large citizens' groups usually raise funds by mailings to the general public. They are known by their name and their reputation, and cannot suddenly split into many different committees with different names.

A legitimate political committee should be allowed to contribute at least twice as much as an individual. Some, including the New York Times in an editorial comment, have suggested that such organizations be allowed to contribute three or four times the amount a single individual can contribute. It has been pointed out that, under the present proposal, Mr. and Mrs. Clement Stone could legally contribute twice as much to a House or Senate candidate as could the National Committee for an Effective Congress, an organization of 80,000 persons.

My amendment would partially remedy this inequity by distinguishing between an "individual" and a "person," and by allowing an organization to contribute twice as much as an individual.

In effect, my amendment would allow that an organization could contribute the same amount that a married couple can now contribute under the pending bill.

Mr. President, I urge the adoption of my amendment.

Mr. CANNON. Mr. President, I have gone through this amendment and I would ask the Senator from Maine, do I correctly understand that his amendment would not change in any way the limit now imposed on an individual, which says that an individual can contribute not to exceed $3,000 to a political candidate?

Mr. HATHAWAY. The Senator is correct.

Mr. CANNON. That means that a husband and wife, therefore, could contribute $6,000, because each, as an individual, could contribute $3,000?

Mr. HATHAWAY. That is correct.

Mr. CANNON. The Senator's amendment, then, would simply be that an organization, being defined as a person, would be in the same contribution category as a husband and wife would be, insofar as the limits were concerned.

Mr. HATHAWAY. The Senator is absolutely correct.

Mr. CANNON. So that an organization that has many members which may be contributing small amounts could, then, instead of being limited to $3,000, the proposal now in the bill, would be limited to $6,000, the same amount a husband and wife together could give to a candidate.

Mr. HATHAWAY. The Senator is correct.

Mr. CANNON. This makes no other changes in the bill, then, is that correct?

Mr. HATHAWAY. It does not make any other changes in the bill.

Mr. CANNON. I thank the Senator.

Mr. GRIFFIN. Mr. President, will the Senator from Maine yield?

Mr. HATHAWAY. I yield.

Mr. GRIFFIN. Obviously, if the Senator's amendment were to be adopted, the situation would be better than what we have today where organizations such as those having milk funds can make unlimited contributions. But I suggest that even with the Senator's amendment, it is disturbing that we would be delegating to some organization the decision as to who is to be supported to the extent of $6,000.

If we really want clean elections and clean campaigns, we would strictly insist that all contributions be made by individuals to the candidate of their choice. To me, that is the way it should be.

So I am opposed to the Senator's amendment. I believe he moves in the wrong direction. I think we should be moving away completely from elections that are supported and financed by special interest groups. This amendment would allow the special interest groups to be able to pick and choose in supporting the candidates rather than individual citizens.

Am I wrong in that assessment?

Mr. HATHAWAY. The Senator is partially right, and I hope to see the day when all individuals in this country take so much interest in our political process that we can have a system in which only individuals will be allowed to make contributions.

However, in the meantime we are faced with the reality that most individuals do not have that much interest or do not take the time to find out about the qualifications of all the candidates who are running for public office. With some exceptions, the organizations to which many of these same people belong are idealistic, legitimate organizations. They are not necessarily out to get somebody or have an ax to grind. They do operate conscientiously to further the interests of their members, and they provide a good vehicle for contributions which probably would not otherwise be made to political campaigns.

Certainly, the limitation of $6,000 is not a very large one to be placed upon such organizations. I mentioned in my earlier remarks organizations such as the Committee for an Effective Congress, which has 80,000 members. A $6,000 limitation for such an organization does not seem to be out of line.

Mr. GRIFFIN. I might agree with the Senator in terms of a Presidential election or a Senate election in a big State. But when we are talking about a congressional election in which the total amount of the funds is much smaller, I would suggest that two or three of these organizations which are essentially in league with one another could have a great impact on a congressional election.

With this amendment, it seems to me that we are right back again to the special interest control of elections. I thought that is what we are trying to move away from with this legislation.

While I regret to do it, I think we should have a rollcall vote on this amendment. Since the majority leader has announced that we will not have any rollcall votes today, I suggest for the consideration of the manager of the bill and the sponsor of the amendment that perhaps we could agree to have a rollcall vote on this amendment tomorrow, either before or after the 3:30 vote that is already scheduled.

Mr. HATHAWAY. Yes; I would be happy to agree to that.

Mr. CANNON. Would the Senator desire to withhold his amendment at this time? The agreement that is in effect permits Senator ALLEN to offer an amendment, to call it up this evening, and it will be voted on at 3:30 tomorrow. Would the Senator be willing to withdraw his amendment?

Mr. HATHAWAY. I would be happy to withdraw the amendment until the amendment of the Senator from Alabama is voted on at 3:30 tomorrow.

The PRESIDING OFFICER. The amendment of the Senator from Maine is withdrawn.

ORDER FOR RECOGNITION OF SENATOR HUGHES TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their des-

ignees have been recognized under the standing order, the Senator from Iowa (Mr. HUGHES) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. HUGHES on tomorrow, there be a period for the transaction of routine morning business, of not to exceed 30 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the transaction of routine morning business on tomorrow, the Senate resume consideration of the unfinished business, S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRIFFIN). Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. Mr. President, I ask that the clerk please report amendment No. 1064, and that it be made the pending business.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

Amend S. 3044, as follows:

Strike TITLE I—FINANCING OF FEDERAL CAMPAIGNS in its entirety.

Mr. ALLEN. Mr. President, the title which the amendment would strike is title I of S. 3044, which is the first 24 pages and the first 4 lines on page 25 of the bill.

The amendment would strike from the bill all those portions thereof having to do with public financing of Federal elections. There is much good in the bill and if we can prune this public financing provision from the bill then there would be no objection to rapid consideration of the features of the bill and an early vote on the bill.

Mr. President, S. 3044 is an original bill coming from the Committee on Rules and Administration, coming as the result of and in compliance with an agreement reached on the floor of the Senate back in December of last year when the public finance rider to the debt limit authorization bill was under discussion. The distinguished Senator from Nevada (Mr. CANNON) and other members of the committee agreed that if that rider were dropped or if further insistence on its acceptance not be made that the Rules Committee would report a bill in some fashion to provide a vehicle for the Senate acting on the public financing of Federal elections idea.

The bill was reported to the floor of the Senate, considered in committee, passed by a vote of some 8 to 1, although some Members who voted for the bill stated that they were doing so only because commitments had been made that a bill would proceed from the Rules Committee to the floor of the Senate.

The Senator from Alabama voted against the reporting of the bill. He made no commitment on the floor of the Senate agreeing to a bill to be reported from the Rules Committee to the Senate.

Mr. President, this bill goes one step further than does the Kennedy-Scott-Mansfield-Mondale-Cranston, and others rider. The rider did not provide for the financing in whole or in part of House and Senate primaries. The Senate bill goes one step further than does the Kennedy bill.

Mr. President, why public financing? Why should we have public financing of Federal elections? Why not leave it in the private sector? Well, they say the lessons of Watergate indicate that the only answer to the abuses pointed out by Watergate is to turn the bill for campaign expenses over to the taxpayer, pay for Federal elections out of the Public Treasury, rather than through contributions from individual citizens.

Mr. President, that magic is left to the public money. Why should that be less susceptible to abuses than private contributions? I submit that stricter regulation of Federal elections has not yet been tried; it has not yet been given a fair trial. The 1971 Federal Elections Campaign Act is deficient in many regards: Not only did it have a fatal flaw in it providing that contributions made up to April 7 of 1972 did not have to be reported, but also it makes no limitation on any campaign expenditures except for media advertising. That is the only thing that the limit is placed upon; no overall limit whatsoever on other types of advertising.

Newspaper advertising, radio, television, magazines, billboards—those are limited, I believe, to 10 cents per person of voting age. The sky is the limit, though, on expenditures in all other fields. I submit that the other fields of campaign expenditures would be just as large or possibly much larger than in the field of media advertising. What about travel expenses; what about cars; what about brochures; what about campaign office staff, mass mailing, stationery, and postage? All these types of advertising have no limit under the present law, under the 1971 law.

But, Mr. President, the Senate was mindful of that deficiency and on July 30 of last year passed S. 372. That bill would place an overall limitation on campaign expenditures of all types, and whereas the present law makes no effective limitation on the amount that can be contributed by one contributor, as we witnessed, contributions in the hundreds of thousands of dollars were made in the 1972 campaign; S. 372 significantly leaves the campaign expense field in the private sector, and would place a limit of $3,000 per person per election. S. 3044 carries that same $3,000 limitation.

So if S. 372 places a limit on all types of expenditures, not just the media, if it puts an effective limit on that, if it limits campaign contributions to $3,000—and it does—and if it sets up an independent election commission—and it does—and if it limits cash campaign contributions to $50—and it does—it has gone a long way toward effective campaign reform.

There are many atrocities committed in the name of campaign reform, and I submit that public financing is one such atrocity. Every change does not necessarily mean it is a reform, and paying the bill out of the Public Treasury is not reform—it is just shifting the burden to the taxpayer.

Mr. President, the Senate set up the Watergate Committee somewhat over a year ago, and one of its responsibilities was to make recommendations on the conclusion of its investigation, about improving the election process in Presidential races.

Well, the Watergate Committee is just about to wind up its work. I assume its report will be forthcoming shortly.

What does the Watergate resolution provide? Section 4, page 13, reads:

The select committee shall have authority to recommend the enactment of any new congressional legislation which its investigation considers is necessary or desirable to safeguard the electoral process by which the President of the United States is chosen.

Mr. President, based on the votes taken in November and December, and the introduction by an absent Senator of amendments to this bill, my understanding is that 5 out of the 7 members of the Watergate Committee oppose public financing. And the distinguished Senator from Connecticut, just a few minutes ago, was speaking on the subject. I am confident other members of that committee will be on the Senate floor in the coming days, if not weeks, discussing this very same issue and speaking against public financing.

What is the big hurry? We have already passed a bill, S. 372, that does not provide for any public financing—not a dime. Well, that bill passed here on July 30 by a vote of 82 to 8, Mr. President, and the Kennedy-Scott-Mansfield-Cranston-Mondale-Pell rider was de-

feated by a vote of about 52 to 40 when it was offered as an amendment to that bill. That bill is over in the House, and we understand Chairman HAYS has agreed to act in the matter of campaign reform in the very near future.

Before they act on the bill in the House, an effort is made to change the entire thrust of the bill, change the entire position of the Senate, with regard to that legislation. What are our brethren in the House going to think about the Senate sending a bill, providing for private financing with strict regulation, and before they even act on it, the Senate changes its mind and sends an entirely new bill with an entirely different thrust? I believe the Senate should be a little more consistent than that. If we wanted public financing, it looks like it would have been a part of that bill.

What does this bill provide? It keeps that same provision in there about candidates who seek the Presidential nomination of the major parties—and there are quite a number of those. When we have a full Senate here, we have quite a number who are seeking the nomination.

I might say, Mr. President, I have an amendment I expect to call up, before the bill is acted on finally, that would forbid any Member of the 93d Congress from receiving any public funds in aid of a Presidential nomination contest for the Presidency for the term starting January 20, 1977, which would be the start of the next term. We have a number here in the Senate who seek the Presidency or would accept the nomination if it came their way. The bill still provides that a Member of the Senate or a Member of the House could seek the Presidential nomination of one of the major parties, and if he were successful in getting $250,000 in contributions of $250 or less, then the Federal Treasury would write him a check for $250,000. It would match that $250,000, and then subsequent contributions of up to $250 that he received would be matched by the Federal Treasury. He could come in every 2 or 3 days and pick up his check or his matching funds. That keeps going until he has collected from the Federal Government some $7.5 million to aid him in his election campaign.

If Governor Rockefeller had contributions of that size and that amount, he could get $7.5 million out of the taxpayer's pockets.

Governor Connally in the same way. Governor Reagan in the same way. Senator PERCY in the same way. Senator KENNEDY in the same way. Their contributions up to $250 would be matched by the Federal Government up to $7,500,000.

In a colloquy this morning or early this afternoon with the distinguished Senator from Rhode Island (Mr. PELL), I asked him if there is in the bill anything that sets a time beyond which or back of which contributions would not be matchable or could not be received. I asked how far back it went. He said that there was no limitation.

I asked,

Does that mean that a man who has been running for the Presidency for some while could come in and say, "In the last five years I have collected so many thousands of dollars in my race for the Presidency, and I want the Government to match that?"

I asked if that were possible under the bill.

The Senator from Rhode Island replied,

Oh, yes; that is possible under the bill.

Then I asked,

Looking prospectively, now—looking at future races—suppose a man says, "I do not believe I am ready to run for President in 1976. I want to wait and run in 1980, or perhaps I want to run in 1984."

I asked if it were possible for a candidate to seek the nomination in 1980 and participate in the Federal subsidy?

The Senator from Rhode Island replied,

Oh, yes, that is all right.

I asked,

Is it possible, then, to have one class of candidates seeking the 1976 nomination, another class seeking the 1980 nomination, another group seeking the 1984 nomination, and then another group seeking the 1988 nomination?

The Senator from Rhode Island replied,

Oh, yes. That is permissible.

Mr. President, I do not believe that the Senate wants to approve a measure of that sort.

I have thought that the Washington Post would be in favor of almost any sort of bill that was said to provide for public financing or that was said to be for election reform. But I have found, to my surpise, that in this morning's Washington Post, the lead editorial said this about S. 3044. The editorial did not call the bill by name.

Thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strengthen the enforcement of the election laws. And today the Senate begins debate on a very ambitious bill to extend public financing to all federal primary and general-election campaigns.

I have always felt that the Post had a strong interest in public financing.

That bill was passed by the Senate and is in the House today. We do not know that it is not going to be acted on. Either that bill or a similar bill will be acted upon.

Let me read further from the Washington Post editorial:

The problem with the latest Senate bill—

That is, S. 3044, the bill before the Senate—

is that it tries to do too much, too soon, and goes beyond what is either feasible or workable.

Mr. President, this is the Washington Post making sound suggestions, such as I have just read.

For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries.

That is something the Senate committee, in its wisdom, added to the Kennedy-Scott-Mansfield-Mondale-Cranston-Pell rider approach. I continue to read:

No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries.

That is a field which the committee bill is seeking to clarify.

Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense.

As for Congressional primaries, they are so varied in size, cost and significance among the States that no single system of public support seems justifiable without much more careful thought.

I commend a reading of this editorial in the Washington Post to Senators, particularly Senators who advocate the public financing aspect of the bill.

What the Senate bill seeks to do is similar to a rider that failed of adoption last year. It is a worse bill in some respects, as I have pointed out, in that it seems to include the primary campaigns of Members of the House and the Senate. It goes even further than the Kennedy-Scott rider of last year. The pending amendment, the amendment on which agreement has been made to vote tomorrow afternoon, is to strike out title I, but to leave the remaining title, "Title II—Changes in Campaign Communications Law and in Reporting and Disclosure Provisions of the Federal Election Campaign Act of 1971," title III, crimes relating to elections and political activities—that would be preserved—title IV, disclosure of financial interests by certain Federal officers and employees, and title V, related Internal Revenue Code amendments. Those four remaining titles would still stay in the bill.

The distinguished majority leader this morning sought to obtain unanimous consent to strike title V in order that it might be considered on legislation which had originated in the House of Representatives, that it might be attached to the legislation originating in the House and referred to the Ways and Means Committee over there.

Mr. President, what title V does in the bill before us—and we do not know whether it will stay in the bill or not; I rather believe when we come to a vote on the majority leader's motion it will be stricken—is as follows: Title V is divided into two parts. One deals with the checkoff. And speaking of the checkoff, this checkoff system that we have really provides the vehicle and the method and system by which the 1976 general election Presidential campaign can be financed.

It is estimated by the fiscal authorities that by 1976 there will be over $50 million in this checkoff fund. It is provided that the candidate of each major party shall get 15 cents per person of voting age throughout the country, which will run about $21 million; so the Democrats and Republicans can be financed under the present checkoff laws. We do not need this S. 3044 to provide for the public financing of national Presidential elections. We do not need that at all.

The only catch in it—catch 22, so to speak—is that in order to come under the provisions of the present checkoff, the political party has to agree that it will make do in the campaign with this $21

million, and that the candidates will not accept any private contributions. I rather believe we are going to see some legislation later on increasing this amount of 15 cents per person of voting age through the checkoff to a larger amount, so that the parties can run more expensive campaigns than a $21 million campaign. But $21 million, Mr. President, will be available to the Democrats in 1976 and to the Republicans in 1976, so it is really not necessary to have this measure if what we are talking about is Presidential elections. If we want to finance the Presidential election of 1976, it is already provided for. It already comes under the provisions of existing law.

Now, this checkoff provision provides for double that amount. They do not think it is enough, so they want to double it. That would be $2 for a single person, $4 for a couple, and there is a nice little gimmick there, Mr. President, that if they do not check it off, it is assumed they did check it off. So, if they do not say they do not want it, it is assumed that they do want it.

Mr. President, I do not believe we need these changes in the checkoff law, and I will be glad to see the majority leader's motion carry when it comes up for consideration.

Of course, under the present deductions of credits allowed, in addition to the checkoff, there is something entirely different; on the income tax, you are allowed either credits or deductions for contributions you make to political campaigns. So under this public financing on a mixed type deal, mixing public funds and private funds, the Government would be paying, through those deduction and credit provisions of the income tax law, what the individual put in, and then the Government will match what it has already given the taxpayers to put in.

So, actually, the taxpayer would not be putting in anything on small contributions up to $50 that it provides, I believe, for a credit on the tax, and $200 for a couple on a deduction. So the Government, under this mixed plan of the bill before us, would be matching private funds with public funds when it has already given the taxpayers the money to put in on the private fund basis up to a certain amount. It would be the Government paying both ends of it.

Mr. President, I understand that one of the distinguished sponsors of this legislation would like to address the Senate, and I shall yield the floor at this time and continue with the remainder of my remarks at a later time.

I yield the floor.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Carey Parker of my staff may be present on the floor during the consideration of S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I am pleased to give my support to S. 3044, the election reform bill now before the Senate. No bill in this Congress is more important.

In large measure, how we deal with the pending legislation will determine the longrun health of our democratic system of government in the years to come.

For that reason, I am especially pleased to commend Senator HOWARD CANNON, the chairman of the Rules Committee, and Senator CLAIBORNE PELL, the chairman of the Elections Subcommittee, for the far-reaching bill they have guided to the Senate floor, especially title I, which deals with public financing of elections. Since most of the debate on the bill is likely to concern the bill's approach to public financing, I would like to address my remarks today to that issue.

A detailed summary of the public financing provisions of S. 3044 is attached as an appendix to my remarks. In essence, these provisions do two things:

First, the bill takes Senator RUSSELL LONG's dollar checkoff, the imaginative device enacted by Congress in 1971 for public financing of Presidential general elections, and extends it to Senate and House general elections. Under the checkoff, full public funding will be available for the general election campaigns of candidates of the major political parties, and proportional public funds will be available for candidates of minor parties.

Second, in a genuine breakthrough, the Rules Committee bill does not stop with public financing of general elections. It also offers public financing for all primaries for Federal office—President, Senate and House—through a system of matching public grants for small private contributions.

Thus, S. 3044 proposes a system of comprehensive public financing for all Federal elections.

Taken together, these provisions of the bill can spark a renaissance in American political life, because public financing of elections is the answer to many of the deepest problems facing the Nation, especially the lack of responsiveness of government to the people. Only when all the people pay for elections will all the people be truly represented in their government.

At a single stroke, we can drive the moneylenders out of the temple of politics. We can end the corrosive and corrupting influence of private money in public life. Once and for all, we can take elections off the auction block, and make elected officials what they ought to be—servants of all the people instead of slaves to a special few.

Amid so much that is negative today—the paralysis of our Nation's highest leadership, the increasing probability that the President will be impeached, the resignation of a Vice President, the indictments of many former highest White House aides, the sick economy soaring upward into inflation and driving downward into recession—amid all these issues, reform of campaign financing stands out like a shining beacon, as the most positive contribution Congress can make to end the crisis over Watergate, and restore the people's shattered confidence in the integrity of their Government.

Most, and probably all, of the things that are wrong with politics and public office in this country today have their roots in the way we finance the campaigns in which the Nation's highest officials are elected.

We get what we pay for. As a result, we have the best political system that money can buy, a system that has now become the worst national scandal in our history, a disgrace to every basic principle on which the Nation stands.

Who really owns America? Who owns Congress? Who owns the administration? Is it the people, or is it a little group of big campaign contributors? Take seven examples that are obviously current today:

Does anyone doubt the connection between America's energy crisis and the campaign contributions of the oil industry?

Does anyone doubt the connection between America's reluctance to enforce effective price controls and the campaign contributions of the Nation's richest corporations, especially the $100,000 corporate capitation tax imposed by the managers of President Nixon's reelection campaign in 1972?

Does anyone doubt the connection between America's health crisis and the campaign contributions of the American Medical Association and the private health insurance industry?

Does anyone doubt the connection between the massive tax loopholes in the Internal Revenue Code and the campaign contributions of those who enjoy the benefits of such loopholes?

Does anyone doubt the connection between the crisis over gun control and the campaign contributions of the National Rifle Association?

Does anyone doubt the connection between the transportation crisis and the campaign contributions of the highway lobby?

Does anyone doubt the connection between the demoralization of the Foreign Service and the sale of ambassadorships for private campaign contributions?

These areas are only the beginning of the list. The problem is especially urgent and pervasive today, because of Watergate and the soaring cost of running for public office. But if 1972 was unique at all in campaign financing, it was unique only in the unscrupulous intensity and efficiency with which large private contributions were so successfully solicited.

Corruption or the appearance of corruption in campaign financing is not a new phenomenon. It affects both the White House and the Congress. In fact, I would venture that for at least a generation, few major pieces of legislation have moved through the House or Senate, few major administrative agency actions have been taken, that do not bear the brand of large campaign contributors with an interest in the outcome.

Watergate did not cause the problem, but it may well offer the last clear chance to solve it. Through public financing, we can guarantee that the political influence of any citizen is measured only by his voice and vote, not by the thickness of his pocketbook.

To the man in the street, as the recent polls make clear, politics in American life has now sunk to the depths of public service in the heyday of the notorious spoils system of the 19th century. And

just as the spoils system finally sank of its own scandals, incompetence and corruption, and gave way to the appointed civil service based on merit we know today, so the spoils system of private campaign financing is sinking under the scandal of Watergate, giving way to a new era of elected public service, based on public financing of elections to public office.

It is clear, however, that public financing is not a panacea for America's every social ill. It is not a cure for all corruption in public life. It is not a guarantee that those who enter public service will be any wiser in solving America's current problems. What it does mean is that public decisions will be taken in the future by persons beholden only to the public as a whole, free of the abuses that have landed America in the dock in the eyes of democratic nations throughout the world, free of the appearance of special influence and corruption that have done so much in recent years to bring all government to its present low estate.

There are a number of issues which are being raised in connection with public financing, and which we will discuss in detail in the present debate.

PAST ACTION BY THE SENATE ON PUBLIC FINANCING

First, the bill is not being rushed through Congress prematurely. The principle of public financing has received extensive analysis by Congress over many years, especially by the Senate. In fact, the present debate marks the fifth year in the past decade in which the Senate is engaging in major floor debate on public financing legislation:

1966 saw the birth of the original dollar checkoff legislation, sponsored by Senator LONG and signed into law by President Lyndon Johnson.

1967 saw that law delayed, caught in the crossfire of the then emerging passions over the 1968 Presidential election.

1971 saw the act revived, and again signed into law, this time by President Richard Nixon.

And, in the wake of Watergate, 1973 saw the first attempted extension of the checkoff to other Federal elections, in a measure passed initially by the Senate, but later killed by a Senate filibuster mounted by those unwilling to let the majority work its will.

There is a Rip Van Winkle tone to arguments of those opposed to public financing. We already have public financing for Presidential elections. It is already a Federal law. It is already printed on the statute books.

Surely, Congress is not about to roll back the clock on the dollar checkoff by repealing its provisions. The issue now is whether to extend the dollar checkoff, by applying its provisions to Presidential primaries and to Senate and House elections.

I say, if public financing is the answer to the problems of private money and political corruption in Presidential elections, then it is also the answer to the problems of private money and political corruption in other Federal elections, too. If public financing is good enough for President, it is good enough for the House and Senate, too.

PUBLIC FINANCING IS NOT TAXATION WITHOUT REPRESENTATION

Second, to those who say that public financing of elections is taxation without representation, I reply that taxation without representation is what we have today, with a system of campaign financing that turns elected officials into vassals of their big contributors.

If we want a President and Congress who represent all the people, then all the people have to pay the cost of their campaigns for public office.

Similarly, to those who say that public financing is a raid on the Federal Treasury by candidates for public office, I reply that the real raid on the Treasury is the raid that is going on today, the raid that is costing taxpayers tens of billions of tax dollars a year in undeserved privileges and benefits, bought by the private campaign contributions of wealthy donors and special interest groups.

Moreover, under the dollar checkoff method of public financing now being widely used on this year's tax returns, it is clear that no one's tax dollars are being taken for public financing against his will. No tax dollars go into the election fund at all unless a taxpayer checks the box on his return.

If the dollar checkoff works, it means that every dollar in funds for public financing is coming from an individual taxpayer who has given his consent. That is a complete answer to those who say that taxpayers should not be forced to pay for political campaigns, and that public officials should not be spending public money on themselves.

True, the new Senate bill would enable any deficits in the checkoff fund to be made up by congressional appropriations. But the allocation of tax dollars for financing elections is no different in principle from the allocation of tax dollars for any other purpose.

Not every citizen approves the way every tax dollar is spent. The most obvious example is Vietnam—over a period of more than a decade, America poured more than a hundred billion tax dollars into the Vietnam war, over the continuing opposition of what began as a small segment of the population, but finally became a majority of Congress and the Nation.

To some, public financing of elections may not be the most desirable use of public dollars. But it is a vast improvement over private financing.

We do not let wealthy private citizens pay the salaries of the President and Senators and Congressmen. Why should we let wealthy private citizens pay the cost of their campaigns?

As with many other Federal spending programs, some citizens may oppose the way Congress decides that particular tax dollars shall be spent. But to call such spending "taxation without representation" is a distortion of one of democracy's greatest principles and a travesty on one of America's proudest slogans.

THE CONSTITUTIONALITY OF PUBLIC FINANCING

The third important issue concerns the questions that have been raised about the constitutionality of public financing. I believe that the language of the Constitution and a long line of precedents in the Supreme Court, going back to the 19th century, establish ample authority for Congress to enact this legislation.

In each of the major areas where first amendment and other constitutional overtones are present, especially in the treatment of minor parties and the generous role carved out for independent private spending, the Senate bill proceeds with clear regard for basic legal rights.

No one—no candidate or contributor—has a constitutional right to buy an election. To suggest that Congress cannot enact this measure is to deny democracy the right of self-survival.

Surely, with 535 experts preeminent in the field, Congress has the constitutional power to correct a clear and present evil it recognizes in the arena of elections.

To paraphrase the famous words of Justice Oliver Wendell Holmes, challenging Supreme Court decisions thwarting progressive social legislation at the turn of the century, the Constitution does not enact Mr. Herbert Kalmach's political ethics.

And so, I am confident the Supreme Court will uphold the pending legislation if it passes Congress and a challenge is ever brought.

THE ROLE OF POLITICAL PARTIES UNDER PUBLIC FINANCING

Fourth, contrary to the premature obituaries being offered, public financing is not a nail in the coffin of the two-party system in America. It will not diminish in any substantial way the role of political parties in the Nation.

To the extent that public funds go to candidates themselves instead of to the parties, the Senate bill simply reflects the existing reality of campaign spending, in which the role of the candidate is and must be paramount. Congress settled this issue in 1967 and ratified it again in 1971, and that is where it rests today.

In two of its provisions, moreover, the Senate bill specifically enhances the parties' role:

By conferring independent spending authority on party committees at the National and State level, over and above the candidates' own spending limits, the bill establishes a specific role for the parties in their own right, free of the candidates' control.

And, by prohibiting expenditures over $1,000 by a candidate for President unless the expenditure has the approval of the party's national committee, the bill guarantees a substantial supporting role for the parties in the national campaigns.

On balance, therefore, far from damaging the parties, the prospects are good that public financing will in fact be a useful counterbalance to the forces driving the two-party system apart and splintering modern politics.

Realistically, public financing by itself is not a lever strong enough to rejuvenate the political parties in America. But if that is the direction in which the larger political and social forces now at work are moving, then public financing will contribute significantly to the goal.

THE INADEQUACY OF FULL DISCLOSURE

Fifth, to those who say go slow, that limits on total campaign spending and limits on private contributions are enough for now, that all we need is full reporting and disclosure. I reply that sunlight is too weak a disinfectant, that we should not be satisfied with timed steps today, when Watergate and the experience of 1972 prove that bolder ones are needed.

The Nation had an ample full disclosure law on the statute books for most of the 1972 campaign. True, as we now know, there was a scramble by some of the largest donors to make their contributions before April 7, 1972, the date the disclosure law became effective.

But, as the recent report of the General Accounting Office makes clear, vast amounts of private contributions were made and duly reported after April 7 as well. Wealthy contributors with special-interest money barely missed a stride under the full disclosure law.

No one is inhibited by full disclosure from making a sizable contribution, if that is the investment he thinks is needed to protect his special interest. And, as Watergate makes clear, if the pressure is great enough, the money will be found and the contribution will be made in secret, in flagrant violation not only of the disclosure law but also of other criminal provisions in the election laws, such as the prohibition on corporate contributions.

When some of the most distinguished corporations in the Nation—familiar names like American Airlines, Goodyear Tire, Gulf Oil, and Minnesota Mining and Manufacturing—confess to blatant crimes involving hundreds of thousands of dollars in illegal corporate contributions, and then compound their crimes by using foreign agents and laundered foreign bank accounts to cover up the trail, we begin to understand the irresistible financial pressures that are corrupting our national life and destroying our democracy.

The basic defeat of a full disclosure law is that disclosure, by its nature, will not work. Too often, the requirement of disclosure is easily evaded. And even where disclosure is made, it will never be full enough, because a donor will never disclose the things he wants in return for the contribution he is making.

A separate problem in relying on the disclosure-contribution-spending-limit approach, without public financing, is that Congress would be aiming in the dark. Therefore, the danger exists that the limits would be set so high that they would be meaningless as real reform, or so low that they will break the back of private financing, without leaving any realistic alternative in its place.

The pending Senate bill steers a middle course, avoiding both extremes. It sets the contribution limit at $3,000 per individual per campaign—low enough to prohibit clearly excessive private contributions, but high enough to allow a candidate to run his campaign entirely on private funds, if that is the route he chooses.

In addition, the bill offers candidates the alternative of public funds for both their primary campaigns and their general election campaigns, at realistic levels that not only are high enough to avoid any reliance at all on large private contributions, but also are high enough to enable any serious challenger to get his message to the people. No one can fairly say that in S. 3044, the Senate is writing a dream bill for incumbents.

The application of S. 3044 to primary elections illustrates the cautious approach of the bill to the issue of public financing:

Any candidate may choose to finance his campaign entirely through private contributions, at $3,000 per donor.

Or, he may obtain matching grants of public funds for each $100 contribution in congressional primaries, or each $250 contribution in Presidential primaries.

For example, for each $3,000 a Senate candidate needs to finance his campaign, he must decide whether it is easier to raise the full amount from a single donor, or to raise it from 15 donors of $100 each, whose contributions will be matched by $1,500 in public funds to reach the $3,000 level. In effect, the $3,000 contribution ceiling will function as a safety valve in the event that the novel concept of matching grants fails to work in practice.

Equally important, to qualify for any public funds at all for his primary campaign, the candidate must meet the bill's substantial test of raising a high threshold of $100 contributions—20 percent of his spending limit in the case of a Senate primary. As the threshold provisions make clear, the bill offers no easy access to the Treasury for political candidates seeking a joyride at the taxpayers' expense. No one will be entitled to public funds until he satisfies the threshold, and thereby meets the bill's stiff test of the seriousness of his candidacy.

THE ROLE OF PRIVATE FINANCING

Sixth, contrary to some reports, the public financing provisions of the bill are in no sense mandatory. The bill does not prohibit private financing, and it certainly does not prohibit small private contributions.

In fact, it provides strong incentives for small contributions in primaries, since it offers matching public funds only for the first $250 in private contributions for Presidential primaries and the first $100 in primaries for the Senate and House.

Private contributions also have a role to play in general elections, since major party candidates will have the option of relying entirely on private funds, entirely on public funds, or on any combination in between.

And in both primaries and general elections, the bill provides new incentives for small private contributions by doubling the existing tax credit and tax deduction available for such contributions.

In those respects, the bill recognizes the vigorous differences of opinion on the proper role of small private contributions. Some feel that such contributions are an essential method for bringing citizens into the system and encouraging popular participation in politics.

Others, like myself, feel that there are better ways to bring a person into the system than by reaching for his pocketbook, and that the best way to a voter's heart is through his opinions on the issues not through the dollars in his wallet.

As it should, the bill accommodates both views, letting each candidate "do his own thing," without forcing any candidate into a rigid formula for financing his campaign.

In this respect, S. 3044 is an improvement over the 1971 dollar checkoff law, which prohibits a person who accepts public funds from accepting private contributions. Under S. 3044, there is greater flexibility—a candidate can select the mix of private and public funds he wants for his campaign, such as 50–50 or 80–20, and is not obliged to accept public funds on an all-or-nothing basis.

For that reason, I am opposed to alternative proposals that would turn public financing for general elections into a compulsory mixed system of partial public funds and partial private contributions, with or without matching grants.

Last November, in the floor debate on the public financing amendment to the Debt Ceiling Act, the Senate voted 52–40 against a proposal to cut the amount of public funds in half and to require the remainder to be raised in private contributions. As Senator JOHN PASTORE succinctly put it in the floor debate, in opposing such a mandatory mixture of public and private financing:

> Either we are going to have or not going to have public financing. If we are going for public financing, let us go for public financing. If we are not going to have it, let us not have it. What we have here [in the proposal for a mixed system] is a hermaphrodite.

If participation in politics through small private contributions is the goal, then the dollar checkoff is already achieving it. More than 4 million taxpayers have used the checkoff so far in 1974. At the current rate, 12 million taxpayers will have used it by the time all returns are filed on April 15. That is a world record for public participation in campaign financing, a tribute to the workability on the "one voter-one dollar" approach to public financing enacted in 1971.

Further, it is by no means clear that it is feasible for a large number of general election campaigns across the country to be run on small private contributions.

The Goldwater campaign in 1964, the McGovern campaign in 1972, and the Democratic National Committee's telethon in 1973 are good examples of successful fundraising through small private contributions, but they prove only that such fundraising may work in the unique circumstances involved in those campaigns.

They do not prove that the method will work when every Senate, House, and Presidential candidate is tapping the pool of small contributors.

The net result of such a system applied to all elections may simply be to put a premium on the best-known candidate, or the candidate who starts the earliest or who hires the best direct-mail expert as his fundraiser.

Nor would it be desirable, in my view

to adopt a program of matching grants for small private contributions as the form of public financing for general elections.

In the case of primaries, a system of matching grants is appropriate and is the method adopted by S. 3044. In fact, matching is the only realistic method of public financing in primaries, since it is the only realistic way to identify those who are serious candidates. The candidates who deserve public funds are those who have demonstrated broad appeal by raising a substantial amount of private funds from small contributions. Thus, if we are to have any public financing of primary elections, it must be accomplished through matching grants.

In the general election, however, the nomination process has already identified the major party candidates who deserve public funds. It is appropriate, therefore, as S. 3044 provides, to give them the full amount of public funds necessary to finance their campaigns, with the option for every candidate to forgo all or part of the public funds if he prefers to run on private contributions.

Thus, full public funding in the general election gives a candidate maximum discretion in running his campaign. If an extra layer of private spending is allowed, all candidates would be obliged to raise the extra amount as a guarantee that they would not be outspent by their opponents.

As a result, all candidates would be forced into the mandatory straitjacket of spending time and money to raise small private contributions, even though many candidates would prefer to spend that time and money in more productive ways in their campaigns.

A system of matching grants in general elections would be especially dangerous to the existing two-party system, since it might encourage splinter candidates—for example, a candidate narrowly defeated in a primary would be encouraged to take his case to the people in the general election as an independent candidate or as a third party candidate. Under S. 3044, by contrast, a third party candidate with no track record from a past election would still be able to obtain public funds, but only retroactively, on the basis of his showing in the current election.

Thus, in its provisions offering full public funds on an optional basis for general elections, S. 3044 avoids the waste, pitfalls, and obvious dangers to the election process of a mixed system of public-private financing or a system of matching grants, and I urge the Senate to approve it.

THE EFFECT ON BUSINESS AND LABOR

Seventh, we must lay to rest the specter that public financing will fracture some presumed election compact between business money and labor manpower in American public life.

That view contains a basic fallacy, because it paints a picture of political life that no candidate would recognize. The impact of public financing will be approximately equal on both business and labor, because both business and labor depend primarily on money and large campaign contributions to support the candidates they favor.

Under public financing, neither business, nor labor, nor any other interest group will be able to purchase influence or any other special benefit. But neither will they have a monopoly on the manpower or on the energy and ability of those who are willing and eager to participate in political campaigns.

THE COST OF PUBLIC FINANCING

Eighth, to those who say we cannot afford the $90 million annual price tag on the public financing provisions of S. 3044, I say we cannot afford not to pay the price. Dollars for public financing are a bargain at any standard, because they are dollars invested now that promise rich dividends in public service for America in the future.

Think what that price tag really means. For about the cost of a single week of the Vietnam war, for less than a tenth of a cent a gallon on the price of gasoline each year, for less than 50 cents a person each year, we can take the step best calculated to clean the stables of our Government and to bring integrity back to politics.

We trust candidates for Federal office, once elected to the White House and to Congress, to spend over $300 billion in public funds in the annual Federal budget. Why should we hesitate to trust candidates with $90 million a year in public funds for their election?

Through the democracy of the dollar checkoff, we can spread the cost of campaign financing broadly among all taxpayers. Thanks to the good faith efforts of the Internal Revenue Service to publicize the checkoff on this year's tax returns, the procedure is working reasonably well today—15 percent of the returns filed so far in 1974 are using the checkoff now, already a fivefold increase over 1973.

My hope is that the use of the checkoff will increase between now and April 15, as taxpayers become increasingly familiar with the plan. At the present rate, the checkoff will be ample to finance the 1976 Presidential election, but more is needed. To pay for public financing of other elections, the rate of use of the dollar checkoff will have to double once again, which means that one out of every three taxpayers must use the checkoff if supplemental appropriations are to be avoided.

Eighty million taxpayers are voting on their tax return this year. The votes they cast with the Internal Revenue Service between now and April 15 will be some of the most important votes they ever cast, because they are votes for honest, fair and clean elections.

A totally new experiment in American democracy is underway, an experiment as significant in its way as the school desegregation and reapportionment decisions by the Supreme Court in the 1960's, or the civil rights and 18-year-old vote legislation passed by Congress in recent years.

In sum, public financing of elections means no more Watergates. It is the wisest possible investment the American taxpayer can make in the future of his country. If it works, our elections will once again belong to all the people of the Nation. The stage is set for Congress to seize this historic opportunity to bring democracy back to health. May future generations say that we were equal to the challenge.

Mr. President, I ask unanimous consent that a table showing the current results under the dollar checkoff, and an outline of S. 3044, may be printed in the RECORD.

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

WEEKLY AND CUMULATIVE RESULTS OF THE DOLLAR CHECKOFF

	1973 returns using checkoff for 1973			Total returns processed [1]
	November	Percent	Amount	
Weekly Results:				
Through Jan. 18	43,198	10.7	$60,066	
Week of:				
Jan. 25	120,202	14.0	171,984	
Feb. 1	251,312	14.7	365,777	
Feb. 8	396,287	14.3	585,519	
Feb. 15	553,806	14.1	820,986	
Feb. 22	629,823	15.1	930,641	
Mar. 1	766,586	14.6	1,136,250	
Mar. 8	770,729	14.4	1,145,293	
Mar. 15	775,262	13.9	1,150,872	
Cumulative results:				
Jan. 25	163,400	13.0	232,050	
Feb. 1	414,712	14.0	597,827	
Feb. 8	810,999	14.1	1,183,346	
Feb. 15	1,364,805	14.1	2,004,332	
Feb. 22	1,994,628	14.4	2,934,973	13,963,000
Mar. 1	2,761,214	14.5	4,071,223	19,141,000
Mar. 8	3,531,943	14.5	5,216,516	24,472,000
Mar. 15	4,307,205	14.4	6,367,388	30,005,000

	1973 returns using checkoff for 1973			Total returns processed [1]
	November	Percent	Amount	
	1973 returns using checkoff for 1972			
Weekly results:				
Through Jan. 18	21,580	5.3	$30,461	
Week of:				
Jan. 25	59,360	6.9	85,998	
Feb. 1	120,088	7.0	177,418	
Feb. 8	186,534	6.7	280,093	
Feb. 15	258,172	6.6	390,459	
Feb. 22	294,289	7.1	443,390	
Mar. 1	359,690	6.9	544,809	
Mar. 8	361,825	6.8	550,796	
Mar. 15	364,692	6.5	555,120	
Cumulative results:				
Jan. 25	80,940	6.4	116,459	
Feb. 1	201,028	6.8	293,877	
Feb. 8	387,562	6.8	573,970	
Feb. 15	645,734	6.7	964,429	
Feb. 22	940,023	6.8	1,407,819	
Mar. 1	1,299,713	6.8	1,952,628	
Mar. 8	1,661,538	6.8	2,503,424	
Mar. 15	2,026,230	6.8	3,058,544	

[1] 81,000,000 returns expected by Apr. 15, 1974: as of Mar. 15, 43,611,000 returns had been received, or about 54 percent of the returns expected to be filed. The figures in the table are based on the number of returns processed.

OUTLINE OF S. 3044—PUBLIC FINANCING FOR FEDERAL ELECTIONS

PURPOSE

1. S. 3044 builds on existing law, which provides public financing for Presidential general elections, by extending its provisions to include public financing for Presidential primaries and for Senate and House general elections and primaries.

EXISTING LAW

2. The existing law is Senator Russell Long's "Presidential Election Campaign Fund Act."[1] known as the dollar checkoff. The Act, as passed by Congress in 1971 and amended in 1973, established a program of public financing for Presidential general elections, to go into effect for the 1976 election. Under the Act, taxpayers are authorized to designate that $1 of their taxes ($2 on joint returns), shall be available for a "Presidential Election Campaign Fund," established on the books of the Treasury. Under the law, the designated amounts must be transferred into the Fund under a specific appropriation enacted by Congress. Once transferred to the Fund, the amounts will be apportioned among eligible major and minor party candidates in the Presidential general election. The 1973 amendments eliminated the so-called "Special Accounts" in the Fund, and left only a "General Account," to be allocated by formula among Presidential candidates. The program is administered by the Comptroller General.

GENERAL PROVISIONS ON PUBLIC FINANCING

3. S. 3044 establishes a Federal Election Campaign Fund in the Treasury as an expanded version of the existing Presidential Election Campaign Fund, to be funded through the dollar checkoff and general appropriations acts of Congress. Payments from the Fund will be made to eligible major and minor party candidates in primaries and general elections for all Federal offices—President, Senate, and House.

4. The bill increases the amount of the dollar checkoff from the existing level of $1 ($2 on a joint return) to $2 ($4 on a joint return).

5. The bill modifies the checkoff to provide an automatic designation of tax dollars into the Federal Election Campaign Fund, unless taxpayers indicate on their returns that they do not want the designation made.

6. The bill authorizes Congress to appropriate funds to make up deficits left in the fund after the operation of the dollar checkoff.

7. The program will be administered by a new Federal Election Commission. The Commission will certify a candidate's eligibility for payments, and be responsible for conducting detailed post-election audits and obtaining repayments when necessary. The Commission will also administer the reporting and disclosure provisions and the contribution and expenditure ceilings of the Federal election laws.

8. There are heavy criminal penalties for exceeding the spending limits, and for unlawful use of payments, false statements to the Commission and kickbacks and illegal payments.

9. The provisions of the bill will go into effect for the 1976 Presidential and Congressional general elections and primaries.

10. The cost of the public financing provisions of the bill is estimated at $223 million in a Presidential election year, and $134 million in the off-year Congressional elections. Thus, the total cost of the program over the four year election cycle is $358 million, or an average cost of about $90 million a year. The cost estimates for each election are as follows:

	President	Senate (33 seats)	House
Primaries	$42,000,000	$10,000,000	$31,000,000
General elections	47,000,000	24,000,000	69,000,000
Total	89,000,000	34,000,000	100,000,000

PRESIDENTIAL, SENATE AND HOUSE GENERAL ELECTIONS

11. Except as indicated, the provisions of S. 3044 applicable to general elections for Federal office are essentially identical to those now applicable to Presidential general elections under existing law. In effect, S. 3044 extends the Presidential Election Campaign Fund Act of 1971 to Senate and House elections.

12. Under existing law, public financing is available as an alternative to private financing for Presidential elections. Candidates have the option of public or private financing, but candidates electing public finnacing may not also use private financing, except in cases where the available public funds are insufficient to meet the candidate's full entitlement.

Under S. 3044, an eligible candidate has the option of accepting full public financing, or full private financing, or any combination of the two. Thus, a candidate eligible for full public financing may choose to accept only half the public funds to which he is entitled, and may finance the other half of his campaign through private contributions. Such private contributions will be subject, however, to the $3,000 contribution limit and other provisions of the bill applicable to private financing.

13. The bill follows the basic formula in the existing dollar checkoff for allocating public funds among candidates of major and minor parties and independent candidates.

A "major" party is a party that received 25% or more of the total number of popular votes received by all candidates for the office in the preceding election, or the party with the next highest percentage of the votes, in an election where only one party qualifies as a major party on the basis of the preceding election.

A "minor" party is a party that received more than 5% but less than 25% of the popular vote in the preceding election.

14. In Presidential elections, a candidate of a major party is entitled to public funds in the amount of 15 cents per voter based on the current estimate of the voting age population in the United States (about $21 million at 1973 levels).

In Senate elections and Statewide Congressional elections a candidate of a major party is entitled to public funds in the amount of 15¢ per voter or $175,000, whichever is greater.

In House elections in States with more than one Representative, the entitlement of a major party candidate is $90,000.

The 15¢ a voter figure and other entitlements will be adjusted for future increases in the cost of living. The figures coincide both with the entitlement of Presidential candidates in the existing dollar checkoff law, and with the campaign spending ceilings in S. 372, which passed the Senate in July 1973.

15. A candidate of a minor party is entitled to receive public funds in proportion to his party's share of the vote in the preceding election. A candidate of a minor party may increase his entitlement on the basis of his performance in the current election, and may obtain retroactive reimbursement for the increase after the election.

16. A candidate of a party which is not a major or minor party is entitled to receive public funds in proportion to his share of the popular vote in the current election, on a retroactive reimbursement basis, if he receives more than 5% of the vote in the election.

17. An independent candidate is entitled to public funds on the same basis as if he were the candidate of a party.

PRIMARY ELECTIONS

18. To qualify for public funds, candidates must accumulate the following threshold amounts of private funds, raised by small private contributions:

President—$250,000, in contributions of $250 or less.

Senate—20% of the spending ceiling or $125,000 (whichever is less), in contributions of $100 or less.

House—$10,000, in contributions of $100 or less.

19. Once the threshold is reached, a candidate is eligible for public funds matching the threshold amount, and to additional public funds matching each additional private contribution of $250 or less in the case of Presidential candidates, and $100 or less in the case of Senate or House candidates. All matching is on a 50–50 (dollar for dollar) basis.

ROLE OF POLITICAL PARTIES

20. In order to assure the continuity of normal functions of political parties, to provide an independent role for the parties in general elections, and to offer an additional opportunity for private contributions, the national committee of a political party is entitled to spend a total of 2¢ per voter of its own funds, collected from private contributions, on behalf of candidates for Federal office in general elections; and a State committee of a political party is entitled to spend a total of 2¢ per voter of its own funds on behalf of such candidates within the State.

21. No expenditure over $1,000 may be made by the Presidential candidate of a party in a general election unless the expenditure has been approved by the Party's national committee.

RELATED PROVISIONS

22. Tax Credit and Tax Deduction.—As an incentive to small private contributions, the bill doubles the existing tax credit and tax deduction for such contributions. The tax credit is increased to one-half of any contribution up to $50 ($100 on a joint return) and the tax deduction is increased to $100 ($200 on a joint return). The cost of his provision is estimated at $26 million ($11 million from doubling the maximum credit, and $15 million from doubling the maximum deduction).

23. Spending Ceilings for General Elections:

President: 15¢ a voter ($21 million).

Senate: 15¢ a voter or $175,000, whichever is greater.

House: $90,000 ($175,000 in a single district state).

24. Spending Ceilings for Primaries:

President: 20¢ a voter per State; 10¢ a voter nationwide ($14.2 million).

Senate: 10¢ a voter or $125,000, whichever is greater.

House: $90,000 ($125,000 in a single district State).

25. Contribution Limits on Individuals:

$3,000 to any candidate or committee. The limit applies separately to each primary and general election. An individual may contribute $3,000 to a Presidential candidate in each primary he enters, and $3,000 in the general election.

Limit on use of personal funds by a candidate: President, $50,000; Senate, $35,000; and House, $25,000.

26. Independent Spending.—Individuals or committees not authorized by a candidate may spend up to $1,000 during the campaign

[1] Presidential Election Campaign Fund Act, P.L. 92–178, 35 Stat. 497, 562–575 (December 10, 1971), as amended by the Debt Ceiling Act, P.L. 93–53, 87 Stat. 134, 138–139 (July 1, 1973).

on behalf of the candidate, independent of the candidate's own spending ceiling.

27. Reporting and Disclosure.—Re-enacts the provisions of S. 372, which passed the Senate in July 1973, and which requires full reporting and disclosure of campaign contributions and expenditures.

28. Full Disclosure of Financial Interests.—An annual statement of income over $1,000, assets and liabilities over $1,000, and transactions over $1,000 must be filed with the Federal Election Commission by Members of Congress, candidates for Congress, and Federal employees earning more than $25,000 a year.

PUBLIC FINANCING FOR GENERAL ELECTIONS—STATE-BY-STATE SPENDING

State	Voting age population (18 yrs. and over)[1]	Public funds 15¢/voter, $175,000 floor	National and State party committees 2¢/voter[2]
Alabama	2,338,000	$350,700	$46,760
Alaska	200,000	175,000	4,000
Arizona	1,345,000	201,750	26,900
Arkansas	1,374,000	206,100	27,480
California	14,143,000	2,121,450	282,860
Colorado	1,631,000	244,650	32,620
Connecticut	2,101,000	315,000	42,020
Delaware	382,000	175,000	7,640
District of Columbia	529,000	175,000	10,580
Florida	5,427,000	814,050	108,540
Georgia	3,140,000	471,000	62,800
Hawaii	549,000	175,000	10,980
Idaho	501,000	175,000	10,200
Illinois	7,568,000	1,135,200	151,360
Indiana	3,530,000	529,500	70,600
Iowa	1,957,000	293,550	39,410
Kansas	1,570,000	235,500	31,400
Kentucky	2,235,000	335,250	44,700
Louisiana	2,399,000	359,850	47,980
Maine	689,000	175,000	13,780
Maryland	2,720,000	408,000	54,400
Massachusetts	4,006,000	600,900	80,120
Michigan	5,922,000	888,300	118,400
Minnesota	2,575,000	386,250	51,500
Mississippi	1,453,000	217,950	29,060
Missouri	3,251,000	487,650	65,020
Montana	474,000	175,000	9,480
Nebraska	1,042,000	175,000	20,840
Nevada	365,000	175,000	7,300
New Hampshire	531,000	175,000	10,620
New Jersey	5,030,000	754,000	100,600
New Mexico	691,000	175,000	13,820
New York	12,665,000	1,899,750	253,300
North Carolina	3,541,000	531,150	70,820
North Dakota	421,000	175,000	8,420
Ohio	7,175,000	1,076,250	143,500
Oklahoma	1,832,000	274,800	36,640
Oregon	1,532,000	229,800	30,640
Pennsylvania	8,240,000	1,236,000	161,800
Rhode Island	677,000	175,000	13,540
South Carolina	1,775,000	266,250	35,500
South Dakota	454,000	175,000	9,080
Tennessee	2,799,000	419,850	55,980
Texas	7,785,000	1,167,750	115,700
Utah	715,000	175,000	14,300
Vermont	309,000	175,000	6,180
Virginia	3,243,000	486,450	64,860
Washington	2,329,000	349,350	46,580
West Virginia	1,228,000	184,200	24,560
Wisconsin	3,033,000	454,950	60,660
Wyoming	234,000	175,000	4,680
	141,656,000	21,248,400	2,833,120

[1] Department of Census estimate, 1973 voting age population.
[2] The national committee of a political party may spend up to 2 cents per voter on general elections for Federal office. A State committee of a political party may also spend up to 2 cents per voter on general elections for Federal office in the State.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, the Senator from Alabama was talking about the public financing aspects of the pending bill, and I know that he is very familiar with its provisions and how it would work.

Am I correct in my understanding that if this bill were passed, each candidate in the general elections for the House of Representatives would receive $90,000 out of the public treasury to spend in his campaign?

Mr. ALLEN. I believe that is correct; yes.

Mr. GRIFFIN. And that would not involve any matching funds or private contributions. Each candidate nominated in the primary would be financed to the extent of $90,000.

Mr. ALLEN. Yes; that is correct.

Mr. GRIFFIN. Perhaps I should be addressing my question to the sponsor of the measure.

That is my understanding—and I am sure that he will correct this if I am wrong.

Mr. ALLEN. It would provide a permissible mix of public and private funds.

Mr. GRIFFIN. In the general campaign?

Mr. ALLEN. Mix, not match. In other words, if he did receive, say, $5,000 in private funds, that could be received and would come off the other.

Mr. GRIFFIN. But he would not have to raise anything?

Mr. ALLEN. No, he would not.

Mr. GRIFFIN. He would not have to raise anything?

Mr. ALLEN. That is correct.

Mr. GRIFFIN. He would be entitled to $90,000?

Mr. ALLEN. The full amount, yes.

Mr. GRIFFIN. I wonder whether the Senator from Alabama has had an opportunity—or perhaps the sponsor of this amendment has had—to check to see how much candidates running for the House of Representatives are spending now in their campaigns.

Mr. ALLEN. I do not believe it would approach that, in my judgment. Many are spending practically nothing.

Mr. GRIFFIN. It seems to me that that would be a very interesting bit of information that we should have.

I will tell the Senator from Alabama that I have done some primary checking, and it is awfully hard to get figures, for some reason or other. I understand that about the only place one can get them is Common Cause. I do not understand why that should be. I am trying my best to find out how much House Members and their opponents are spending now in House races.

One statistic I have been able to obtain is that more than two-thirds of those who ran in the last election spent less than $50,000. I do not know how much less than $50,000 was spent. I am sure that in some cases it was down to figures such as $10,000 and $15,000.

The junior Senator from Michigan ran for the House 5 times. I do not believe that any race for the House of Representatives in which I was involved cost in excess of $20,000, and some were in the neighborhood of $12,000 and $14,000.

I would have to do some double checking, but I think it would be a very unusual situation if any race in history for the House of Representatives, in the State of Michigan, has cost more than $90,000. There might have been one or two, but most of them would not be anywhere near that.

I wonder whether the Senator from Alabama would agree with me, as a matter of commonsense judgment, that this would greatly increase the level of spending in campaigns for the House of Representatives.

Mr. ALLEN. Yes, I think it would—not only for the House but also for the Senate. I think it would have the same effect for the Presidential nomination contest, because $7.5 million would be available to each candidate who could raise that amount in contributions for up to $250.

I do not believe that any of the sponsors of the measure seriously contend that this is going to cut overall campaign expenses. I do not believe the candidates for the Presidential nomination are spending $15 million apiece on campaign expenditures in seeking the nomination. I do not believe they are.

Mr. GRIFFIN. A candidate today might run in a race in which he would expect to raise $25,000 to $30,000 and could get elected for that under normal circumstances. But if his opponent is going to be given $90,000 out of the Treasury with which to wage a campaign, he is put in a position in which he does not have much choice but to go out and spend his $90,000. Does the Senator agree?

Mr. ALLEN. It would be sort of like an arms race.

Mr. GRIFFIN. Yes—a political arms race, with taxpayers' money.

Mr. ALLEN. That is right.

Mr. GRIFFIN. If we are interested in trying to eliminate corruption and to do away with sleazy practices, I wonder whether this is a good way to go about it.

If one is going to spend $90,000, would it not be mighty tempting to a candidate to have his brother-in-law go into the advertising business and his cousin go into the business of printing bumper stickers and his relatives and friends to do other things they might use to spend that $90,000? That is what disturbs me. It seems to me that this is an invitation to corruption of public funds.

Mr. ALLEN. I agree with the distinguished Senator from Michigan.

As I pointed out on the floor, there is no requirement that there be prudent management or expenditure of these public funds.

Mr. GRIFFIN. I wonder whether the story will get out to the American people. I wonder whether they will understand that we are talking about greatly escalating the expenditures in campaigns—not cutting them down. I believe most people think that too much money is being spent in campaigns. They are slick, they are expensive, and the people think too much money is being spent.

We ought to do something about it. That is the reason they talk about putting a ceiling on it. But I fear this bill would greatly increase the spending in campaigns. The major difference will be taxpayers' money coming out of the Pub-

lic Treasury. I wonder if the public will get the story through the media.

Mr. ALLEN. I think they will if we allow this matter to be discussed long enough. If the point is made again and again it might be picked up by the media.

Mr. GRIFFIN. Right now, as the Senator from Alabama said very eloquently, the idea of campaign reform is somehow translated into public financing. They are treated as though they are synonymous; that if one is not for public financing then he must not be for campaign reform. That is what a lot of stories I read in the newspapers indicate.

Mr. ALLEN. I agree with the distinguished Senator. I might point out to the distinguished Senator from Michigan that there has been filed an amendment that would provide for cutting down the amount of permissible contributions from the $3,000 allowed by the bill to $250 in Presidential races and $100 in House and Senate races on the theory that that is all the bill allows to be met; so there must be something sinister, something insidious about that portion of the contribution, more than $250 or more than $100, depending on the race. Therefore, they should be cut down to the amount that does allow them to be matched in full.

Mr. GRIFFIN. I focused on the House races primarily because there are approximately the same number of people and the same number of constituents in each House district, so there are some reasons to make comparisons. When we talk about Senate races I think we all realize there is a great deal of difference in the race from one State to another State, and each of those would have to be looked at as a separate situation. I hope it comes home to the people of this country and to the Senate that we are talking about $90,000 out of the Treasury for each candidate nominated to run for the House of Representatives, and that they will realize what we would be doing in this bill if we pass it.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield to the distinguished Senator from Massachusetts, the coauthor of this legislation.

Mr. KENNEDY. It is interesting to me that on the opening day of the debate on this important legislation, the opponents are focusing on the House of Representatives. As the assistant minority leader understands full well, we will be glad to let the House set its own figure and write its own ticket for public financing. It may well be that the House will set a different figure than $90,000, or will adopt a different approach to public financing.

We hear this sanctimonious concern that the American people are going to worry about how the $90,000 in public funds is going to be spent, or that it will be used to set up brothers and cousins in the printing business, and so forth. Well, candidates can do that right now. All they have to do is go to the major contributors and collect that money now and put their brothers and cousins in business, if that is the way they choose to run their campaigns. The Senator is simply identifying the existing problem, not a problem peculiar to public financing.

The Senator from Michigan states that two-thirds of the House races were financed for $50,000 or less in 1972. That is largely because so many races in the House are uncontested. That is one of the evils of the present system, that it is very difficult in many cases for a challenger to raise any funds at all to run against an entrenched incumbent.

If the House of Representatives wants to set a different figure, a lower figure, that would be their prerogative.

What interests me this afternoon is that on the first day of debate on this measure, we hear it said how bad this provision is for the House. The opponents are not addressing the problem of where existing campaign contributions are coming from. They are not talking about public financing for the Senate, or what can be done to stop the corrupting power of contribution money. They are talking about the House.

I wish my good friend from Michigan would focus on that issue, and my friend the Senator from Alabama as well, because that is really the essential thrust of this whole effort.

Mr. GRIFFIN. Mr. President, I appreciate the response from the distinguished Senator from Massachusetts. I would say that we are looking at the bill as it comes from the Committee on Rules and Administration. I do not understand quite the point the Senator from Massachusetts makes when he said the House can set its own figure. This is a figure we set and it is only illustrative of the philosophy and the concept in the bill as a whole. I focused on the House because I think we can understand that. Now, I guess we will go back and I will focus on the Senate.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. KENNEDY. I would like to ask the Senator a question similar to the question he asked me the other day on the gun control measure. Would the distinguished assistant minority leader support this legislation if we altered the House provision and left it to the complete discretion of the House?

Mr. GRIFFIN. Only to the House? Absolutely not.

Mr. KENNEDY. I think the Senator was trying to make a similar point the other day. I think the point is made here today.

Mr. GRIFFIN. The situation with respect to the House is only illustrative of what is wrong with this bill throughout—with title I throughout, because I do strongly support the other titles of the bill.

Mr. ALLEN. Mr. President, the Senator from Massachusetts seems to indicate we should focus on some other race besides the House of Representatives. I notice here some of the figures submitted by the present administration. If this bill passes in California, after whoever ran for the Senate had been subsidized to the extent of $700,000 in the primary, each party would be subsidized $2.121 million.

Mr. GRIFFIN. That is each candidate?

Mr. ALLEN. Each candidate in the general election.

Mr. GRIFFIN. Running for the Senate in California would be subsidized how much?

Mr. ALLEN. $2.121 million.

I think also the Senator stated he had difficulty finding the cost of some of these races when we talk about a portion of $15 million for the financing of various candidates for President by the various parties—as to how that $15 million might compare with some races that have been run for the Presidential nomination. We have some experts in the Senate on those figures and how much they have spent on their campaigns for the Presidential nomination.

Mr. GRIFFIN. Would the Senator happen to have any figures on what candidates running for the Senate in California have spent in the past?

Mr. ALLEN. No; I do not have that, but I wondered how campaigns of some Senators who have run for President would compare with the $15 million this bill would allow them to spend. I wonder if the Senator has any thoughts along that line and whether we might get some expert testimony on that point.

Mr. GRIFFIN. I think it will come as a real shock to a lot of people who are interested in campaign reform when and if they get the true story, of what title I of this bill would do and how it would subsidize candidates running for the Senate in California to the tune of $2.5 million.

Mr. ALLEN. $2,121,000.

Mr. GRIFFIN. $2,121,000.

Mr ALLEN. But it would subsidize a candidate for the Presidential nomination, a candidate like Governor Rockefeller or Governor Reagan or Governor Connally, up to a limit of some $7.5 million. I do not think the country realizes that would be the case.

Mr. GRIFFIN. Of course, the tax funds are funds over which the people have no choice insofar as what happens to them is concerned. They are not being used to support their candidate or their cause or their party, and their money is going to go to support both candidates.

Mr. ALLEN. I think another interesting statistic might be how many thousands of taxpayer's returns on Federal taxes will be required to subsidize the Presidential campaign for every man who runs for President. It would take literally thousands of taxpayers' payments to do so.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. KENNEDY. Did the Senator from Michigan vote for S. 372, does he remember?

Mr. GRIFFIN. I believe I did, yes.

Mr. KENNEDY. Does the Senator from Michigan remember what the dollar ceilings were in terms of spending for primaries?

Mr. GRIFFIN. No.

Mr. KENNEDY. I remind the Senator that the dollar figure included in S. 372 was a $90,000 spending ceiling for primaries. That is the source of the $90,000

figure for public financing for House elections in S. 3044.

Mr. GRIFFIN. S. 372 was not a public financing bill was it?

Mr. KENNEDY. No. I was addressing myself to the source of $90,000 limitation. The Senator from Michigan was so pained at what a sizable amount was to be expended in a congressional election. He was talking about how the great majority of elections were financed for $50,000 or less. The Senator could have advocated an amendment to reduce the figures in S. 372. He did not, I understand; he supported S. 372, which established the basic $90,000 figure for House elections.

Once again let me point out that I think those who support public financing will be delighted to leave the exact figure to the House of Representatives. I think that is where it should be left. But the source of the $90,000 is not hard to find—it is S. 372, which was supported by both the Senator from Michigan and the Senator from Alabama.

I also notice that the Senator from Michigan was a member of the committee that actually reported S. 372 to the Senate. So evidently he was willing to set a ceiling at $90,000 for elections for the House in S. 372, but is unable to support that concept as it applies to public financing at this time.

Mr. GRIFFIN. I thank the Senator from Massachusetts for calling that background to my attention. I, frankly, fail to see any particular relevance to the fact that in a prior bill there was approval of a $90,000 ceiling for House races, in comparison with the fact that in this bill the legislation, as I understand it, would provide for $90,000 to be paid for every candidate running for the House. I can understand that there may be some races where a $90,000 ceiling might not be unreasonable, provided that there is a full disclosure and tight limits on private financing of campaigns. But to follow along from that and come to the argument that every candidate running for the House of Representatives should therefore be financed to the tune of $90,000 out of the Public Treasury seems a non sequitur, as far as I am concerned.

I yield to the Senator from Idaho (Mr. CHURCH).

EXTENSION OF TIME FOR FILING OF REPORT BY COMMITTEE ON FOREIGN RELATIONS ON SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY AND THE TREATY ORGANIZATION

Mr. CHURCH. Mr. President, Senate Resolution 174, which was passed by the Senate last November 2, directs the Committee on Foreign Relations to conduct a full and complete review of the Southeast Asia Collective Defense Treaty and the treaty organization. The resolution specifies that the committee is to report its findings and recommendations to the Senate by March 31. As the committee has not been able to complete its review, I ask unanimous consent that the deadline for the committee's report of findings and recommendations be extended to June 30, 1974.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 26, 1974, he presented to the President of the United States the enrolled bill (S. 3228) to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 12 noon. After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Iowa (Mr. HUGHES) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 5 minutes each.

At the conclusion of routine morning business, the Senate will resume consideration of the unfinished business, S. 3044, the so-called Federal Election Campaign Act, and the pending question at that time will be on the adoption of Senator ALLEN's amendment No. 1064. A vote will occur on that amendment at the hour of 3:30 p.m., and that will be a rollcall vote.

Mr. President, there may be other yea-and-nay votes tomorrow, but Senators are assured of at least one rollcall vote.

ADJOURNMENT

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 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:37 p.m., the Senate adjourned until tomorrow, Wednesday, March 27, 1974, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate on March 26, 1974:

DEPARTMENT OF STATE

Alfred L. Atherton, Jr., of Florida, a Foreign Service Officer of class 1, to be an Assistant Secretary of State.

Leonard F. Walentynowicz, of New York, to be Administrator, Bureau of Security and Consular Affairs, Department of State.

James D. Hodgson, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Japan.

U.S. PATENT OFFICE

Paul J. Henon, of Virginia, to be an Examiner-in-Chief, U.S. Patent Office, vice Philip E. Managan, resigned.

DEPARTMENT OF JUSTICE

Keith S. Snyder, of North Carolina, to be U.S. attorney for the western district of North Carolina for the term of 4 years, reappointment.

Richard A. Pyle, of Oklahoma, to be U.S. attorney for the eastern district of Oklahoma for the term of 4 years, reappointment.

C. Nelson Day, of Utah, to be U.S. attorney for the district of Utah for the term of 4 years, reappointment.

Carl H. Slayback, of Illinois, to be U.S. marshal for the southern district of Illinois for the term of 4 years, reappointment.

IN THE NAVY

The following-named officers of the Naval Reserve for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law:

LINE

Robert N. Colwell
Earl Forgy, Jr.
Arthur M. Wilcox
Norman A. Coleman
Raymond B. Ackerman
Stephen T. Quigley

MEDICAL CORPS

Victor P. Bond

SUPPLY CORPS

Robert G. James

CIVIL ENGINEER CORPS

Robert C. Esterbrooks

DENTAL CORPS

Albert G. Paulsen

IN THE MARINE CORPS

The following named officers of the Marine Corps for temporary appointment to the grade of major general:

Victor A. Armstrong
Wilbur F. Simlik
William G. Joslyn
William R. Quinn
Francis W. Vaught
Robert L. Nichols

IN THE ARMY

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

To be captain

Rose, Jerry D., XXXX

To be first lieutenant

Bain, Michael W., xxx-xx-xxxx
Bode, Donald D., xxx-xx-xxxx
Boyd, James F., xxx-xx-xxxx
Byers, Norman T., xxx-xx-xxxx
Davis, Richard C., xxx-xx-xxxx
Doty, Richard D., xxx-xx-xxxx
Duff, William P., xxx-xx-xxxx
Freeman, Stephen R., xxx-xx-xxxx
Garcia, Victor F., xxx-xx-xxxx
Griffin, Robert F., xxx-xx-xxxx
Hawkes, Thomas A., xxx-xx-xxxx
Isenhower, Nelson N., xxx-xx-xxxx
Jackson, Joseph P., Jr., xxx-xx-xxxx
Markey, Keith L., xxx-xx-xxxx
Parker, John S., xxx-xx-xxxx
Piskun, Walter S., xxx-xx-xxxx
Redmond, John III, xxx-xx-xxxx
Roberts, Donald, xxx-xx-xxxx
Romash, Michael M., xxx-xx-xxxx
Vodermark, Jonathan S., II, xxx-xx-xxxx
Weisman, Leonard E., xxx-xx-xxxx
Wilson, Lynnford S., xxx-xx-xxxx
Wilson, Torrence M., xxx-xx-xxxx

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be major

Carey, John C., xxx-xx-xxxx
Murray, Jon L., xxx-xx-xxxx

To be captain

Lieving, Bernard H., xxx-xx-xxxx
McCormick, Joseph D., xxx-xx-xxxx
Murtonen, Ruth E., xxx-xx-xxxx
Reynolds, Jerry D., xxx-xx-xxxx
Taddy, Jerome J., xxx-xx-xxxx

To be first lieutenant

Curtis, Nancy A., xxx-xx-xxxx
Rieker, Dennis D., xxx-xx-xxxx
Thibodeau, Caroline M., xxx-xx-xxxx

To be second lieutenant

Boyle, Kim A., xxx-xx-xxxx
Weyhrich, Donald R., xxx-xx-xxxx
Wojtecki, Karen M., xxx-xx-xxxx

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

Abiles, Jose C., xxx-xx-xxxx.
Adan, Richard J., xxx-xx-xxxx.
Ailport, John H., xxx-xx-xxxx.
Allen, Johnnie L., xxx-xx-xxxx.
Altherr, Robert F., Jr., xxx-xx-xxxx.
Alvarado, Esteban, xxx-xx-xxxx.
Alverson, Gary D., xxx-xx-xxxx.
Andersen, William H., xxx-xx-xxxx.
Anderson, Edgar, Jr., xxx-xx-xxxx.
Anderson, Samuel W., xxx-xx-xxxx.
Andriani, Michael R., Jr., xxx-xx-xxxx.
Astriab, Steven M., xxx-xx-xxxx.
Augustine, Frederick K., Jr., xxx-xx-xxxx.
Baccus, Rick, xxx-xx-xxxx.
Bachman, Robert D., xxx-xx-xxxx.
Bailey, Stephen L., xxx-xx-xxxx.
Bailey, Thomas R., xxx-xx-xxxx.
Baker, Richard S., xxx-xx-xxxx.
Baker, Timothy J., xxx-xx-xxxx.
Baldwin, Ronald E., xxx-xx-xxxx.
Baldwin, William L., xxx-xx-xxxx.
Ball, James W., Jr., xxx-xx-xxxx.
Ball, Ralph E., xxx-xx-xxxx.
Banks, Michael L., xxx-xx-xxxx.
Barnett, William E., Jr., xxx-xx-xxxx.
Barr, Charles J., xxx-xx-xxxx.
Bateman, Bruce K., xxx-xx-xxxx.
Batt, Norman A., xxx-xx-xxxx.
Bauer, Richard F., xxx-xx-xxxx.
Beatty, Jeffrey K., xxx-xx-xxxx.
Beauchamp, Randal T., xxx-xx-xxxx.
Benson, Ronnie F., xxx-xx-xxxx.
Berry, Kenneth L., xxx-xx-xxxx.
Bettinger, James R., xxx-xx-xxxx.
Beville, Stanley D., xxx-xx-xxxx.
Bidle, Douglas C., xxx-xx-xxxx.
Billheimer, Duane A., xxx-xx-xxxx.
Birdseye, James H., xxx-xx-xxxx.
Birely, John F., Jr., xxx-xx-xxxx.
Black, Scott C., xxx-xx-x...
Bloxham, Garth T., xxx-xx-xx...
Bongiovanni, Charles M., xxx-xx-xxxx.
Boone, Henry L., xxx-xx-xxxx.
Borcheller, James R., xxx-xx-xxxx.
Borne, Gary P., xxx-xx-xxxx.
Bosley, Gary S., xxx-xx-x...
Bosse, Timothy G., xxx-xx-xxxx.
Bouterie, Lawrence R., Jr., xxx-xx-xx...
Bowen, Dennis J., xxx-xx-xxxx.
Bowen, Thomas W., Jr., xxx-xx-xxxx.
Bowersox, Thomas A., Jr., xxx-xx-xxxx.
Boyd, James K., xxx-xx-xxxx.
Boyer, Mark W., xxx-xx-xxxx.
Bozeman, Gregory B., xxx-xx-xxxx.
Bradford, Philip E., xxx-xx-xxxx.
Branch, Joseph R., xxx-xx-xxxx.
Braye, Roderick D., xxx-xx-xxxx.
Brethour, Vernon R., xxx-xx-xxxx.
Brewer, Daniel R., xxx-xx-x...
Brill, Neil A., xxx-xx-xxxx.
Brooks, David K., xxx-xx-xxxx.
Brookshire, Roy O., II, xxx-xx-xxxx.
Brown, Eric C., xxx-xx-xxxx.
Brown, Willis J., Jr., xxx-xx-xxxx.
Bruce, Kenneth R., xxx-xx-xxxx.
Bryant, Douglas M., xxx-xx-xxxx.
Bryant, Gary L., xxx-xx-xxxx.
Bryant, Philip G., xxx-xx-xxxx.
Buchholz, Ronald J., xxx-xx-xxxx.
Burgess, Ronald L., Jr., xxx-xx-xxxx.
Burkholder, Nicholas C., xxx-xx-xxxx.
Butler, Robert M., xxx-xx-xxxx.
Caldwell, Charles A., Jr., xxx-xx-xxxx.
Cambron, James D., xxx-xx-xxxx.
Canadeo, Harold M., Jr., xxx-xx-xx...
Carden, Randal B., xxx-xx-xxxx.
Carey, Scott A., xxx-xx-xxxx.
Carlsen, David D., xxx-xx-xxxx.
Carlson, Michael P., xxx-xx-xxxx.
Carpenter, Stanley C., xxx-xx-xxxx.
Carpenter, Ronald R., xxx-xx-xxxx.
Carr, Raymond H., Jr., xxx-xx-xxxx.
Carr, Robert G., xxx-xx-xxxx.
Cashman, Thomas J., Jr., xxx-xx-xxxx.
Cassi, Peter G., xxx-xx-xxxx.
Casso, Felipe xxxx.
Castillo, Jesse R., xxx-xx-xxxx.
Cavazos, Hector E., xxx-xx-xxxx.
Cellucci, Stephen D., xxx-xx-xxxx.
Chandler, Marvin A., Jr., xxx-xx-xxxx.
Chase, Randall D., xxx-xx-xxxx.
Chiapuzio, Jack M., xxx-xx-xxxx.
Chung, Donald B., xxx-xx-xxxx.
Clark, Raymond G., III, xxx-xx-xxxx.
Clark, Virgel L., Jr., xxx-xx-xxxx.
Clarke, John L., xxx-xx-xx...
Clements, Michael R., xxx-xx-xxxx.
Coats, Larry D., xxx-xx-...
Coit, Eugene W., Jr., xxx-xx-xxxx.
Coker, Larry W., Jr., xxx-xx-xxxx.
Coker, Marcus G., xxx-xx-xxxx.
Cole, Randall J., xxx-xx-xxxx.
Coleman, Eddie D., xxx-xx-xxxx.
Coleman, Michael L., xxx-xx-xxxx.
Conarro, Michael L., xxx-xx-xxxx.
Cook, James D., xxx-xx-...
Cooke, Kenneth C., xxx-xx-xxxx.
Corley, Michael W., xxx-xx-xxxx.
Corley, William M., xxx-xx-xxxx.
Cormier, David J., xxx-xx-xxxx.
Corona, Richard, xxx-xx-xxxx.
Crawford, Robert W., xxx-xx-xx...
Crawley, Charles G., xxx-xx-xxxx.
Cross, Alan W., xxx-xx-xxxx.
Crosslin, Joseph N., xxx-xx-xxxx.
Crumrine, Thomas E., Jr., xxx-xx-...
Crytzer, Robert C., xxx-xx-xxxx.
Cuff, Michael V., xxx-xx-...
Curran, John M., xxx-xx-xxxx.
Dadisman, Richard E., xxx-xx-...
Daniell, Robert C., xxx-xx-xxxx.
Darden, William E., xxx-xx-xxxx.
Davies, John E., xxx-xx-xxxx.
Davies, James R., xxx-xx-xxxx.
Davis, Charles L., xxx-xx-xxxx.
Davis, Glenn W., xxx-xx-xxxx.
Davis, Gregory W., xxx-xx-xxxx.
Davis, Michael P., xxx-xx-xxxx.
Davis, Robert L., xxx-xx-xxxx.
Day, Kevin J., xxx-xx-xxxx.
De La Rosa, Agustin, Jr., xxx-xx-xxxx.
Deitz, Stephen R., xxx-xx-xxxx.
Delapp, Cyril D., xxx-xx-xxxx.
Delk, Jack E., xxx-xx-xxxx.
Dezzutti, Jimmy J., xxx-xx-xxxx.
Dixon, Roy G., xxx-xx-xx...
Dodds, Charles P., xxx-xx-xxxx.
Donahue, Joseph C., xxx-xx-xxxx.
Doton, Lawrence C., xxx-xx-xxxx.
Douglas, Frederick A., xxx-xx-xxxx.
Drysdale, Jon W., xxx-xx-xx...
Duke, Frederick S., xxx-xx-xxxx.
Dunne, Robert E., xxx-xx-xxxx.
Durant, Donald C., xxx-xx-xx...
Durante, Kirk L., xxx-xx-xxxx.
Eaton, John H., xxx-xx-xxxx.
Eicher, William L., xxx-xx-xxxx.
Ellis, Bernard E., xxx-xx-xxxx.
Ellis, David M., xxx-xx-xx...
Ellis, Wayne A., xxx-xx-xxxx.
Ellison, Bruce W., xxx-xx-...
Emerick, Brian D., xxx-xx-xxxx.
Emery, Michael W., xxx-xx-xxxx.
Enderle, Wayne A., xxx-xx-xxxx.
Epperson, Larry D., xxx-xx-xxxx.
Ernzen, Michael E., xxx-xx-xxxx.
Evans, Martin L., xxx-xx-xxxx.
Ezzell, John D., xxx-xx-xxxx.
Fastuca, George P., xxx-xx-xxxx.
Faver, Dennis O., xxx-xx-xxxx.
Feero, Lance M., xxx-xx-xxxx.
Ferguson, James C., xxx-xx-xxxx.
Fericks, Russell C., xxx-xx-xxxx.
Fernandez, Carlos R., xxx-xx-xxxx.
Ferrell, Stephen J., xxx-xx-xxxx.
Fielding, Stephen M., xxx-x...
Finch, Stephen B., xxx-xx-xxxx.
Fitzgerald, Kevin M., xxx-xx-xxxx.
Flanagan, Robert W., xxx-xx-xxxx.
Flather, Herbert H., III, xxx-xx-...
Foland, James M., xxx-xx-xxxx.
Ford, Donnie R., xxx-xx-xxxx.
Ford, Richard A., xxx-xx-xxxx.
Fornadel, David J., xxx-xx-xxxx.
Fossett, Paul L., xxx-xx-xxxx.
Fox, James P., xxx-xx-xxxx.
Frandsen, Herbert L., Jr., xxx-xx-xxxx.
Frels, George A., xxx-xx-xxxx.
French, David J., xxx-xx-xxxx.
Friedli, David I., xxx-xx-xxxx.
Gaal, Gary E., xxx-xx-xx...
Garrett, Michael D., xxx-xx-xxxx.
Garrison, Walter S., Jr., xxx-xx-xxxx.
Gerrity, James F., xxx-xx-xxxx.
Gibson, Nathaniel J., xxx-xx-xxxx.
Gilbert, Daniel J., xxx-xx-xxxx.
Gillette, Paul E., xxx-xx-xxxx.
Gilman, James K., xxx-xx-xxxx.
Glasgo, Stephen C., xxx-xx-xxxx.
Glendening, Thomas M., xxx-xx-xxxx.
Goff, Clarence R., Jr., xxx-xx-xxxx.
Gooch, Gary L., xxx-xx-xxxx.
Gorski, Robert J., xxx-xx-xxxx.
Goss, William D., xxx-xx-xxxx.
Gotowicki, Stephen H., xxx-xx-xxxx.
Gransberg, Douglas D., xxx-xx-xxxx.
Greczmiel, Horst G., xxx-xx-xxxx.
Green, James E., xxx-xx-xxxx.
Genier, Rafael A., II, xxx-xx-xxxx.
Gribble, John R., xxx-xx-xxxx.
Griese, Herman J., xxx-xx-xxxx.
Guffey, Douglas O., xxx-xx-xxxx.
Gunning, Robert T., Jr., xxx-xx-xxxx.
Gwaltney, Larry R., xxx-xx-xxxx.
Hackworth, Kenneth W., xxx-xx-xxxx.
Haendel, Dan, xxx-xx-xxxx.
Hairston, James H., xxx-xx-xxxx.
Hale, David T., xxx-xx-xxxx.
Hankins, Steven B., xxx-xx-xxxx.
Hanson, David P., xxx-xx-xxxx.
Hardaway, Morton C., xxx-xx-xxxx.
Harden, Michael P., xxx-xx-xxxx.
Harrell, John C., xxx-xx-xxxx.
Harrison, Donnan R., III, xxx-xx-xxxx.
Hartmann, Daniel J., III, xxx-xx-xxxx.
Hartney, Richard E., Jr., xxx-xx-xxxx.
Harvell, Peter R., xxx-xx-xxxx.
Hausken, Richard D., xxx-xx-xxxx.
Havron, Raymond E., xxx-xx-xxxx.
Hawrylak, Egon F., xxx-xx-xxxx.
Hawrylak, Michael N., xxx-xx-xxxx.
Haynes, Michael Lynn, xxx-xx-xxxx.
Heath, David B., Jr., xxx-xx-xxxx.
Hefty, Mark D., xxx-xx-xxxx.
Heindselman, Verle J., Jr., xxx-xx-xxxx.
Helma, David C., xxx-xx-xxxx.
Hem, Paul M., xxx-xx-xxxx.
Henderson, Mark, xxx-xx-xxxx.
Hendrickx, David S., xxx-xx-xxxx.
Herbek, Charles M., xxx-xx-xxxx.
Herbst, Gregory A., xxx-xx-xxxx.
Heyward, Randy R., xxx-xx-xxxx.
Hilpert, Frederick M., xxx-xx-xxxx.
Hirai, James T., xxx-xx-xxxx.
Hoge, Gregg C., xxx-xx-xxxx.
Holladay, David w., xxx-xx-xxxx.
Holloway, Michael J., xxx-xx-xxxx.
Holman, Joe L., xxx-xx-xxxx.
Holmes, Charles M., xxx-xx-xxxx.
Holt, Thomas J., xxx-xx-xxxx.
Hopkins, Richard D., xxx-xx-xxxx.
Horris, James A., xxx-xx-xxxx.
Howard, Timothy N., xxx-xx-xxxx.
Howard, Jerry A., xxx-xx-xxxx.
Humble, Howard F., Jr., xxx-xx-xxxx.
Humphreys, Edward M., xxx-xx-xxxx.
Hursey, Richard T., xxx-xx-xxxx.
Idiart, Philip L., xxx-xx-xxxx.
Imhoff, John P., xxx-xx-xxxx.
Imholte, Daniel D., xxx-xx-xxxx.
Ingram, Christopher A., xxx-xx-xxxx.
Jackson, Robert S., II, xxx-xx-xxxx.
James, David W., xxx-xx-xxxx.
Janasky, Edwin P., xxx-xx-xxxx.
Janda, James F., xxx-xx-xxxx.
Jensen, John K., xxx-xx-xxxx.
Johnson, John H., Jr., xxx-xx-xxxx.
Johnson, Michael W., xxx-xx-xxxx.
Johnson, Montie S., Jr., xxx-xx-xxxx.
Johnston, Martin A., Jr., xxx-xx-xxxx.
Jones, Duwayne W., xxx-xx-xxxx.
Jones, Kenneth, Jr., xxx-xx-xxxx.
Jones, Myron B., xxx-xx-xxxx.
Jones, Robert A., xxx-xx-xxxx.
Jones, William S., xxx-xx-xxxx.
Jordan, Terry J., xxx-xx-xxxx.
Justice, Robert A., xxx-xx-xxxx.

Kaneshiro, Richard Y., xxx-xx-xxxx
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McGehee, Michael W., xxx-xx-xxxx
McLaren, John P., Jr., xxx-xx-xxxx
McMillan, Joseph B., xxx-xx-xxxx
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Meacham, Ralph D., xxx-xx-xxxx
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Morgan, George L., Jr., xxx-xx-xxxx
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Murray, Dennis J., xxx-xx-xxxx
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Nadeau, Joseph K., xxx-xx-xxxx
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Navarro, Rogelio, Jr., xxx-xx-xxxx
Neal, William B., III, xxx-xx-xxxx
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Rader, Carlton B., xxx-xx-xxxx
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Rader, Marcus C., xxx-xx-xxxx
Rago, Kenneth L., xxx-xx-xxxx
Rasmusson, David M., xxx-xx-...
Rasper, Arthur A., xxx-xx-xxxx
Ratcliff, Joseph M., xxx-xx-xxxx
Reeves, Larry E., xxx-xx-xxxx
Reid, Hubert S., xxx-xx-xxxx
Renteria, Guillermo A., xxx-xx-xxxx
Reynolds, Jeffrey C., xxx-xx-xxxx
Richardson, Allie J., III, xxx-xx-xxxx
Richardson, John H., xxx-xx-...
Richards, Steven M., xxx-xx-xxxx
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Schmidt, Austin C., xxx-xx-xxxx
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Scroggs, Gales W., III, xxx-xx-xxxx
Scully, Timothy A., xxx-xx-xxxx
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Sigl, Robert R., xxx-xx-xxxx
Silkey, Larry K., xxx-xx-xxxx
Sims, Gary L., xxx-xx-xxxx
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Sleeper, Charles M., xxx-xx-xxxx
Slotwinski, David L., xxx-xx-xxxx
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Smith, Arnold, xxx-xx-...
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Soderberg, James A., xxx-xx-xxxx
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Stafford, Keith R., xxx-xx-xxxx
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Tombrello, Joseph V., [redacted]
Tooley, Omer C., Jr., [redacted]
Toomey, Charles L., [redacted]
Townsend, Robert E., [redacted]
Treadway, Junior, [redacted]
Troy, Patrick A., [redacted]
Tucker, Jonathan E., [redacted]
Tunis, Jon A., [redacted]
Turner, Samuel W., [redacted]
Turner, Hughes S., [redacted]
Tuttle, Philip I., [redacted]
Tyler, John E., Jr., [redacted]
Valenstein, John E., [redacted]
Van Der Grinten, Peter T., [redacted]
Van Patten, James G., Jr., [redacted]
Vandewalker, Mark L., [redacted]
Vandiver, Ronald W., [redacted]
Ventura, Jose G., Jr., [redacted]
Vest, Dewey F., [redacted]
Vik, Lawrence G., [redacted]
Vogel, Roger L., II, [redacted]
Vorak, Richard J., [redacted]
Wagner, Carl M., [redacted]
Wallace, Brooks J., [redacted]
Waller, Joseph R., [redacted]
Walling, Herbert M., [redacted]
Wallingford, James L., [redacted]
Walter, Robert G., [redacted]
Walters, Jerel B., [redacted]
Ward, Anthony J., [redacted]
Ward, Charles M., [redacted]
Ward, David C., Jr., [redacted]
Ward, Kim A., [redacted]
Wargo, John S., [redacted]
Weaver, Brett H., [redacted]
Weaver, Stephen L., [redacted]
Wehner, Harold E., Jr., [redacted]
Welch, George E., [redacted]
Wellner, Mark S., [redacted]
Wells, Lamont J., [redacted]
West, Twain D., Jr., [redacted]
Westbrook, Robert J., [redacted]
Weston, Benjamin J., Jr., [redacted]
Wetherell, Richard M., [redacted]
Whealy, Michael T., [redacted]
Wheeler, Stephen G., [redacted]
White, Jerry R., [redacted]
White, Walter D., [redacted]
Whittaker, Kenneth W., [redacted]
Whitted, Scott A., [redacted]
Whitten, Donald J., [redacted]
Wigley, William C., [redacted]
Williams, Ralph L., [redacted]
Wilson, Richard P., [redacted]
Windham, Michael C., [redacted]
Wingo, Everett M., [redacted]
Wiseman, Thomas H., [redacted]
Wolfe, Randall S., [redacted]
Wolfe, William W., [redacted]
Wood, Samuel S., Jr., [redacted]
Woodruff, Joseph A., [redacted]
Woods, Henley P., Jr., [redacted]
Wright, Jesse N., [redacted]
Wright, William B., [redacted]
Yerby, Stephen R., [redacted]
Young, Peter T., [redacted]
Zaklan, Christopher T., [redacted]
Ziegler, Andrew H., Jr., [redacted]
Ziegmann, William W., [redacted]
Zygmuntowicz, Andrew T. [redacted]

IN THE NAVY

The following-named Naval Reserve officers for temporary promotion to the grade of captain in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Adams, Walter P., Jr.
Abramson, Harvey
Anson, Harry C.
Allison, Leroy M., Jr.
Allen, Richard M.
Althouse, John H.
Andrews, Marshall H., Jr.
Armstrong, George A., Jr.
Arrington, Robert A.
Aschan, Harry R.
Ash, John M. IV
Bickley, George H. V.
Batchelor, Kenneth F.
Becker, John C., Jr.
Beffel, Ernest J.
Barilla, Louis J.
Bailey, Fredric N.
Barthelenghi, George H., Jr.
Barry, David C.
Bradshaw, Robert D.
Brady, Francis T.
Bransfield, William J.
Boatman, John G.
Brady, Paul S.
Brasher, Samuel R.
Brune, David H.
Bruce, Warren
Brundage, Thomas R., Jr.
Bresnahan, Joseph E.
Brescia, Louis A.
Brown, Thomas K.
Bowen, Ray H.
Brown, William I.
Brown, Oscar D., Jr.
Brown, Ramon E.
Boggs, Harry W.
Boyajian, Ara M.
Boyd, John A., Jr.
Britt, Donald D.
Burford, Robert D.
Chastain, "J" "D"
Chapman, Leonard W.
Caletri, Joseph J.
Campbell, Thomas W.
Campbell, Phillip R.
Campbell, Frank C., Jr.
Campbell, Henry G., Jr.
Campbell, Thomas C.
Cahill, John D.
Cole, Bruce L.
Conlin, Carter B.
Copeland, Curtis B.
Crispin, James L.
Cunningham, Paul R.
Debois, Oran P., Jr.
Delaney, James D.
Dicker, Ralph W.
Davis, Chester R., Jr.
Denning, Jack R.
Degrafft, William E., Jr.
Dahlin, Douglas G.
Dobbins, Robert N., Jr.
Dolen, George W.
Doherty, Robert O.
Doherty, Francis J.
Driskell, Omer L.
Dorney, William J.
Duncan, Marvin E.
Dvorscak, Bernard J.
Dwyer, James P.
Eadie, Ronald E.
Edmunds, Basil L.
Edwards, Gerald C.
Edgar, Richard B.
Earnhardt, Wiley J. P., Jr.
Ellis, Frank D.
Ellis, Donald A.
Emmerling, Henry C., Jr.
Evans, Thomas W.
Evans, John W.
Fajer, Vincent J.
Fisher, Albert L.
Fall, Harry C.
Fitzpatrick, Roger J.
Fitzgerald, James E.
Fancher, Gordon C.
Favero, Valentino R.
Fanale, Joseph A.
Farrar, Ronald L.
Farney, James E.
Frazee, Douglas R.
Fraser, George B.
Flannery, Gerald R.
Fredrickson, Ronald H.
Flynn, Francis P.
Flynn, Kenneth C.
Fullmer, Lee D., Jr.
Gelineau, Ronald G.
Gillespie, Edward A.
Galbraith, Robert A.
Giragosian, Newman H.
Garland, Daniel H.
Glathe, William Q.
Goforth, William H., Jr.
Gross, Webster, Jr.
Griffith, Philip G.
Guenther, Gordon B.
Hess, Robert L.
Halsema, Lester J.
Hill, Cal D., Jr.
Hide, Donald L.
Hembree, Sam M.
Hendricks, Albert T., Jr.
Haneghan, William J.
Henderson, James R.
Hewitt, Dean J.
Herkner, Richard T.
Hart, Richard S.
Harrison, Thomas K.
Holmquist, Eric A.
Hockett, William A., Jr.
Howe, Wesley W., Jr.
Horsmon, Frederick M.
Horne, Charles E., III
Husmann, Robert J.
Hunt, James H.
Huff, Alton B.
Hurlbut, Wendell P., III
Innes, Bobby G.
Jones, Leland L.
Jones, Everett J., Jr.
Jones, "T" Embury, Jr.
Johnson, Clarence A. E., Jr.
Johnston, Bruce T.
Johnston, Charles F.
Johnston, Ervin F.
Johnston, Richard E.
Kaas, Ronald B.
Kandel, Philip J.
Kenniff, Robert L.
Kratt, Theodore D.
Kosiba, Raymond J.
Kochert, Milton R.
Koverman, Gary A.
Liswith, Carl J.
Leslie, Robert B., Jr.
Laughon, James H.
Lamee, Clyde D., Jr.
Linn, Daniel A.
Langley, Rolland A., Jr.
Leetch, James F., II
Leeson, Joseph F.
Lier, Douglas W.
Lindley, James G.
Lang, Roger J.
Laitala, Leilan M.
Lockett, Benjamin B.
Looney, Robert F., Jr.
Lynn, David E., Jr.
Luning, Henry J.
Mikwold, Harold R.
McKee, Donald L.
McKenzie, Robert A.
McCormick, Matthew A.
Mathews, Charles
McCain, George S.
McClain, Joseph A., III
Miller, Jay M.
Maloney, John F.
Miller, Frank L.
McLean, David S.
McDonald, James L.
McMillan, Louis K., Jr.
Mansell, Roger L.
Miner, George D., Jr.
Mays, Lewis V., Jr.
Merkel, Jule F.
Marangiello, Daniel A.
Merrill, Nicholas C.
Martin, Manuel R., Jr.
McRae, Donald A.
Martin, William D.
McIntyre, Donald F.
Mouritsen, Thorval E.
Morsilli, Frank P.
Moriarty, Edwin S.
Morgan, Arthur I., Jr.
Nelsen, Norman W.
Nelson, Gene S.
Neunzig, Frederick
Needham, William R.
Neville, Robert G.
Nirenberg, Allan
Nystrom, Donald A.
Oglesbee, Jack L.
Oberle, Louis A.
O'Connell, John W.
Olson, Charles E., Jr.
Orr, John D.
Ostronic, Francis J.
Pickens, William A.
Pacilio, Jerry A.
Pinkowski, Francis S.
Pinel, Thomas H.
Paget, James S., Jr.
Peyrek, Theodore R., Jr.
Parr, Warren S., Jr.
Parker, Lutrelle F.
Parler, William C.
Phillips, William N.
Pardue, Oscar W.
Perfetto, Chester
Potts, Edward A.
Potter, Thomas M.
Powers, Donald C.
Popovich, Daniel E.
Ringstad, Robert C.
Renninger, Harris R.
Ragsdale, Carl V.
Register, William M., Jr.
Riggins, Tracy, Jr.
Reilly, Joseph F., Jr.
Robertson, Richard A.
Robbins, Joseph
Rowe, Ronald R.
Ryan, Raymond E., Jr.
Rubenstein, Richard B.
Rupert, Paul R., Jr.
Sich, Eugene J.
Semmes, Iliver J., III
Samuels, Ivan R.
Sedgewick, Joseph E.
Shumate, Donald J.
Sink, James M.
Siemen, Harry A.
Saft, Irwin C.
Short, Laurence A.
Shipman, Dean J.
Sarber, John D., Jr.
Spann, Roderick H.
Sokol, John
Soldwedel, Fred W.
Skerchock, Peter
Speth, Herbert S.
Snyder, John E.
Spies, Roderic A.
Smith, David L.
Smith, Donald J.
Smith, Brian W.
Stansbury, Thomas A.
Sutphen, Bobbie L.
Steensma, Robert C.
Still, Rodney A.
Stiff, William L.
Thornton, Timothy M.
Thompson, Donald H.
Taylor, James L.
Terrell, Errol J.
Trandem, Robert E.
Trotter, Thomas A.
Tschudy, James J.
Turner, James J.
Urbana, Robert D.
Vestri, Salvatore L.
Valenzuela, Ernesto
VanBrimer, Russell H.
VanAllsburg, Donald E.
VanHuyck, John A.
Venters, Robert T.
Venning, Denis S.
VandenBiesen, James L. C.
Varettoni, Robert J.
Weatherbee, Lyle E.
Walker, Wayne N.
Wattay, Leslie J.
Wille, David G.
Wahlers, Gene L.
Weidenkopf, David W.
Whitman, Harvey E.
Wolff, Stephen J., Jr.
Wollensak, Richard J.
Woody, John H., Jr.
Wright, Joseph M.
Wright, Johnie B.
Young, George L., Jr.
Zavattaro, Frank A.

MEDICAL CORPS

Apffel, Phillip R.
Cannon, John P.
Cloyd, David H.
Connelly, John P.
Corbett, John R.
Cowan, David E.
Forney, William R.
Greathouse, Richard F.
Hamilton, Charles E.
Hattori, Takashi
Jaeger, Edward A.
Johnson, Harry I., Jr.
Knox, Henry D.
Kopp, Clarence J.
McGuire, Lockhart B.
Miller, Raymond C.
Nelson, Arthur R.
Novak, Edward A., Jr.
Primich, Frederic F.
Radelat, Paul B.
Raisbeck, Clifford C., Jr.
Sargent, Edward C., Jr.
Sims, Norman L.
Sloan, Charles R.
Somerdike, John M.
Steward, John P.
Thomas, Don F.
Tipton, Harry B.
VanStone, William W.
Vuksta, Michael J.
Weston, James T.
Whetsell, Joe E.
Wilson, Jack H.
Wright, Robert B.

SUPPLY CORPS

Alarie, Paul J.
Baity, Edward L.
Bauhofer, Robert J.
Edgerton, Thomas C.
Frisbie, James H.
Gianos, Edward A.
Gross, Martin
MacDonald, John F.
May, Walter J.
McPherson, William A., Jr.
Morrison, Roderick A.
Paul, Peter C.
Phelps, James C.
Prichard, Barry
Sankey, Harry W.
Sawczuk, Stanley R.
Silk, Arthur T.
Turner, George S.
Watson, Gary E.

CHAPLAIN CORPS

Bidne, Arvid E.
Hever, John J.
Hutchinson, Warner A., Jr.
Johnson, Robert K.
Stephens, James H.
Sternberger, Richard S.

CIVIL ENGINEER CORPS

Anderson, John R.
Besier, Rudolph F.
Coates, Edward E.
Connett, Dean M.

Cordell, Donald E.
Cruikshank, Alan
Daw, John L.
Duarte, George M.
Hawkins, Robert V.
Larsen, John T.

JUDGE ADVOCATE GENERAL'S CORPS

Badley, Bruce P.
Dail, Joseph G., Jr.
Eagleton, Richard E.
Hayes, David J. A., Jr.
Hodges, John N.
Maxwell, Stephen L.
McKee, Miles C.
Morrison, William M., Jr.

DENTAL CORPS

Anderson, Dorrance I.
Atkins, George
Bathune, Walter F., Jr
Bahn, Saul L.
Black, Marion M., Jr.
Carrington, Paul B.
Cotman, Lawrence
Diodati, Ronald R.
Glenn, George C., Jr.
Graham, James E., Jr.
Hall, Hugh D.
Hill, Jay W.
Large, Nelson D.
Lester, Robert
McClelland, Richard L.
Miller, David L.
Riesner, Neal R.
Rini, Charles S.
Sluder, Troy B., Jr.
Studdard, Jerry M.
Watson, Cyral G.
Wilson, Dwight R., Jr.
Zambito, Raymond F.

MEDICAL SERVICE CORPS

Kepchar, John H.
Ross, Sherman
Shimberg, Edmund
Yanders, Armon F.

NURSE CORPS

O'Neill, Mary F.

The following-named Naval Reserve Officers for temporary promotion to the grade of commander in the staff corps, as indicated, subject to qualification therefor as provided by law:

MEDICAL CORPS

Bauer, Earl A., Jr.
Boensch, Frank N., Jr.
Boies, Lawrence R., Jr.
Fulton, Lyman A.
Hendricks, Frederick B.
Janssen, Erwin T.
Kanner, Richard E.
Laing, John W.
Pilapil, Virgilio D.
Ralph, James W.
Riordan, Robert H.

SUPPLY CORPS

Anderson, Rolph E.
Bain, Elliott M.
Beazell, Howard R.
Bernhardt, Paul A.
Breingan, Peter L., Jr.
Buckmaster, John E.
Collins, Francis A.
Crowley, Philip C.
Davis, Woodie E.
Depolo, Rudolph M.
Donohue, Patrick T.
Dugue, Regis G.
Eilberg, James S.
Enright, Charles F.
Failmezger, Robert C.
Fairall, Robert L.
Felton, Thomas O.
Fine, Charles B.
Fruin, Jeremiah E.
Gardner, William V.
Giles, Frederic P.
Godwin, Albert D.
Grip, Herman W.
Harvey, Thomas G., Jr.
Head, Clarence M., Jr.
Hiban, Arthur W.
Hickey, John P.
Hillig, Kenneth J.
Holle, Karlton
Hunt, Charles J., Jr.
Jaminet, John A.
Jensen, Arthur R.
Jones, William J.
Kaufman, John R.
Kitts, Willis M.
Knight, Curtis D.
Lacey, Howard W.
Leonard, Thomas A., Jr.
Liegel, Robert G.
Lindsley, Robert M.
Lunan, Ralph G.
Maguire, James A.
McCrory, Richard C.
McFall, Tommy K.
Palmer, William J., Jr.
Pyron, Edwyn B.
Ravizza, Edward I., Jr.
Schildwachter, Stephen J.
Seifried, Leonard J.
Sera, John B.
Sklar, Fred H.
Sturms, Herschel T., Jr.
Troxell, Lewis M.
Tyler, David A.
Visniski, Walter W., Jr.
Wall, Gerald G.
Warner, Andrew B.
Weber, Frank E.
Wiser, Charles F., Jr.
Wood, Oliver G., Jr.

CHAPLAIN CORPS

Bentley, Elder K.
Butenshon, Donald E.
Crosland, William A., Jr.
Dinges, Thomas L.
Duke, Harvey L.
Eades, Robert E.
Furlow, Charles M., III
Gordon, Kenneth R.
Henriksen, Veryle A.
Johnston, James S.
Krajewski, Walter M.
Markos, Thomas
Mauldin, Jack B.
McCall, Donald D.
McNeely, Richard I.
Meyer, Robert S.
Panko, Stephen M.
Pease, Frederic A., Jr.
Peters, Frederick J.
Poerschke, James P.
Rambo, Harold M.
Reynolds, David D.
Salmon, Edward P.
Volz, Walter D.

CIVIL ENGINEERS CORPS

Araneo, Peter J., Jr.
Bamburg, Marvin A.
Bruen, Walter P., Jr.
Caswell, Richard F.
Connelly, Trulyn G.
Denny, Thomas P.
Field, Peter W.
Gibson, William R.
Hoffner, Carleton C., Jr.
Laton, Richard W.
McCaslin, Joe C.
Morris, Alan E.
Mysinger, Edward D.
Nifong, Robert L.
Peet, John R.
Robertson, George E.
Scott, James W.
Sifferman, Donald J.
VanNiel, Cornelius R.
Vukovitz, John C.
Wallingford, Marvin C.

JUDGE ADVOCATE GENERAL'S CORPS

Aires, Randolph H.
Barber, Michael E.
Broadsky, Ronald D.
Caine, Patrick R.
Chapman, Henry S.
Clark, Richard E.
Condos, Steven G.
Dietrich, Donald P.
Fenton, Albert B.
Glazer, Jack H.
Harootunian, Shant J.
Kelberg, Lee
Knowles, Kent N.
Lewis, John B., Jr.
Luke, Randall D.
Mauer, William F.
McCormack, Howard M
McCormack, Leo L.
Mech, Raymond R.
Meyers, Gerson E.
Psihas, Andrew P.
Schumann, Alfred W.
Shine, Francis E., III
Statton, Edward C.

DENTAL CORPS

Blackburn, Mark W.
Bradley, Bruce E.
Buckis, David C.
Carroll, Lon D.
Depuy, Robert W.
Flosi, Marvin L.
Hall, Lawrence B.
Hallman, Robert R.
Hashimoto, Richard I.
Kear, Harold J.
Ketner, Bruce A.
Lanier, Thurman W.
Lovejoy, Garvin C.
Martin, Carlton S.
Miller, John J.
Neilans, Lionel C.
Peck, Crosby S., Jr.
Roberts, "J" Keith
Strife, Peter H., II
Sugg, Thomas H.
Upchurch, William D., Jr.
White, Paul M.

MEDICAL SERVICE CORPS

Eckfeld, Frederick J.
Fisher, Benjamin D.
Gray, Robert I.
Hantsberger, William M.
Lawson, Betty D.
Powers, Kendall G.
Reich, Melvin
Vedros, Neylan A.

NURSE CORPS

Kelly, Wanda J.

The following-named women Naval Reserve officers for permanent promotion to the grade of captain in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Adams, Jan F.
Cassidy, Joan K.
Edgerton, Catherine F. R.
Hinman, Katherine J.
Holliday, Dorothy V.
Knight, Barbara A.
McCampbell, Virginia
Sullivan, Mary A.
Vance, Lucile G.

SUPPLY CORPS

Skowronski, Gertrude

The following-named women Naval Reserve Officers for permanent promotion to the grade of commander in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Bachtel, Mary A.
Bonwell, Walterine B.
Bradley, Muriel A.
Cowley, Lloyda T.
Goode, Gabrielle B.
Gore, Diane D.
Gregory, Martha J.
Porch, Harriett E.
Reardon, Blanche E.
Reed, Susan K.
Stevens, Margie A.

SUPPLY CORPS

Hjaltalin, Nellie J.

IN THE NAVY

The following-named officers of the Navy and of the Naval Reserve for permanent promotion to the grade of commander:

LINE

Adams, Robert Charles
Adams, Samuel Wren, Jr.
Addison, Carl William, Jr.
Adgent, Robert Boyd
Ahrenstein, Monroe Joel
Ailes, Robert Heber
Ake, Charles Francis
Alberg, Donald James
Albero, Carl Michael
Albritton, David Lee
Aldana, Louis Pelayo
Allemang, John David
Allen, Alvin Kay
Allen, Archie Eugene
Allen, David Lee
Allen, George Smith
Allen, Robert Leon, Jr.
Almstedt, Theodore A., Jr.
Alvarez, Franklin Fernsler
Alves, Arcenio, Jr.
Anderson, Anders Timm
Anderson, Edward Everett, Jr.
Anderson, Edwin Knowles
Anderson, Franklin Warren
Anderson, Gary Marshall
Anderson, James Bruce
Andrade, Allan LeRoy
Appelhof, Gilbert Alan
Aquilino, Salvatore Patrick
Araki, Makoto
Arcuni, Philip
Armstrong, Clarence Ervin J.
Arnold, David Lee
Arnold, Thomas Francis
Arthur, Stanley Roger
Atkins, Brandon Thomas
Atwell, Robert Franklin, III
Aucoin, James Benjamin
Avila, John, Jr.,
Aydt, Roger Dewitt
Bailey, William Benteen
Baker, Donald Adrian
Baker, James Winsor, Jr.
Baker, Peter Anthony
Baldwin, Oa Fredrick
Baldwin, Roger Lane
Ball, Marvin Loy, Jr.
Ballantine, James Clement, J.
Ballou, Joseph Frank
Bankowski, Walter Francis
Banks, William Kenneth
Baril, Robert Francis
Barker, Harold Douglas
Barker, Richard Harvey
Barlow, John Rolan
Barnes, James Harold
Barnes, Paul Donald
Barney, Charles Robert
Barnhardt, David Franklin
Barnhart, Harold Duane
Barnum, Craig Luther
Barry, George Foster
Bartee, William Joseph
Barton, Robert Lawrence
Bassett, Charles Gordon
Bauer, Paul Franklin, Jr.
Bauer, Herbert
Baumstark, Richard Blake
Bauschka, Patrick Francis
Beakey, Jack Doyle
Beamon, Joseph Everett, II
Beasley, Charles Jahns
Beatty, Don George
Beatty, James Robert, III
Beck, Donald Ernest
Belisle, Gerald Morris
Bellinger, John Robinson
Bellune, Max Mitchell
Belto, Meryl Allen
Bender, James Edward
Bendit, Billy Lankford
Bennett, Peter Clark
Bentley, Robert Edward
Berrie, William Ellis
Bertrand, Jon Stanley
Bess, George Delbert
Best, Albert Hartwell, III
Bethea, Carl Lewis
Betterton, Thomas Cherrill
Bezigian, Robert
Biele, Charles Edward, Jr.
Bigler, William Walter
Bilicki, Daniel Robert
Bird, Thomas Cushman
Bisek, Dennis George
Bishop, Larry Dean

Black, Richard Orrin
Blackburn, Harry Lee, Jr.
Blair, David Benjamin
Blair, Frank
Blanchard, Lewis Thomas
Blasko, John Edward
Blessing, George Richard
Bloise, James Edward
Blouin, Robert Edward
Boebert, Frank Louis, Jr.
Boerner, Delbert Dean
Boggess, Paul Edward
Boguslawski, William Tadeus
Boice, Frank Bitts
Bolst, Albert Lea
Bolte, William Sterne
Bolton, John Mason
Bond, Charles Stephen
Bone, John Stanley, Jr.
Bonhag, Walter Dorman, Jr.
Bonner, James Earl
Bostick, James Hugh
Bower, Bruce Bradley
Bowers, John Pennington
Bowman, Henry Cleveland
Box, Roger Elden
Boyle, Ronald Raymond
Boyles, Harlan Henley
Boyne, Peter Bernard
Bradford, J. W.
Branscomb, Max G.
Braunschweiger, Andrew E.
Breast, Jerry Creighton
Breckon, Richard Louis
Bredbeck, William John
Bredderman, Rudolf Theodore
Breed, William Lee
Bremser, William John, Jr.
Brenneman, Harold Ralph
Brewton, Edward Allen
Briggs, Stanley
Bronson, Edward Francis
Brookes, Allen Gorely, Jr.
Brooks, Dennis Matthew
Brooks, Otis McKinley
Brown, Donald Louis
Brown, Howard Arthur
Brown, Ralph Edward, Jr.
Brown, Randall Robison
Brown, Roger William, Jr.
Brown, Thomas Scot
Brown, William McKay
Brown, William Sidney, Jr.
Brown, William Tyler
Broyles, Bill Ray
Bruen, George Martin
Bruni, Richard Lee
Bruyere, Thomas Edgar
Bryan, John Ellis, Jr.
Bryans, Brian Kent
Bryant, Don Michael
Buchwald, Robert Dale
Buck, David Ervin
Buck, Ralph Vincent
Buck, Wilbur Phifer
Buckner, James Arnold
Bueche, Arthur Henry, Jr.
Buehler, William Stuart
Buffkin, Charles Robert
Buggy, Joseph Stanislaus, Jr.
Bullock, Harold Oliver, Jr.
Bumbaca, Dominic John
Bump, Stanley Earl
Burcher, Philip Edwin
Burdick, Howard Frederick J.
Burgess, Eric Clyde
Burgess, John Edmund
Burleson, Frank Marvin
Burns, Gerald Joseph
Burns, John Douglas
Burpo, James Harvey
Burrows, Jack
Burrows, James Bradford
Burson, Donald Lee
Burton, James Leroy, Jr.
Busby, Richard Edward
Bush, Vernon Royce
Bushnell, Malcolm West
Butler, Clarence Billy
Butner, Richard William
Butsch, Lester Hunt
Byng, Weston Hamilton
Caciola, James John
Cahill, Lionel Albert, Jr.
Cahill, Walter Austin
Caine, Paul Eugene
Camp, Joe Don
Campbell, Carl Eugene
Campbell, John Richard
Campbell, Norman Dean
Campbell, Thomas Gordy
Cannon, James Rowland
Carder, Denny Martin
Cargill, Denny Bruce
Carlson, Robert Gene
Carlson, Walter Gene
Carr, Samuel Leroy
Carroll, Peter August
Carpowich, Charles Alex
Carson, William Grant
Carswell, Michael Stuart
Casey, Richard Francis
Cashmere, John Jarell
Castle, Ronald Gene
Cates, Gus Vance
Cathro, Alexander Young
Catron, Jerry Michael
Chalmers, William Coulter
Chamberlain, John Drew
Chambers, Richard Kenner
Chancy, Thomas Masden
Chansior, Richard Maurice
Charles, Richard Noel
Chauncey, Arvin Roy
Chirnside, Richard Lee
Chrans, Ronald Leroy
Christensen, Cyrus Robert
Christensen, Gary Gene
Christensen, John Edward, Jr.
Christenson, Robert W. S.
Clark, Loren Lee
Clarke, Douglas Lane
Class, William Horton
Clay, Jack Delano
Cleary, Patrick Roger
Clem, David Wendell
Clevenger, Redmond Lawson
Cobb, Roy Lampkin
Cochran, Thomas Lenwood
Cochran, William Franklin
Coffee, Gerald Leonard
Coffey, Robert Carlin
Coggins, Joseph Edward
Cole, William Marchant, II
Coleman, James Joseph
Collard, Keith Paul
Collins, David Malcolm
Combs, Robert Lamar
Conklin, Andrew Janke
Connelly, John Joseph, Jr.
Conner, Eugene Davison
Connery, John David
Connolly, Leo Joseph
Coolbaugh, Jesse Dixon
Cooper, David Stuart
Cooper, John Duffield, Jr.
Corkins, Charles Wesley Jr.
Cornell, John Paul
Cornett, Charles Sherman, Jr.
Corr, Peter Sarsfield, Jr.
Corrigan, Richard Walter
Costa, Louis Elliott, Jr.
Costilow, Kenneth Lyn
Coulbourn, Samuel William
Couture, John Francis
Cowman, Terrance Eugene
Cox, Edward Franklin
Coyne, Thomas
Coyne, William Louis
Cracknell, William Henry, Jr.
Cramer, Dean Edward
Cramer, Edward Alfred, Jr.
Cramer, Erich Hansotto E.
Cremo, John, Jr.
Creswell, Lawrence Keene
Cromer, Charles Clinton
Cross, Claude Christopher
Crowe, Willilam Mitchell, Jr.
Cueroni, Lee Angelo
Culberson, George Willilam J.
Cummins, Clarence Myron
Currier, Donald H.
Curry, Willilam Hubert, Jr.
Curtis, Paul John
Curtis, Wayne
Cust, Harlan Robert
Czar, Raymond James
Dacosta, Allan Donald
Dahl, Lowell Duane
Daly, Frederick Trenk, III
Daly, John Stephenson
Darby, Jack Neal
Darling, Roderick James
Daum, Richard August
David, Ralph Harry
Davis, Dennis Lee
Davis, Jimmy Wayne
Davis, John Weyman, Jr.
Davis, Robert Bruce
Davis, Robert Donald
Davis, Robert Joe
Davis, Thomas Alfred
Davis, Thomas Edward
Day, James Olin
Deal, Thorsen Ashe
Debode, Donald Gene
Deegan, Robert Francis
Deering, Robert Myron
Defibaugh, Carl Francis, Jr.
Degroot, Henry, Jr.
Demarest, Allen Eugene
Demarest, Joseph George, III
Demars, Bruce
Dennis, Jefferson Rice, Jr.
Denoon, Norman Lee
Denton, Douglas John
Dewey, Richard Frank
Dickey, Kenneth Ray
Disher, John Stephen
Dockweiler, Ernest Wayne
Doebbler, Gordon Bodo
Donahue, John Francis
Donnelly, Thomas Francis
Donohue, Douglas Jerome
Doughdrill, Charles Weston
Dove, Ray Wood, Jr.
Drake, Donald Lee
Duffield, Frederick H., Jr.
Dugan, Ferdinand Chatard
Dungan, David Anthony
Dunham, William Carl
Dunlap, Stanton Parks
Dwyer, William Leo
Dyer, Nathaniel Brown, Jr.
Dyer, Thomas Edward
Dyro, Stanislaus Gregory
Eagye, Vernon Alan
Earhart, Kay Eugene
Easter, Haroldean Edwards
Edney, Leon Albert
Edwards, Joe Duke
Edwards, Joshua Videll
Edwards, Walter Joseph
Egan, Robert William
Elich, Robert Louis
Ellingson, Norman David
Ellingwood, Arthur R., Jr.
Ellis, Hal Roberts, III
Ellsworth, Warren R., Jr.
Elpers, William Wendell
Emmerson, Milo Elwood
Emmett, Richard Franklin
Endo, Norio Bruce
Engelhardt, James Henry
English, Curtis Riegel
Enkeboll, Richard Ernest
Erikson, Theodore William
Ermis, Leroy Charles
Essig, John Raymond
Eulenstein, Karl Hugo
Evans, Philip Roland
Everly, Vernon Richard
Eytchison, Ronald Marvin
Fahey, William Francis
Fahrney, David Laurence
Fallon, Thomas Francis, Jr.
Farley, Edward Bigelow, Jr.
Feingersch, Allen
Fellowes, John Heaphy
Felt, Bruce Charles
Feltham, Marshall Emmette
Ferm, Dennis Wayne
Fernald, Lloyd Wilbur, Jr.

Feuerhelm, Duane Leroy
Fickenscher, David Burke
Findley, Ronald Clare
Fing, George Edward
Finley, Dean Marvin
Finley, John Lawrence
Finn, William Anthony
Firey, Roger Stafford
Fischer, Theodore Arthur, Jr.
Fish, Benjamin Lawrence, Jr.
Fishburn, John Heffelman
Fisher, Harvey Enloe
Fiske, Harry Kenneth
Fitch, Dee Nelson
Fitzgerald, John Francis
Fitzgibbons, George Paul
Fitzpatrick, John Joseph
Flannery, Gerard Joseph, Jr.
Flatley, James Henry, III
Fleak, Walter Herbert, Jr.
Fleshman, Samuel Austin, II
Florko, Donald John
Flynn, John Joseph
Flynn, Samuel Carson, Jr.
Flyum, James Kenneth
Foresman, James Hammond, III
Forster, Johann Richard
Forster, Robert Michael
Foss, Robert Nelson
Fossett, Birchard Clary
Fournier, Paul Robert
Fowler, George Marion
Fox, George Raymond
Fox, John Francis Joseph
Fox, Robert Francis
Fox, Thomas Robert
France, Morgan Michael
Frankenberger, Paul Francis
Franklin, William Patrick
Fredrichs, Robert William M.
Fredrickson, Arthur Hugh
French, Douglas E.
Frey, Robert Dean
Frommer, Paul Stanley
Funderburk, Jeryl Dean
Furey, Edwin Michael
Furrow, Donald Edson
Furtado, Francis Joseph
Gagne, Wilfred Clifford
Gallagher, John William
Gallagher, Robert Stephen
Gallion, Lawrence Barclay
Gambill, Richard Kemp
Gardella, John Kerr
Garland, Keith Pierson
Garrett, Roger Dean
Garrison, Charles Henry, Jr.
Gash, John Allen
Gearin, Billy Dan
Gehrig, Jerome Charles
Gentz, Richard Corbett
George, Troy Hescue, Jr.
Gesling, Marion Lee
Gifford, Robert Merle
Gilbert, James Clarington
Gilbert, Robert Lyle
Gilkison, Edward Robert, Jr.
Gimber, Harry Meeker S., III
Ginn, James Thomas
Ginther, Larry Lyon
Giuliani, Leonard Edmond
Glancy, Robert James
Gleason, Russell Dexter
Glickman, Thomas Walter
Glickman, Walter
Godefroy, Pierre Louis
Goggin, Richard Edward
Golden, Edward Eugene
Golder, Thomas Vincent
Goldstone, Ronald George
Gonzalez, Robert Neil
Goodwin, James Barden
Gott, William Berlin
Gowans, George Keith
Grady, Roger Dennis
Grant, Gerry David
Grant, Howard Wilkerson, Jr.
Grant, Richard Lee
Grau, James Allan
Graves, William Sheakley
Gray, Anthony Whitford, Jr.
Green, Richard Francis
Green, William Henry
Greene, George Cameron
Greene, William Harrell, Jr.
Greenhoe, Duane Floyde
Greer, Robert Eugene
Grewe, Webster
Griffin, David Hamlin
Griffith, Dwaine Orris
Grimes, Thomas Warren
Grimmell, Robert Lee
Groat, John Ellery
Groce, Thomas Curtis
Groscup, William Dale
Gross, Sidney Lawrence
Gruendl, Paul Lawrence
Guisinger, Lawrence B., Jr.
Gulliver, Victor Stanley
Gundermann, Richard Thomas
Gunderson, Donald Henry
Gustafson, Charles Bengt
Guttery, Thomas Hobson
Haack, Norman Erwin
Hagen, Dale Norman
Haley, George Kirby
Haliday, George Warren
Hall, Charles Reade, III
Hall, Gordon Bradford, Jr.
Hall, Harley Hubert
Hall, John Owens
Hall, Michael Richard
Hammack, John Edward
Hammer, Roger Duncan
Hammock, Donald Paul
Hancock, Gus Herndon, Jr.
Hannaford, William Henry
Hannah, Elmore Kline, Jr.
Hanson, Morton Howard
Harkins, Vyron Vernon, Jr.
Harmon, Jack Emory
Harner, Charles Franklin, Jr.
Harre, James Louis
Harriss, David Jackson
Hart, Raymond James
Hartian, Robert Michael
Hartley, Donald Alan
Hartman, Anthony George
Hartman, Richard Danner
Harvey, Walter Douglas
Hastie, Robert Keith
Hastings, Ralph Harold
Hatcher, Jerry Maldon
Hausmann, John Henry
Hawkins, Charles Derward, Jr.
Hawkins, Leroy Thomas
Hawkins, Sam Henry
Hay, Donald George
Hayes, Michael Francis
Haynes, Harald Johan
Healy, Howard Raymond, Jr.
Heekin, John Patrick
Hegeman, Joey William
Heiland, Charles Edward
Heisinger, Duane Lawrence
Heisner, Robert Irving, Jr.
Hellewell, John Seymour
Hellman, John Stephen
Henderson, Mark Dale, Jr.
Henry, John Archie, Jr.
Henry, Michael Collins
Hensley, James Virgil
Herrigstad, Harvey William
Herring, George Griffin, III
Hesse, Gerald Herman
Hester, James Homer
Hewitt, Paul Edward
Hewitt, Wesley Charles
Heyde, John Stirling, Jr.
Heyward Shannon Douglas
Hiatt, William Douglas
Hibbard, Grant Welk
Hickerson, James Martin
Hickman, Jimmie Ercelle
Hiebner, Robert John, Jr.
Higgins, John Joseph
Higgins, William Howard
Higginson, John Joseph
Himes, Elton George
Hines, Dean Howard
Hite, Philip Robert
Hix, Jack Manuel
Hixson, Harold Yale
Hobler, William Joseph, Jr.
Hoffner, Conrad Charles
Hogan, Lawrence Miles
Hogg, James Robert
Hoggatt, James Ward
Holland, Joe Lambert
Holloway, Richard Vernon
Holm, John Peter
Holt John Albert, III
Holtzclaw, John William
Holzschuh, Jacob Robert
Hoover, Cameron Lee
Hoppe, Herbert Lee
Horne, Roger Bigelow, Jr.
Horne William Lincoln
Horsefield, John Edwin
Horsley George William, Jr.
Horton, Jerry Douglas
Houglum, Leon Peary
Howe, Frederic Northey, Jr.
Howe, John Edward
Howe, Jonathan Trumbull
Hower, James Joseph
Howland, John Herrick
Hoyman, George Roger
Hueber, Fred Paul
Huggins, Andrew Curtis
Hughey, Ira Allen
Hunter, Wallace Robert
Husted, Murl Edwin, Jr.
Huston, William Grayson
Hutchinson, Charles Kenneth
Hyatt, Charles Edward
Hyatt, Leo Gregory
Hyde, Ronald Pope
Ingalls, Frederick George
Inman, Ronald Clark
Isenhour, William Jacob
Jackson, Lester Thurston, Jr.
James, James Edward Manson
Jarratt, Guy Carleton, III
Jellison, Harry Edward
Jerome, John David
Johnson, Leonard Willby, II
Johnson Phillip Seth
Johnson, Robert Allen
Johnson, Ronald Joseph
Johnson, Ronald Laurence
Johnson, Theodore Robert, Jr.
Johnson, Walter Edwin
Johnson, Wendell Norman
Johnston, Donald Whayne
Johnston, Harold Benjamin J.
Jones, Colin Mastin
Jones, Gary William
Jordan, Henry Michael
Jordan, William Travis
Judge, Joseph Ivis
Junghans, Peter Austin
Jurgens, Robert Anthony
Kantor, Clifford Stephen
Karas, Robert Edward
Karn, Alvin Reuben, Jr.
Karnakis, Nicholas
Katz, Bennett David
Keathley, James William
Keiffer, Leo Harrison
Kemper, Ralph Courtney
Kennedy, James Howard
Kennedy, Raymond Joseph
Kennelly, Bernard John
Kent, Ronald Harold
Kentopp, Donald Eugene
Keough, Robert James
Kerr, William Alexander, Jr.
Kershner, Robert Lee
Kerslake, Ronald William
Kersting, William Henry
Kesteloot, Robert Warren
Kiefer, Martin Daniel
Kilpatrick, Thomas Eugene
Kimball, Paul Elmer
King, Carleton James, Jr.
King, Charles Calvin
Kirkland, Thomas J., III
Kirkwood, Robert Liston
Kittleman, Donald Leslie
Knapp, Ralph Edmund
Knapp, Richard Irving
Knodle, William Clifton

Knott, Richard Charles
Knowles, Russell, Jr.
Knutson, Jerry Gail
Koehler, Norman Elias, III
Kolstad, Thomas Carl
Komisarcik, Adam
Komp, Richard Lloyd
Korthe, James Doran
Koster, Alfred Maria, IV
Kraft, Robert Michael
Kramer, Theodore R., Jr.
Kratch, David Arnold
Krekel, Lyman Edward
Kremin, Richard Allen
Kreutzberger, Donald Juan
Kriewall, Royce Louis
Kristof, John James
Krueger, Milton Edmund
Kuck, Donald Lee
Kuehler, Donald Edward
Kuehmeier, Joseph Karl
Kunkel, Larry Duane
Kuntz, David Stephen
Kushner, David Arthur
Kuykendall, Herbert Brent
Kvederis, James Paul

Lahr, Carl Frederick
Lamay, Urban Randel, Jr.
Lambert, Raymond Alfonzo
Lamberth, Billy Charles
Lambright, Harold Raymond J.
Lang, William Robert
Lange, Christian A., Jr.
Lange, William Gordon
Langenheim, John Perry
Langholz, Marcus Joel
Langley, Charles Ralph
Lanman, George Maurice
Larabee, Kent Wilber
Larson, Charles Robert
Larson, Charles Wesley, II
Larson, Donald Ray
Laux, Arno Holland
Law, James Edwin
Layton, Thomas Colvin
Leban, Carl
Leblanc, Thomas Dauphin
Lecropane, Richard Raymond
Lee, Dennis Bryon
Lee, Kenneth Clifford
Leech, Robert Joseph
Leeds, Rene Wesley
Legg, William Emery
Lenhardt, Harry Fehl, Jr.
Leslie, William Neil
Lester, Richard Paul, Jr.
Leuschner, Robert Lee, Jr.
Lewedag, Loren Marston
Lewis, Harold Stephen
Lewis, Robert Kay, Jr.
Linch, Donald Thomas
Littlewood, Lyle Eugene
Livingston, Gill Frederick
Lockwood, Robert Kenneth, Jr.
Loewenthal, Robert Gordon
Lohr, James Richard
Loman, Cleve Edgar, Jr.
Lomax, James Redman
Lowe, Gary Bennett
Lowery, Needham Hugh
Lowrance, Douglas Long
Luehring, Davidson
Luetschwager, Edward Ernest
Luke, Charles Thomas, Jr.
MacCubbin, George Edwin, Jr.
MacKay, Gerald Wallace
MacNichol, Malcolm Stuart
Madouse, Richard Lee
Magner, Lawrence Richard
Magnus, Ralph Stanley
Maguire, Thomas Joseph
Mahon, Edward Joseph, Jr.
Mahony, Terrence Michael
Malley, Kenneth Cornelius
Malmquist, Emil Dwight
Malvin, Frederick Bage
Mann, John Philip
Mansfield, James Lawrence
Marcantonio, Anthony Willia
Marcus, Robert Ulysses
Margedant, John William
Markley, Wade Eddy
Marnane, Thomas Arthur
Marriner, Richard Eugene
Marriott, Michael John
Marshall, Raymond Eugene
Marthinson, Detlow Mainch J.
Martin, Frank Powell
Martin, James John, Jr.
Martin, Marshall Warren
Martin, William Gearheart
Marxer, Hugo Edward
Masten, Lawrence Everett
Master, Carl Lyman, Jr.
Maston, Joseph Harold, III
Matteson, Kelvin Lester
Matthews, Gary David
Maurer, Earl Thomas
Maxwell, Matthew Thomas, III
May, James Laurence
May, Robert Carroll
McCampbell, Richard Lee
McCandless, Frederick E.
McCarthy, Edward Duncan
McCarthy, James Francis
McCauley, George Kerry
McCaull, John Wayne
McClary, Richard Charles
McConnel, Richard A., Jr.
McConville, James Emmett
McCormick, Bruce Alan
McCulloch, James Moody
McCullough, Lawrence Edward
McCullough, Robert Francis
McCutchan, Milton Lloyd
McDaniel, Rodney Bonner
McDermitt, Carrol
McDermott, Joseph Thomas
McDonald, Gerald Wayne
McDonald, Richard Reese
McDonough, Vincent Paul
McEnaney, Thomas James, Jr.
McFarland, James Stephen
McGee, Virgil Varnell
McGill, James Alexander
McGinty, Thomas Joseph
McGlasson, Daniel Eubank
McGlynn, James Robert
McGrail, Charles Reynolds J.
McGrath, James Joseph
McGuigan, David Brant
McHenry, William George
McHugh, Charles Earl
McIndoe, James Edward
McIntosh, Charles Eugene
McKamey, John Bryan
McKnight, James Donald
McMichael, George Lee
McMillan, Lee Quincy
McMillen, Kenneth Allen
McMorris, John Allen, II
McMurray, William Thomas
McNichols, John Patrick, Jr.
McPherson, Albert Alexander
McPherson, Roger Bering
McTighe, Roger Paul, Jr.
Mead, Gerald Richard
Meadows, Landon Odell
Meaux, Richard Pollock
Meeker, Quentin Stuart
Megehee, Louis Dan, Jr.
Meier, Leonard Milbert
Meier, Myron D.
Meier, Ronald Leroy
Meighen, Thomas John
Melanson, Edward Joseph, Jr.
Melcher, Roland Osborn
Melnick, Norbert Waring
Melvin, Edmund Waller
Melvin, Virgil Boyd
Meszaros, Michael George
Metz, Fredrick John
Meukow, Walter Trendel
Meyer, Richard Ervin
Miceli, Joseph Dominick
Mickle, William McEwen
Middleton, John Edward
Miefert, Milton Delarma, Jr.
Miklos, Thomas John
Millard, David Russell
Miller, David Gordon
Miller, George
Miller, John Laurence
Miller, Peter Ross
Miller, Robert William
Miller, Wayne Warren
Mills, Albert
Mills, Thad Wesley
Miniter, Howard Elmer, Jr.
Misura, Paul
Mitchell, Clyde Lee
Mitchell, Donald Leslie
Modeen, Victor David
Moke, Paul David
Monahan, Gerald Edward
Monk, Samuel William
Monroe, Vincent Duncan
Montgomery, Donald James
Moore, David Winston
Moore, Jimmie Rodgers
Moore, John Wharton
Moore, Rowland Wesley
Moreau, Ronald Frederick
Morris, Charles Howard
Morris, Charles Samuel
Morris, David Roland
Morris, Hal Benjamin, Jr.
Morris, Jesse Beverly, Jr.
Morrison, Orrin Lee
Morsches, Robert William
Morton, Stewart Malcolm
Mouser, Hugh Phillip
Moyers, Gilbert Eugene
Mueller, John Arthur
Muller, Robert Charles
Mumford, Robert Evans, Jr.
Munn, Robert John, Jr.
Munro, William Scott
Murdoch, Thomas McCulloch
Murphy, John Alfred
Murray, James Calvin
Murray, Thomas Robert
Myers, Dale Phillip

Nace, Larry Duane
Nash, Michael James
Neary, Joseph Francis
Neeley, Wallace Wayne
Nelson, Carl Alfred
Nelson, Robert Eric
Neuhaus, Charles Franklin
Nevin, Robert Fenton
Newcomb, Zeanious Lee
Newell, John Whitaker
Newsom, Joe Rutland
Newton, Robert Lewis L., Jr.
Nicholas, Joseph
Nichols, Richard Donald
Nider, Kenneth Eugene
Nielsen, Niel Peter
Noggle, George Alfred, Jr.
Noll, Charles Francis
Normand, Eugene James
Northam, Thomas Alfred, Jr.

O'Brien, George Eugene
O'Connell, Daniel Joseph
O'Connell, James John
O'Connell, Jerome Arthur
O'Connor, Edwin Anthony
O'Connor, Neil Francis
O'Connor, Paul
Odea, Thomas Vincent
O'Donovan, James Patrick
Ogle, Peter Wayne
O'Hara, James Patrick, Jr.
O'Keefe, Martin Patrick
O'Keefe, Timothy Robert
Olmer, Lionel Herbert
O'Neil, William Arthur
O'Neill, James Patrick, Jr.
Ong, Richard Eugene
Oppedahl, Phillip Edward
Ore, William Edward
Orzech, Bernard Peter
Osborne, Dale Harrison
Overeem, Donald Phillip
Overstreet, George Harold
Owen, William Leon, Jr.
Owens, Darrel Dean
Owens, Robert Spencer
Owens, Sherman Henry
Oyler, Charles Clinton, Jr.

Page, Arthur M.
Pakradooni, Haig Herant, III

Palmer, Gerald Anderson
Palmer, Stanley Burt
Panarese, Adam Francis
Pape, Frank Ferdinand
Pappas, Jimmy
Parcell, Kenneth Howard
Parker, Jackson Knowles
Parker, Ronald Hearn
Parnell, Ural Clay
Parsons, Marland Wolcott, Jr.
Patrick, Andrew Kenley
Patterson, Dale Kendall
Paul, John Stephen
Peacher, Robert Wadsworth
Pearigen, Jare Max
Pearson, Merton Arcadus
Pedersen, Alton Andrew
Pedersen, Dan Arthur
Peebles, Baker Lawrence
Peerenboom, William Henry
Peetz, Robert Emil
Pendleton, Benjamin Lewis
Perrella, Albert Joseph, Jr.
Perro, Michael Alexander, Jr.
Perry, Leonard Gordon
Persels, Lyle Dewitt
Peterson, Laurel Charles
Peterson, Paul Arnold
Peterson, Peter Clauson, Jr.
Petree, Noel Harper, Jr.
Pfleger, James William
Pharis, Wade Jefferson
Philipps, George
Piche, Paul Duane
Picher, Francis Xavier, Jr.
Pickett, Ronald Booth
Piersall, Charles Homer, Jr.
Pietrzak, Edward Stanley, Jr.
Piotti, Walter Theodore, Jr.
Pippins, Elery Harold
Pirie, James Glenn
Pistotnik, James Joseph
Pitts, Paul Denney
Plassmeyer, Joseph Donald
Pocklington, William Dale
Poindexter, John Marlan
Polfer, Clarence Ronald
Pollard, Ronald Terrell
Poole, James Richard
Porcaro, Anthony Paul
Porter, Richard Grayson
Porter, Robert Wesley
Potter, Clare Elmer
Pounds, Philip Clyde, Jr.
Powell, Daniel Gene
Poyet, Elmer Francis
Previ, Wallace Martin
Price, Dennis James
Prien, Richard Kenneth
Pritchard, Joseph Reese
Promersberger, Edward S.
Propst, William Floyd
Prosser, Norman Edward
Pruett, Ronald Lee
Puerling, Peter Nicholas
Quast, Harry Stillman
Queen, Ronald Jess
Query, William Cashion, Jr.
Quigley, Francis Joseph
Quinn, James Hastings
Quitiquit, Max
Rader, Jerry D.
Rae, Paul Oleary
Ragan, Charles Patrick
Raney, Charles Gilbert
Rashley, George Edward
Ray, Willard Douglas
Rayome, Francis Lee
Ream, Ronald Lowell
Reich, Merrill Drury
Reiley, Ralph Hunt, Jr.
Reinhardt, Elwood B., Jr.
Reis, Joseph John, Jr.
Rennaker, Charles Leroy
Repass, Donald Eugene
Reynolds, David Bertram
Reynolds, Robert Lee
Reynolds, Ted W.
Rice, Edward Joseph
Richards, Warren David
Richardson, John Daniel, Jr.
Riedemann, Walter Joseph, Jr.
Rieder, Albert Eugene
Riefler, George Breeze
Riggs, Donald Eugene
Riley, Charles Elroy
Riley, Donald Edwin
Rimson, Ira Jay
Ritchie, Sherwood Leferve
Roach, John Christopher
Roberts, Charles Roberson
Roberts, Gordon Whayne
Robertson, Hollis Eugene
Robinson, Kenneth Frank
Robl, John Loy
Rodgers, Robert Dennis
Roeser, Walter Valentine, Jr.
Rogers, David Taylor
Rollman, Gordon Lynn
Rositzke, Robert Hugh
Ross, Thomas Edward
Rountree, Jack Lewis
Rower, Jay Allen
Rowsey, James Melvin, Jr.
Ruchala, Joseph Felix
Rucker, William Armor, III
Ruhle, Robert Carl
Russ, William Marcellus, Jr.
Russell, Earl Harland
Russell, Kay
Rutemiller, Oren George, Jr.
Ryan, Patrick Francis
Rydzewski, James Charles
Sabine, Frederick Ralph
Sachtjen, Jerry William
Sagehorn, Gerald Lee
Sale, William Luther
Saleh, Richard Edward
Salisbury, Jack Steffee
Sanders, Franklin H.
Sanders, Wilbur Fisk, III
Sandler, Charles Allen
Saracco, Robert Louis
Sawyer, Tommy Don
Scales, Richard Howard
Schaible, David Louis
Schaller, Cyril Donald
Schiwitz, Preston George, Jr.
Schleicher, Richard Joseph
Schlernitzauer, Lawrence P.
Schmidt, Arnold Christopher
Schmidt, Robert Herman
Schmitt, Arthur Frederick J.
Schneider, Henry John
Schneidewind, Gilbert Pease
Schnitzer, Lawrence Edward
Schoeff, Kendall E.
Schriner, Karl Leonard
Schutz, Paul Henry
Schumacher, Duane Otto
Schussler, Gerald Arthur
Schwaab, Denis Thomas
Schwartz, Ralph Charles
Scoffield, Gary Adams
Scott, Charles Herbert
Scott, Douglas Lee
Scovel, Frank Donald
Scranton, Herbert H.
Searcy, William Paul
Sears, Johnny Marion
Sechrest, Edward Amacker
Sedor, Gerald
Segelhorst, Herbert Edwin
Seiler, Melvin Edward
Servis, Walter Marcus
Severance, Laverne S., Jr.
Shannon, Philip Martin
Shaw, Charles Ira
Shay, James Edward
Shelso, David Alan
Sheppard, Donald Edward
Shewmaker, John Bisset
Shields, Ronald Max
Shirkley, Vernon Dale
Shores, Howard Veasey
Short, Leroy Alexander, Jr.
Shrader, Glenn Evans
Shultz, Theodore Byers
Sick, Gary Gordon
Siegel, Kent Rodney
Siegrist, Edward Adam, Jr.
Sierra, Edward Perrault
Sikes, James Howard
Sikes, Kenneth Judson
Silvia, Charles Paul
Simcox, James Godwin
Simerly, Glen Edward
Simonton, Bennet Stocum
Simpson, James Hillman
Simpson, John Edward, II
Simpson, Jon Dennis
Sims, Robert Bell
Sisson, Lewis William
Sloan, Dennis Young
Sloan, John Handlan
Sloane, Stephen Burton
Smith, Bertram David, Jr.
Smith, Don Lynden
Smith, Eugene Franklin
Smith, John Carl, Jr.
Smith, Lee Oran
Smith, Leon Louis, Jr.
Smith, Phillip Don
Smith, Vernon Charles
Smith, William Earle, Jr.
Smith, William Jerry
Smith, William Speller, Jr.
Smithey, William John Henry
Smithhart, Richard Arlen
Snell, William Franklin
Snow, Kennedy Bruce
Somers, David Walter, Jr.
Southard, Howard Vero
Southern, Wilson Edwin
Spadoni, Eugene Arthur
Spero, Joseph Richard
Spink, Peter Joseph
Stacey, John Lyle
Stafford, Hugh Allen
Stammer, Walter Henry, Jr.
Stanford, Robert Leland
Steckel, John Howard
Stedman, Ren Earl
Steele, Robert Jay
Steele, William Milford, Jr.
Steinbrink, Earl Edward
Stelly, John McNolan
Sterling, John Corydon
Stevenson, Barr Stewart
Stevenson, Leon McCoy, Jr.
Stewart, George Wallace
Stewart, Keith Archibald
Stiegler, William P.
Stiers, Lawrence Keith
Stockton, John Bone
Stoddard, Roy Charles
Stoeckel, Anthony Wayne
Stoetzer, Raymond Norman
Stogis, Peter Douglas
Stone, Lowell Perry
Stoodley, Francis Howard
Stouffer, John Willoughby I.
Stow, Weston Loghry
Stowell, Marshall Alfred
Strahm, Kenneth Alan
Strange, Robert Orris, Jr.
Strey, Dennis Wilbert
Strommen, Gene Arthur
Sullivan, Eugene Joseph, Jr.
Sullivan, Gerald Timothy
Sullivan, Jermiah Francis
Sutphen, Harold John
Swan, Robert Sheridan
Swanson, Matthew Clark
Swarthout, Gerald Lynn
Swartz, Theodore Robert
Sykes, Floyd Eugene
Sylvester, Vincent
Taff, Clarence Orville, Jr.
Tager, Bruce Alan
Tarbuck, Richard Ray
Tarlton, Lee Alexander
Tarrico, George John
Tasker, William George
Tate, Robert Hunter, Jr.
Tatro, Peter Richard
Taunt, Melvin Eugene
Taylor, Gaylen Dean
Taylor, Hugh Rolland
Taylor, James Edward
Taylor, Jeremy Dolph

Teague, Foster Schuler
Terrell, Jerry Lee
Teter, Eugene Victor
Thaubald, Edward John
Thibault, George Edward, Jr.
Thoen, Glenn Robert
Thomas, James Grant
Thomas, James Wooten
Thomas, John Hinson IV
Thompson, Jack Duane
Thompson, James Keith
Thompson, Tommy Louis
Thornsley, John Thomas
Thorpe, Gordon Lewis
Thorpe, Paul Joseph
Timlin, Joseph William, Jr.
Timm, Dwight Dorwan
Toehlke, Walter Arthur
Toole, Morton Egner
Touchton, John Henry, Jr.
Trost, Henry John, Jr.
Trowbridge, Charles Fox, Jr.
Truxall, Charles Wible, Jr.
Tulley, Cecil Richard
Tullis, James Vincent
Tully, Joseph Frank
Turner, John Joseph, Jr.
Underhill, Samuel Graham
Usilton, William Beck
Vanhorne, Alfred Lee
Vanlandingham, Clyde H., Jr.
Vaughan, Edward Bressie, Jr.
Veek, Eugene Bradford
Venezia, Howard
Vermillion, John Edward
Vescelius, Milton James, Jr.
Vezina, George Robert
Viessmann, Alex Jan
Vollmer, William Elwell, Jr.
Vonier, Richard Louis
Vosseller, Richard Turner
Wachob, James Roy
Wakatake, Clifford Kiyoshi
Walden, Warren Lee
Walker, Richard Allen
Walker, Samuel Bruce
Walker, Thaddeus Owens, Jr.
Wallace, Laird Edward
Walston, Jerry Don
Walter, Clyde Melvin
Wantz, Leslie Harold
Ward, Richard Rollins
Warden, Kenneth John
Waring, James Dean
Warters, Robert Lee
Watkins, Robert Lewis
Watson, John Alan
Watts, James Wallace
Watts, Robert Bach
Waugh, Samuel Alexander, Jr.
Weaver, Paul Jones, Jr.
Webb, Kenneth Howard
Weber, Gerald Morriss
Wehner, George Dillon
Weichman, Denis Regnauld
Weiland, Robert Frederick
Weisman, Burton Stuart
Wellborn, Robert Morgan, Jr.
Wells, Charles Thomas
Werenskjold, Gary William
Weseleskey, Allen Ellis
West, Charles Thomas
West, William Wright
Westfall, Van Franklin
Westlake, William Robert
Weston, Jack Lane
Whaley, Thomas Prioleau
Wheat, Elbert Ervin
Whelan, Mathew John, Jr.
White, George William, Jr.
White, Laurence Adams, Jr.
Whiting, Donald Wayne
Whitmire, Wilson Royer
Wicks, John Gordon
Wieschhoff, Kenneth Harry
Wilbern, Jack Martyn
Wilbur, Charles Harrison
Wild, Ronald Austin
Wilde, John Hudson, Jr.
Wilderman, Alvin Ladon
Wiley, Byron Anthony
Wilkins, George Henry
Willey, Bruce Theodore
Williams, Barton Burchard
Williams, Doyne Gene
Williams, James Dale
Wills, Doyne Robert, Jr.
Wilson, Bruce Douglas
Wilson, Derek Westervelt
Wilson, Garry Leonard
Wilson, James Borden, Jr.
Wilson, Leonard Odell
Wilson, Robert Marvin
Wiltsie, Ronald James
Winchester, Morton Summers
Wing, Rodney Claire
Wingerter, Edward William J.
Winn, Perry Riley, Jr.
Wintriss, George Victor
Wirth, Charles George
Wolfe, Roderic Leighson
Womack, David Ray, Jr.
Womack, Leonard Ray
Wood, Clarence Wayne
Wood, Richard Grimshaw
Wood, Sidney Ezell, Jr.
Woodbury, Orpheus L., III
Woods, Brian Dunstan
Woolard, Gerald W.
Worst, Dale Richard
Wright, Arthur St. Clair
Wright, Orville, Jr.
Wyatt, Raymond Edward
Wylie, Clayton Russell
Yarbrough, William P., Jr.
Yelle, A. Courtney
Yetter, William Stanley
Yockey, Harry Merwin
Young, Edward Barham
Zackowski, Terrence Lee
Zaludek, George Michael
Zeman, Irving Mark
Zimmer, Emory Partl
Zimmerman, Willard Charles
Zollars, Allen Marshall, Jr.
Zwick, John Elmer

SUPPLY CORPS

Abele, Robert Burke
Aldenderfer, William Don
Allnutt, Alvin Howard
Andersen, Thomas Chalma
Balding, David Webster
Banas, John Martin
Barstad, Clarence Harvey
Baxter, John William
Beck, Kermit E.
Berg, Robert Kenneth
Bittner, Burton Frederick J.
Borchardt, Heinz Robert
Brown, Lee
Buckley, John Edwin
Buffoni, Thomas Joseph
Butts, Whitmore Spencer, Jr.
Carenza, John Leon
Chipley, Charles Lawrence J.
Clancy, John F.
Connolly, George S., Jr.
Corbitt, James Richard
Craft, Thomas Gwyn
Crawford, James Lynn
Croeber, Hans Robert
Cronin, George William, Jr.
Crouch, Robert Luke
Cunningham, John Henry
Daddona, John Michael
Delduca, Ronald Michael
DeShaney, Donald James
Devine, Paul Lawrence
Dewey, Edward Persons
Dickey, James Allen
Dickinson, Thomas Dean
Divelbiss, Carl David
Dolenga, Harold Edmond
Dunn, Bernard Daniel
Eizenhoefer, David Joseph
Eppen, Eugene Donald
Erickson, Douglas Leon
Evans, Lloyd Robert
Finbraaten, Laurence Kermit
Furiga, Richard Daniel
Girman, Robert James
Gorenflo, Louis William
Gumpert, Leroy Charles
Hahn, Gary Eugene
Hale, Joe Michael
Hamilton, James Wakefield
Harlow, Charles Edward
Hinkle, Otis Rid
Irons, John Hatheway
Iverson, Ronald Iver
Jahn, Donald Richard
Johnson, Rodwell Calhoun
Jones, Leland Boyd
Juncker, Carl Frederic
Kachigian, George Neshan
Kalafut, George Wendell
Knoth, Robert Linn
Lantsberger, Robert Eugene
Lee, Gerald Lamar
Linehan, Daniel Joseph, Jr.
Loftus, Raymond Patrick
Magee, Gilbert Lyle
Malzahn, Walter Gerald
McCarthy, Leonard Dennis
McCullers, Lawrence Earl
McHugh, Thomas Hugh
McMullen, Franklin Davis, Jr.
McNall, Phillip Freeman
Meiners, Arthur Charles, Jr.
Miller, James Edward
Mummert, Dale Robert
Murphy, Ronald Daniel
Murray, Harlan Edward, Jr.
Nace, Richard Hanson
Naughton, Thomas John
Nichols, Gerald MacGowan
Nolan, John Eugene
Nuss, Gary Bickford
Nygaard, Richard Byron
OConnell, Arthur Bernard
Olivier, Denny Royce
Peters, William Anthony
Phillips, Robert Avery
Pinell, Joseph Kent
Plante, Rene Edmond
Platt, Stuart Franklin
Reed, John David
Reilly, Joseph Vincent, Jr.
Renner, Richard Bray
Rice, Henry Leake, Jr.
Ridley, David Eugene
Rook, Eugene Clark, Jr.
Rubenstein, Ralph Sidney
Ruehlin, John Henry
Rupe, Charles Henry
Schulte, Conrad Paul
Sechler, John Lee
Sellars, James Bradford
Shirley, Kenneth Royce
Shroeder, John, Jr.
Skelly, James Francis, Jr.
Sodrel, Donald Lee
Sofley, Billy Ray
Squibb, Rodney Kaye
Starrett, William, Ivan, Jr.
St. Martin, Robert William
Terry, Victor Worth
Thomas, Gary Bennett
Thompson, Robert Lee
Trawick, George Lawrence
Wallace, Edwin Roland
Walsh, Richard Sheridan
Weinberg, Harry Hyman
Weller, Thomas Carroll, Jr.
Westmoreland, Perry Lee
Whittaker, James Benjamin
Wilber, James Roland
Williams, Thomas Carlyle, Jr.
Youmans, Raymond Wayne
Young, Benjamin Lynn
Young, Jack Leslie
Young, Ronald Alan

CHAPLAIN CORPS

Baggott, Frank Bannerman
Barcus, Richard Elmer
Bedingfield, Robert William
Berg, Vernon E., Jr.
Bertulio, Caesar Joel
Borden, Robert Suydam
Brown, Robert Glenn
Cook, Gordon Stuart

Craven, Allen Barry
Davis, Eugene Baughman
Dolaghan, John
Evans, George Wesley, Jr.
Franklin, Robert Charles
Glynn, John Joseph
Goetz, Herbert Max, Jr.
Kaelberer, John Herbert
Kase, Mark
Keefe, Lawrence Francis
Magor, Warren Frank
McMorrow, James Edward
McPhail, Clark Buckeridge
Murray, George P.
Niederhuth, Wayne Lee
O'Brien, Eugene Christopher
Parker, Alton Morgan, Jr.
Piirto, John Arthur
Respess, Thomas Bryan, Jr.
Six, Jack Edwin
Spencer, Carroll Roger
Struthers, Basil Hathaway
Takesian, Eli
Vantassel, Lowell Warren
Whitaker, Frederick Eugene
Young, Christopher Breese

CIVIL ENGINEER CORPS

Barczak, Jerome John
Bauer, John Gerald
Boyce, Heyward Easter, III
Busche, Robert Ernest
Chin, William
Clearwater, John Livingston
Cope, Ronald Philip
Crisp, Hugh Albert
Dunn, Jerome Richard
Earnst, Rossell Albert
Enderbrock, Frank Louis, III
Fegley, Charles E., III
Fraser, John Cameron, Jr.
Gawarkiewicz, Joseph J., III
Godsey, Jack Lynford
Grady, Noel A., Jr.
Johnson, Don Paul
Kelch, John Anthony, Jr.
Kirkpatrick, James Darrow
Klein, Dale Mathew
Ledder, William Robert
Lewis, Edmund Frederic
McMenamin, Lester Edgar, Jr.
McNeill, James Edward
Morton, James Franklin
Murphy, Frank James
Nash, Archie Ray
Shirley, Ronald Gene
Siegle, Richard Lee
Totten, John Charles
Westcott, John Allen

JUDGE ADVOCATE GENERAL'S CORPS

Brown, Charles Ellsworth, II
Christian, Alvern Dale
Cowell, Marvin J., Jr.
Drew, Kenneth W.
Eoff, Albert William, II
Farrell, Lawrence Michael
Flynn, Thomas Edward
Gladis, John Terence
Googe, James Percival, Jr.
Gresens, Larry Wendell
Grunawalt, Richard Jack
Howay, John Witter
King, Melbourne Paul
Laitsch, Lowell Charles
Legg, Billy Joe
Mario, David Armone
Solomon, Selig
Tobin, James Michael
Wille, Paul Alexander
Woods, Theodore Kennedy, Jr.

MEDICAL SERVICE CORPS

Bach, Gale W.
Baldauf, George William
Bertka, Robert Eugene
Brideau, Donald Joseph
Bryant, Eugene Marcus, Jr.
Clark, James Lloyd
Collier, Patrick Joseph
Condon, Earl Nessley
Correll, Joseph Mack
Dietz, Bruce Johnson
Erwin, Richard Eugene
Gobbel, Henry Donald
Goodson, James Edward
Halverson, Charles William
Hatten, Ann Cherry
Joseph, Sammy William
Kane, George Patrick
Kessler, Raymond Bernard
Lachapelle, Norman C.
Lawson, Donald Ray
Leadford, William Malcolm
Littner, Henry David
McFee, Charles Andrew
Millard, George Wayne
Moore, Charles Jerome
Mullinix, Chloe Allen
Nelson, Paul Delay
Nourigat, Earl Robert
Peckenpaugh, Normand Lee
Rooney, Mary Louise
Rucker, Thomas Jackson
Shuler, Donald Eugene
Sickels, Forman J.
Sowers, Hubert Harris, Jr.
Springer, Martha Jayne
Stephens, Bobby Lee
Surface, Robert Lee
Swindall, Victor Arthur
Tandy, Roy William, Jr.
Wherry, Robert James, Jr.
White, Robert Lanon
Zseltvay, Andrew Joseph, Jr.

NURSE CORPS

Adams, Louise J.
Aunan, Patricia M.
Beveridge, Robina Wylie
Burrell, Margaret Mary
Bynum, Joan Carolyn
Carson, Eva Frances
Chisholm, Marie Ann
Chute, Judith Richards
Damiani, Margaret Carmella
Eisiminger, Vetah Maude
Emond, Lucille Gertrude
Gillespie, Jacquelin Craig
Golebiewski, Rita Jane
Gomes, Alma Marie
Haile, Evelyn
Hall, Mary Fields
Hines, Alyce Marian
Jacobson, Dorothy Mae
Jones, Beverly Jean
Macenery, Joan Marie
Marcotte, Natalie Martha G.
McGuckin, Dorothy Elizabeth
Miller, Eleanor Jane
Mooney, Geraldine Theresa
Moris, Patricia Joan
Morton, Jo Ann
Neth, Norma Deane
Noble, Frances Ann
Pechulis, Verna Marie
Sampson, Natalie Teresa
Shepherd, Luana
Stuart, Irene Margaret
Whitesell, Margaret Louise
Wilson, Elizabeth Ann
Wilson, Lela Belle
Yelle, Dorothy Ann

CONFIRMATION

Executive nomination confirmed by the Senate March 26, 1974:

FEDERAL HOME LOAN BANK BOARD

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1975.

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

HOUSE OF REPRESENTATIVES—*Tuesday, March 26, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let love be genuine; hate what is evil, hold fast to what is good.—Romans 12: 9.

O God, who art the light of the minds that know Thee, the life of the souls that love Thee, and the strength of the hands that serve Thee, grant that we may so live with Thee that Thy light may be in our minds, Thy life in our souls, and Thy strength in our hands as we face the difficult duties of these demanding days.

Help us to serve Thee in the spirit of true patriotism with reverence in our minds for that which is high and holy and with a response in our hearts to the needs of others. Give clarity to our words, compassion to our hearts, and courage to our minds that we may make patriotism resplendent with life and loyalty and love.

In the mood of the Master we pray. 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.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON HOUSE JOINT RESOLUTION 941, SUPPLEMENTAL APPROPRIATION FOR VETERANS' ADMINISTRATION FOR FISCAL YEAR 1974

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on House Joint Resolution 941, making an urgent supplemental appropriation for the Veterans' Administration for the fiscal year ending June 30, 1974, and for other purposes.

Mr. TALCOTT reserved all points of order on the joint resolution.