EXTENSIONS OF REMARKS

THE HUMAN CONTRACT

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. HARKIN. Mr. Speaker, Leo Perlis, director of the AFL-CIO Department of Community Services, has written a very thought-provoking article, "The Human Contract," that exists, or at least should exist, between the worker, his or her union, and the employer. Mr. Perlis points out that many of the problems and discords that arise in the workplace are not necessarily attributable to the workplace or to any discord between the employer and the employee. Rather these problems may spring from personal and human problems outside of the workplace but which directly affect production and labor-management relations. Mr. Perlis has given us something to think about: That the responsibility of both the employer and the labor union toward the worker does not begin when the worker shows up on the job and ends when the worker leaves the job to return home. Both employers and the union must become more concerned with the worker's total health and happiness, and not just his health and happiness on the job. This can only be achieved, as Mr. Perlis points out, not by confrontation between unions and employers, but by cooperation between employers, the union, and the worker.

Mr. Speaker, I believe my fellow members will find this article by Mr. Perlis very illuminating:

THE HUMAN CONTRACT

(By Leo Perlis)

WASHINGTON.—The union contract does not cover most personal problems workers face. Even those agreements which provide fringe benefits, such as insurance coverage for health care, do not deal with the real and often tragic family needs of employees in the interrelated worlds of the home and the workplace. Yet it is those human problems that often affect production and labor-management relations.

The ultimate solution of marital discord may be found in the counselor's office or in the family courtroom, but its consequences are immediately apparent by poor performance in the workplace. The alcoholic may eventually wind up in a detoxification center or in an Alcoholics Anonymous fellowship but the result of his irrational behavior is instantly evident in turnover and absenteeism. A distraught employee, depressed by overwhelming debts and legal entanglements, is a poor candidate for a gung-ho production line. These are only a few of the many human problems which affect the workplace. Misplaced company concern for the welfare of its employees may have been expressed best in 1955 by the exploitative theme of a conference co-sponsored in Garden City by the Long Island Industries Association and the Mental Health Association of Nassau County: "Productivity for Business and Industry through Emotional Health."

Now both union leaders and corporate executives are beginning to see that the union contract simply didn't cover it all, that it is only a fig leaf in the industrial jungle. Both labor and management now realize that personal problems can and often do result in absenteeism, turnover, low labor morale, reduced productivity and curtailed production. But not all are aware that they must address themselves to the human causes and not to the unproductive consequences. If a constructive program of human service is to be established in the organized workplace, both labor and management must recognize the simple truth that the company employee and the union member are, in fact, one and the same person.

To serve this person as a total human being and not just as a productive machine or a dues-paying member is the joint responsibility of labor and management.

A cooperative and positive approach to the alleviation of personal and family problems of the company employee/union member can be spelled out in a supplementary agreement, the human contract, with a carry-over provision to the union contract for the handling of grievace procedures.

The union contract covering wages, hours and working conditions is the product of the politics of confronation around the collective bargaining table. The human contract covering health, welfare and living conditions may be achieved through the politics of cooperation around the conference table.●

EUROPEAN STEEL SUBSIDIES: EXPORTING THEIR UNEMPLOYMENT TO THE UNITED STATES OF AMERICA

HON CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. VANIK. Mr. Speaker, in the first 3 months of 1978, more steel was imported than in any previous 3-month period in our Nation's history—nearly 6 million tons, and from the price of this imported steel, it is clear that unfair dumping practices are still occurring. The question is: Will the new trigger price system, which did not really become effective until late March and April, begin to stem this flood of illegally priced steel? If it does not, then the 1978 economic outlook for the American steel industry is uncertain—and the long-range picture is a disaster.

I would like to provide for the record two recent examples of the types of problems we face from State-subsidized foreign steel competition. The Wall Street Journal of April 28 reported that the nationally owned British Steel Corp. expects to lose $732 million in the current year—and this comes on top of a loss of $805 million last year and $173 million the year before. In other words, over a 3-year period, this company has lost $1.7 billion—and yet they are still shipping steel to the United States at subsidized rates and limiting the employment opportunities of our workers.

Germany, where there is less state ownership than in most foreign countries, has just announced a 5-year investment grant for steel of $116 million. The grant only needs to be repaid if the steel industry is doing well enough to afford it. The purpose of the grant is to create an extra 17,300 jobs in the Saar region—and in the meantime, we continue to import subsidized European steel.

It is a clear and uncontestable fact that most of the governments of the world are subsidizing steel production to keep their people working—and they are exporting their steel and their unemployment to the United States. The continuation of the subsidized, unfair steel imports threatens the support of the American public for international trade.●

MAN AGAINST WAR

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. BINGHAM. Mr. Speaker, Mrs. Richard L. Simon, a neighbor and dear friend, recently sent me a copy of a fascinating letter written to her late husband on White House stationery, dated April 4, 1956. The letter, which was labeled personal and confidential, follows:

APRIL 4, 1956.

DEAR DICK: Thank you for your letter, which brings up subjects too vast to be discussed adequately in a letter.

Suffice it to say here that I doubt that any columnist—and here I depend upon heresay as I have no time to read them—is concerning himself with what is the true security problem of the day. That problem is not merely man against man or nation against nation. It is man against war.

I have spent my life in the study of military strength as a deterrent to war, and in the character of military armaments necessary to win a war. The study of the first of these questions is still profitable, but we are rapidly getting to the point that no war can be *won*. War implies a contest; when you get to the point that contest is no longer involved and the outlook comes close to destruction of the enemy and suicide for ourselves—an outlook that neither side can ignore—then arguments as to the exact amount of available strength as compared to somebody else's are no longer the vital issues.

When we get to the point, as we one day will, that both sides know that in any outbreak of general hostilities, regardless of the element of surprise, destruction will be both reciprocal and complete, possibly we will have sense enough to meet at the conference table with the understanding that the era of armaments has ended and the human race must conform its actions to this truth or die.

The fullness of this potentiality has not yet been attained, and I do not, by any means decry the need for strength. That strength must be spiritual, economic and military. All three are important and they are not mutually exclusive. They are all part of and the product of the American genius, the American will.

But already we have come to the point where safety cannot be assumed by arms alone. But I repeat that their usefulness becomes concentrated more and more in their characteristics as deterrents than in instruments with which to obtain victory over opponents as in 1945. In this regard, today we are further separated from the end of World War II than the beginning of the century was separated from the beginning of the sixteenth century.

Naturally I am not taking the time here to discuss the usefulness of available military strength in putting out "prairie fires"—spots where American interests are seriously jeopardized by unjustified outbreaks of minor wars. I have contented myself with a few observations on the implications of a major arms race.

Finally, I do not believe that I shall ever have to defend myself against the charge that I am indifferent to the fate of my countrymen, and I assure you that there are experts, technicians, philosophers and advisers here, who give far more intelligent attention to these matters than do the commentators.

With warm regard.

Sincerely,

D. E.●

EQUAL RIGHTS AMENDMENT TIME LIMIT EXTENSION

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. EDGAR. Mr. Speaker, there are several key questions that must be considered when addressing the issue of the extension of the ratification period for the proposed 27th amendment. These are:

First. Is it constitutionally possible for Congress to extend the time allowed for ratification, and what are the precedents?

Second. Even if extension is possible, should Congress use this power?

Third. What decisions can be made about the legality of rescision both in the event of extension or not?

Fourth. What procedure should the Congress follow if it decides to grant extension?

The question of the right of the Congress to extend the ratification deadline of the amendment has been thoroughly debated by constitutional scholars since this issue came up. There are a variety of points that lead to the conclusion that extension in this case is fully within the powers of the Congress. Article I, section 8 gives Congress the right to make all laws deemed "necessary and proper" to effect execution of the Constitution—including amendments. Second, the interpretation of article V has been extended—in Coleman against Miller and Dillon against Gloss—to include the right of Congress to set—and change—time limits as a "matter of detail" and to consider, when deliberating on such matters, the political and social atmosphere of the time. Third, an important factor to remember is that the "7-year clause" in the proposed ERA is not in the body of the amendment, rather in the resolution; therefore, nothing that the States have ratified will be changed.

The precedence issue is another matter altogether. While the right of Congress to change the time limit may be established, there have been no cases in which there was a need to address this question. Eighteen out of the 26 existing amendments to the Constitution were passed without any attached time limit stipulation. In 1917, with the 18th amendment, Congress decided to make a 7-year limitation in order to avoid having the amendment floating around the States for a period of time which exceeded the political vitality of the issue. In this amendment, as in the 20th, 21st, and 22d, the 7-year stipulation was attached to the amendment itself and thus was ratified by the States along with the amendment. Beginning with the 23d, the clause was attached instead to the resolution. This shift represents a kind of compromise—signifying the right of Congress to impose time limits and to make the limit a procedural matter instead of a constitutional one.

Because until this time, every amendment has been ratified within a 4-year period, the question of time extension has never been explored. The guidelines that are most often used in the extension debate concern a need for ratification within a "reasonable time and with a sense of contemporaneous consent." Both of these issues will be open for debate when the resolution comes up.

Is extension a good idea? The opponents of ERA see extension as trying to "change the rules in the middle of the game." Through powerful lobbying efforts, Stop ERA forces have managed to cause a stalemate situation in several of the 15 States that have not ratified. In some of these States, there is no chance for ratification before the deadline because either the amendment cannot come up on the calendar before March of 1979 or the legislature does not meet before then at all. Six out of the unratified States have never addressed the ERA in both of their houses on the floor. In some States political tactics have been employed to delay the consideration and/or passage of the ERA. In Illinois, for example, the new State constitution requires a three-fifths majority (a rule that is under judicial scrutiny). Twice the ERA has received a clear-cut majority of the votes; however, the vote has both times fallen just short of the required three-fifths margin. In other States, legislators elected on ERA platforms have been railroaded into changing their positions at the 11th hour.

If the time limit was imposed in order to prevent a dead issue from "floating around" among the States past the time of interest, this cannot be applied to consideration of the ERA. It has taken the ERA almost 50 years to reach the floor of Congress, and during the 6 years that the proposed amendment has been circulating in the States, interest and debate has continued to be controversial and spirited. The equal protection under the law of 51 percent of the American population could certainly be considered of contemporaneous interest in any decade. The Stop ERA forces have allowed a great deal of misinformation to disseminate to the masses of Americans. There are basically three camps involved in the ERA struggle—those who support, those who oppose, and those who do not understand the implications of the ERA in their lives. Some State legislators have been led to believe that if they can just hold out for one more session, the ERA will die and their constituents will not hold them accountable.

All of the great equal rights and protection amendments have taken a great deal of struggle and debate to pass. The 13th, 14th, and 15th required a civil war to accomplish; the 19th amendment took from 1848 until 1920 to be ratified. Along with the question of precedence should also be considered the need and the intensity of debate.

A two-pronged question has arisen in the area of rescission. The first is whether three States or seven are now required for ratification—since four States have made an effort to rescind. The second is whether, if the extension is granted, States may be allowed to rescind until the second deadline. At the hearings for House Joint Resolution 638, the Justice Department testified to the effect that while the Constitution gives Congress the power to deal with the procedural detail of time limits, there is nothing short of an amendment to article V that could be interpreted as a designation of power to the States to reject their ratifications.

Regarding the procedure for voting on the issue—there are three choices—a concurrent resolution simply requiring a majority vote in both Houses, a joint resolution, requiring two-thirds majority in both Houses without the President's signature, and a joint resolution requiring a simple majority and the President's signature. The best argument for a concurrent resolution is that since extension is being considered a procedural matter there is no need to use the joint resolution that would bring with it the force of law. The concurrent resolution could also be revised without repeal.

In conclusion—Congress has the right to extend the time limit and perhaps also has the responsibility to at least consider the desire of the American public to continue discussion on the issue. The issue of women's rights is "far too serious to see who beats whom to the finish line * * * it is more than a game." ●

PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. MAZZOLI. Mr. Speaker, due to responsibilities in my district. I was absent on Friday, May 19, 1978. Had I been present, I would have voted: "aye" on rollcoll No. 337, that the House resolve itself into the Committee of the Whole House for the further consideration of H.R. 39, Alaska National Interest Lands Conservation Act of 1978; "aye" on rollcall No. 338, an amendment to H.R. 39 requiring the President to submit a proposal to Congress by 1981 for the evaluation of applications to carry out mineral exploration or extraction on conservation system lands; "nay" on rollcall No. 339, a motion to recommit H.R. 39 to the Committee on the Interior and the Merchant Marine Committee with instructions; and "aye" on rollcall No. 340, final passage of H.R. 39.●

HOGS FOR LIVING

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. HARKIN. Mr. Speaker, I am sure that when most people, including many of my colleagues here in the House, think of hogs, they think of funny looking, quite ugly little animals whose sole function in life is to provide us with pork chops, bacon, and ham. While not downgrading the hogs' usefulness in those areas, and not trying to make the hog the beautiful animal that it is not, I do not believe the full range of benefits that we derive from this animal are known by very many people.

There is a famous photograph taken by Mr. Joe Munroe which depicts two hogs nuzzling each other. The picture has been widely reprinted on posters and on buttons. The buttons have the saying, "hogs are beautiful." The buttons evoke a lot of laughter because the simple fact is, hogs are not physically beautiful.

But like so many things, beauty is only skin deep. Hogs are, in fact, a beautiful animal whose worth to mankind goes far beyond hams, bacon, and pork chops.

A recent article written by Lyle W. Borg titled, "Hogs for Living" was issued by the Iowa Farm Bureau Federation. It told me many things about hogs which I had not known, although I felt that I had quite a bit of knowledge of the usefulness of this animal. We in Iowa are very proud of the hog; one out of every four hogs in this country is produced in Iowa. I hope that all Members of Congress have taken the opportunity to enjoy the delicious Iowa chop that is now on the House restaurant menu. I would like to insert Mr. Borg's article into the RECORD so that my colleagues will have a much better idea of the many benefits we derive from this beautiful animal:

HOGS FOR LIVING

(By Lyle W. Borg)

Thousands of Americans, including at least one famous actor, have the Iowa hog to thank for keeping them alive. They are the people who have had heart valves transplanted from hogs.

One of the more recent recipients of the heart valve was actor John Wayne. And since about one-fourth of all the hogs in this country come from Iowa farms, chances are it was an Iowa hog that provided Wayne with his heart valve.

It takes about six weeks to stabilize heart valves to preserve the tissue and make it more adaptable to the human body. With a self life of five years, the valves sell to hospitals for $600 to $1200 each.

There are a number of other human medicinal uses for parts of the hog.

Insulin from the pancreas of 130 hogs is used to keep one diabetic alive for a year. Porcine grafts of blankets of skin from hogs are used as temporary coverings for victims of severe burns. ACTH from a hog's pituitary gland is used to treat arthritic patients because it stimulates the human adrenal gland to produce more cortisone.

Material from the hog is also used to make drugs to treat peptic ulcers, whooping cough and bronchial asthma. Hogs provide blood thinner for individuals who are prone to strokes. Pig intestines are used for sutures and segments of the hog's liver go to treat anemia. Thyroxine from thyroid glands of hogs is needed for making pills for patients with underactive thyroids.

Iowa pork producers play an important role in providing a wholesome food product with by-products used for life-sustaining medical supplies.●

FALN BOMBS IN FOUR CITIES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. McDONALD. Mr. Speaker, yesterday the FALN terrorist group took responsibility for bombs that exploded at the Department of Justice, at Kennedy International Airport in New York, at Newark International Airport in New Jersey, and in Chicago.

The four-city bombing spree came exactly 2 weeks after the four remaining witnesses jailed for refusing to answer grand jury questions were released on May 8 in New York following expiration of a grand jury that was attempting to investigate the terrorist group during the past 18 months. The four men, Pedro Archuleta of La Punta, N. Mex., a leader of the People's Agricultural Cooperative in Tierra Amarilla who was jailed last July; and the brothers Julio, Luis, and Andres Rosado had claimed that the purpose of the grand jury investigations was to destroy the Puerto Rican independence movement. But the reported questions at which the witnesses balked were related to their knowledge of fugitive FALN members Carlos A. Torres, his wife, Haydee Beltran Torres, Lucy Rodriguez, and her friend, Oscar Lopez Rivera.

Following their release on May 8, the spokesman for the group, Julio Rosada, told the press:

> We neither support nor condemn the FALN.

The FALN has accepted responsibility for bombings in which five human beings have been murdered, and others in which scores of victims have been injured. The FALN's bombings have ranged from car bombs on the streets which scattered shrapnel through booby-traps to pipe bombs.

The FALN has openly boasted of its ties to the Cuban Government with its communique No. 6 stating in October 1975:

> We especially acknowledge the moral support given to our organization by the Cuban people and government in a speech made by Prime Minister Fidel Castro in August in which he said that the Cuban government would do all it could to support the FALN.

The FALN is now in its 4th year of operation. With the drastic cutbacks in FBI domestic intelligence programs under the "guidelines" introduced by former Attorney General Edward Levi and continued under the present administration, the FBI is trying to fight terrorism wearing a blindfold and with its hands tied. According to the Secret Service, there are three American cities in which so little protection can be offered the President that they request he not enter.

Congress is responsible for holding hearings to determine the extent of the terrorist threat and for drafting appropriate legislation which will enable the Federal law enforcement and security agencies to effectively protect the American people from terrorist attack. One hundred seventy-six of my colleagues have joined with Representative JOHN ASHBROOK and me in cosponsoring House Resolution 48 which would restore the House Committee on Internal Security, the first step in the process of rebuilding this country's internal security defenses against terrorism.

I urge those of my colleagues who have not yet cosponsored House Resolution 48 to do so, and join in urging the Rules Committee to report this resolution out to the floor for a vote.●

BILINGUAL EDUCATION INEFFECTIVE

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. McCLORY. Mr. Speaker, as a consistent supporter of bilingual education in order to aid primarily the children who come from Spanish-speaking homes, I am nevertheless disappointed in the lack of effectiveness of the bilingual educational program which is funded out of the Office of Education. A recent report points out the deficiencies in the existing bilingual education program.

An editorial which appeared in the May 22 issue of the Chicago Tribune emphasizes the shortcomings of bilingual education as presently administered. It is my view that the program should be overhauled with a view toward providing far greater local control—and responsibility.

The Chicago Tribune editorial follows:

[From the Chicago Tribune, May 22, 1978]

BILINGUAL ED CHALLENGED

A government-sponsored study of bilingual education has confirmed some of the most serious suspicions held about this program. Ostensibly intended to ease and speed the transition of children from non-English-speaking families into the mainstream of instruction in English, bilingual education inevitably attracted employees and constituents with quite another purpose—to develop and enlarge a non-English enclave within the public schools. The empire builders of course want a maximum number of pupils for a maximum length of time. Enrolling in bilingual education pupils with no need of their own to be there and keeping pupils longer than could be reasonably justified could be understandably tempting.

A report recently released by the federal Office of Education contains figures even worse than a prejudiced critic of bilingual education might have guessed. Less than a third of the 5,300 pupils in 38 projects reviewed had significantly limited command of English. And 85 per cent of the bilingual education pupils were kept in segregated classes after they were ready for instruction in English. The study also found that veterans of bilingual education did not get on any better than similar pupils who had always been in regular classes.

These findings suggest that the public is not getting much for the $135 million that the federal government spent in the current year for bilingual education. The beneficiaries of this program appear to be the salaried employees, rather than the pupils.●

CONGRESSIONAL SALUTE TO RABBI DR. DAVID H. PANITZ, TEMPLE EMANUEL, PATERSON, N.J., UPON THE 35TH ANNIVERSARY OF HIS RABBINIC ORDINATION

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. ROE. Mr. Speaker, on Sunday, June 4, residents of my congressional district and State of New Jersey will join with the congregational families of Temple Emanuel, Paterson, N.J., in commemoration of the 35th anniversary of the rabbinic ordination and in deep appreciation of the outstanding record of service of a national and internationally renowned spiritual adviser, esteemed author, exemplary educator, community leader, distinguished citizen, and good friend, Rabbi Dr. David H. Panitz, whose standards of excellence in promulgating, enhancing, and preserving the richness of his Jewish religious and cultural heritage have truly enriched our community, State, and Nation.

Mr. Speaker, I know that you and our colleagues will want to join with me in extending our warmest greetings and felicitations to Rabbi Panitz; his good wife, Esther; their three sons, Jonathan, Raphael, and Michael; daughter-in-law, Jane; and grandchildren, Zimra and Obadiah, on this most joyous occasion and join with his family in great pride of his lifetime of achievement in devotion and dedication to the Jewish community and to all of our people.

Mr. Speaker, the people of my congressional district are singularly honored by, and wish to wholeheartedly commend to you, the distinguished and dedicated lifetime of outstanding public service rendered by Rabbi Panitz. At the helm of Temple Emanuel and ever steadfast to the ideals and principles of his alma mater, the Jewish Theological Seminary of America, he has not only endeared himself to his congregation and the Jewish community, but his interreligious and interfaith activities have truly redounded to the spiritual and moral integrity of all faiths and materially contributed to the spirit of brotherhood and truth of knowledge among all mankind.

As an educator and author, he has helped to strengthen the very basic fabric of our society, developing the minds and hearts of our people, young and adults alike, to work in greater harmony and good will in achieving life's purpose and fulfillment.

As a community leader, he has brought enlightenment and encouragement, aiding, comforting, and rehabilitating those in need of his good counsel and judgment.

As a friend, the warmth of his friendship and untiring efforts are boundless and we have been truly blessed by the inspiration of his good deeds and by his good example. I know I am proud and honored to be numbered amongst his many, many friends.

Rabbi Panitz's long list of exemplary achievements throughout his lifetime span the needs and concerns of all of our people, and with your permission I would like to insert at this point in our historic journal of Congress a brief biography which will provide you with some of his activities and responsibilities, as follows:

Rabbi David Hirsh Panitz, son of Nettie and the late Ezekiel Panitz, was born in Baltimore in 1918. He was educated in the public schools of that city, graduated from both the Academic and Teacher Training Schools of the Baltimore Hebrew College, received his undergraduate education as well as the graduate Master of Arts degree from the Johns Hopkins University, and was ordained in 1943 at The Jewish Theological Seminary of America, which later conferred upon him the degree of Doctor of Divinity, honoris causa.

A disciple of William Foxwell Albright at the Johns Hopkins University in Near Eastern languages, history and archeology, Rabbi Panitz taught Bible at the George Washington University in the nation's capital. He now teaches Homilectics in the Rabbinical School at the Seminary.

The Spiritual Leader of Paterson's Temple Emanuel since 1959, he earlier was Rabbi at Temple Adath Yeshurun in Syracuse, N.Y., at Congregation B'nai Jeshurun in New York City, and at Adas Israel Congregation in Washington, D.C.

Rabbi Panitz has fashioned an outstanding record of service to his congregational families, to the entire Jewish people, to Israel, and to the larger community. He is a Commissioner of the Paterson Board of Education; Chaplain of the Passaic County Jail; has just completed a fifteen-year tenure as Chairman of the Passaic County Alcoholic Rehabilitation Board; is national chairman of the Joint Commission on Rabbinic Placement of the Rabbinical Assembly, the United Synagogue of America and the Jewish Theological Seminary; national Co-Chairman of the State of Israel Bonds Rabbinic Cabinet; national chairman of the Inter-Religious Cooperation Committee of the B'nai B'rith Anti-Defamation League; Vice-President of the Jewish Concilation Board of America; President of the New Jersey Board of Rabbis; Secretary of the Coalition of Religious Leaders of New Jersey; and is a member of the Plenum, the Domestic Policy Committee and the International Affairs Committee of the Synagogue Council of America.

Always active in inter-faith and inter-group endeavors, he has held high positions at the National Conference of Christians and Jews: has preached and lectured at scores of churches, colleges and civic organizations; has served, in Paterson, as Chairman of the Mayor's Brotherhood Committee, Co-chairman of the Commission on Jewish-Catholic Dialogue and Co-chairman of the Task Force for Community Action to Combat Poverty.

In Conservative Judaism, he has served as National Secretary, member of the Committee on Jewish Law and Standards and national chairman of the Committee on Regions for the Rabbinical Assembly; was a member of the Seminary's Rabbinic Cabinet, a Fellow of the Seminary's Herbert H. Lehman Institute of Talmudic Ethics and chairman of the Rabbinic Tutors Committee of the Seminary's Institute of Religious and Social Studies; and has served the United Synagogue of America on the National Youth Commission and chairman of the Committee on Peace and Religion of the Joint Commission for Social Action.

He has served the Synagogue Council of America as national chairman of the Broadcasting-TV-Film Commission, national chairman of the Commission on Social Justice, and head of its delegation to the Conference of Presidents of Major Jewish Organizations. Among other posts, he has served as President of the Louis Marshal Lodge of B'nai B'rith, Vice President of the North Jersey Jewish Family and Children's Service and long time chairman of its Child Care Committee, member of the National Rabbinic Advisory Committee of the United Jewish Appeal, member of the Board of Directors of the Jewish Federation of North Jersey and its Board of Jewish Education, chairman of the Paterson Board of Education's Adult Education Advisory Committee, chairman of the Passaic County Narcotics Rehabilitation Board, and has rendered more than 6,000 hours of volunteer chaplaincy services at the Barnert Hospital and Medical Center.

Rabbi Panitz is the author of "Studies in the Legal Responsa of Joseph Colon" (researches in 15th century Italian Jewish history), co-author, with his wife, of "Simon Wolf, U.S. Consule to Egypt", and of numerous articles and chapters in various books. He is married to the former Esther Leah Allentuck; they have three sons, Rabbi Jonathan A. Panitz (married to Jane Royal), of Salisbury, Maryland, Raphael I. Panitz, doctoral candidate at the University of Pennsylvania in Near Eastern Studies, and Michael E. Panitz, rabbinical student at the Jewish Theological Seminary, and two grandchildren, Zimra and Obadiah. The Rabbi's major relaxation comes from listening to his large collection of classical records and from reading in his personal library of more than 10,000 volumes.

Mr. Speaker it is a privilege and honor to seek this national recognition of Rabbi Panitz and all of his good works. I ask my colleagues here in the Congress to join with me in expressing our most sincere appreciation for the richness of his wisdom and quality of his leadership which have immeasurably contributed to our Nation's spiritual, cultural, and educational endeavors and the quality of life and way of life for all of our people. If he could but know the high esteem with which he is held in the hearts of our people and could but experience the pleasure and comfort that he has imparted to his fellowman over these many years, he would surely enjoy the abundant rewards of happiness and success which he so justly deserves. We do, indeed, salute Rabbi Dr. David H. Panitz, a good friend and great American.●

THE HIGH COST OF REGULATION

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. UDALL. Mr. Speaker, in an editorial in the March 20, 1978, issue of Newsweek magazine, Henry Ford II, chairman of Ford Motor Co., warned against the ever-increasing cost of complying with the rules and regulations of the Federal Government. Mr. Ford makes the point that we must increase the use of economic incentives in order to achieve our national goals, that we must use the carrot as well as the stick.

I have received permission from Mr. Ford to have the editorial reprinted here, and commend it to my colleagues' attention:

THE HIGH COST OF REGULATION

(By Henry Ford II)

As I look at our country today, I see a powerful but uncertain and unsteady giant being trussed up in a growing web of rules and regulations to the point where it can no longer exert its strength freely and effectively. I am reminded of the story of Gulliver in the land of the Lilliputians.

Perhaps it's only a coincidence that the recent period of rapidly rising government spending and roughshod regulation also has been a time of high unemployment, slow productivity improvement, soaring government deficits and unprecedented peacetime inflation. But I don't believe it's a coincidence at all. Despite a mounting record of failure and frustration, our leaders have failed to grasp the fact that too much government inevitably leads to economic decay.

It is obvious to everyone—or should be—that the more government spends, the less wealth is left for productive investment as well as for private consumption. What is not so obvious—and our lawmakers and regulators apparently choose to ignore it—is that private spending to meet government requirements has similar consequences.

I am not arguing with the need for government action to conserve energy, reduce harmful pollution and protect the health and safety of all of us. But I am arguing with the tendency to sanctify each goal—to seek instant perfection with little regard for costs and consequences. In our national effort to solve common problems caused by our private choices, we have spent too much time on moralistic and ideological disputes and too little time seeking practical compromises. Our real task is to find the best balance between benefits to people as citizens and costs to people as consumers.

DESIRABLE GOALS

I am not at all reluctant to say that some automotive regulations have been needed. The industry simply did not respond quickly and effectively enough to the harmful side effects of vastly increased automotive usage in highly populated areas. And some obviously desirable goals such as reduced emission of pollutants and increased passenger protection in the event of accidents could not have been achieved as readily without uniform, across-the-board government mandates. In retrospect, I think it is fair to say also that the law requiring greater fuel economy in motor-vehicle use has moved us faster toward energy conservation goals than competitive, free-market forces would have done.

But the effect of even the most desirable law can be unnecessarily costly and disruptive to both manufacturers and consumers if it is interpreted in a narrow or punitive way by those who enforce the law. Regulatory decisions can have far greater impact than was intended or foreseen by those who enacted the basic legislation. To the extent that those decisions are biased or overzealous, there can be no hope of seeing the law carried out objectively.

INSIDIOUS POWER

There is a real danger that regulation will continue to feed upon regulation and become not so much a means to an end as an end in itself. With the labyrinth of regulations, many in Washington and elsewhere find themselves possessed of a power greater in some respects than that of the Congress or state legislatures.

It is an insidious kind of power. It lacks accountability to the people, has few real restraints and avoids any immediate public outcry because it does not make any direct or substantial demands upon the U.S. Treasury. The staggering cost of meeting regulations falls first upon the affected industry and its customers, and only later does the impact begin to be felt by the society at large in terms of general price rises, slower economic growth and fewer jobs. One of our critical needs today is a "sunset law" for regulations and regulatory agencies.

What the regulators evidently do not recognize is that they are forcing some fundamental changes in the structure of our economy. To the extent that some companies are unable to sustain the level of spending required by government regulation, they could find it necessary to cut back operations, reduce product lines or—at the extreme—simply go out of business. One automobile company has already dropped out of the heavy-truck business because, by its own account, it "could not keep pace with the growing list of government standards." Despite efforts by government throughout the years to prevent concentration in industry, the regulators are fast bringing us to the point where only the largest companies can survive.

What troubles me most about all of this is our apparent inability or unwillingness to recognize that there is something wrong about the way we look at our national problems and the way we try to solve them. We want clean, sparkling rivers and streams wherever we go. But must we close down all the industrial plants along their shores to achieve that goal? We want clean air. But is 90 per cent clean much worse than 99.9 per cent clean? We want safe motor vehicles. But can the vehicle alone guarantee absolute protection from accidents and injuries?

Several years ago, I went to Washington at the invitation of the late Sen Hubert Humphrey to testify before the Joint Economic Committee. I suggested that this country would be well-served if we introduced into the conduct of our national economy some of the planning concepts that are common in business. We had better know and understand all the factors that must be taken into account when we size up the economy and lay out our course for the future. We cannot have economic growth, balanced or otherwise, if we approach problems narrowly. We must know how each action affects another, and be willing to change or eliminate those that are counterproductive.

INCENTIVES

It seems to me also that we have made too little use of incentives in attempting to resolve many of our most difficult social and environmental problems. That's the essence of this economic system that has served our country so well for so many years. Even a donkey will respond to a carrot as well as a stick. The more we can encourage people—manufacturers and consumers alike—to want to do what should be done because it is demonstrably in their best interests to do so, the less damage will be done to our economy and to the society at large.

That assumes, of course, that we can arrive at some better way of deciding—by consensus—what our national priorities should be. To paraphrase Winston Churchill, never before have so few attempted to speak for so many with such devastating results.

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PERSONAL STATEMENT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. DOWNEY. Mr. Speaker, as an early cosponsor of H.R. 39, the Alaska lands bill, I was quite pleased that the House overwhelmingly approved this important conservation initiative on May 19. I was not pleased that I was somewhere between my district and the La Guardia shuttle when the final votes on the bill took place. Had I been present for our session on Friday, I would have voted as follows: Rollcall No. 337, "yea"; rollcall No. 338, "nay"; rollcall No. 339, "nay"; rollcall No. 340, "yea." ●

WHO KILLED JACK ARMSTRONG?

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. RHODES. Mr. Speaker, Walter Wriston, the chairman of Citicorp, one of the Nation's largest financial institutions, also is a very acute and penetrating observer of the economic scene, and he does not like the trends he sees developing.

For example, he is concerned about emerging attitudes that seem to denigrate individual initiative and creativity, the well-springs of our economy. Furthermore, he believes that Government, through high taxes and the increasing flood of regulations, has become a principal reason for such negative attitudes.

Mr. Wriston's views on these matters are ably and succinctly told in a column by Marshall Loeb that appeared in the May 1 issue of Time magazine. I commended it to my colleagues and I insert it in the RECORD:

WHO KILLED JACK ARMSTRONG?

(By Marshall Loeb)

The stock market has come alive, industrial production is growing like a young colt, and 4 million more Americans are at work than a year ago. Then why do so many people feel so skeptical and tentative about the economy?

Walter Wriston, probably the nation's most influential banker, thinks he has some answers. As chairman of New York's Citicorp, he is a gilt-edged Establishmentarian who gets an insider's rare look at loan-seeking corporations and bends elbows with their chiefs at the Metropolitan Club and the Greenbrier and the Business Roundtable. Yes, says Wriston, business should be strong both in 1978 and 1979, which is as far as anybody can foresee. But he is bedeviled by many questions about modern America, including who killed Jack Armstrong and whether Abe Lincoln could be elected today and what's doing with the Laffer Curve. Let Wriston explain three of the problems that he senses worry the nation:

The first is high taxes. "The taxpayers are in revolt. You see that in the Jarvis Initiative in California, which would drastically cut property taxes. You see it in people leaving New York State by the thousands and fleeing Massachusetts for New Hampshire. The attraction of the Sunbelt is not just the sunshine but that there is no income tax in Texas. Just about anywhere in the country, if local authorities try to raise taxes, citizens come over the wall in protest."

History's lesson, as University of Southern California Economist Arthur Laffer has shown in the so-called Laffer Curve, is that when taxes go up, economic activity goes down. Empires from Rome to Britain reached their fullest flower when their taxes were low, Wriston remarks, and started to self-destruct as taxes rose. Americans feel uneasy about their economy, partly because federal, state and local governments tax away 29% of the gross national product.

Warns Wriston: "We are getting very close to the point where high taxes will cause the economy to deteriorate."

The country is also upset about the spread of Government regulation. "What worries me," Wriston says, "is that General Motors and Citibank have a fighting chance of obeying all the new regulatory laws because we have the staff and the big-time lawyers to do so. But most small business people do not. They cannot even find out what the law is. There are, for example, 1,200 interpretations by the Federal Reserve staff of the Truth in Lending Act. Now 90% of the more than 14,000 commerical banks in the country have fewer than 100 employees. If you gave every staff member those regulations and started them reading, they wouldn't be finished by next year.

"The same is true if you go into the neighborhood delicatessen or laundry and ask about the Occupational Safety and Health Act. 'Hey, are you obeying OSHA?' And the guy behind the counter sneers, 'Osha, gosha, forget it!' If the majority of people ignore the law, it will stop the vitality of our country—the voluntarism on which it is built."

Finally, Wriston is troubled that "success is no longer perceived by large groups of people as being success. It used to be that if you were Henry Ford and got three fellows and a monkey wrench and built a great company, people gave you flowers. Today, if you create a great company, people take potshots at you because they think that behind every success there must be some dirty secret."

Take IBM, "One of the few scientific edges that we still have on the rest of the world is in computer hardware and software," says Wriston. "So the Government is suing to dismember IBM. The question is: What is the public good of knocking IBM off? The ultimate conclusion to all this nonsense is that people will cry, 'Let's break up the Yankees—because they are so successful!'"

Success is under suspicion, heroes are under attack. "I claim that Jack Armstrong, the all-American boy, died a long time ago," Wriston continues. "And today, Abe Lincoln could never be nominated. Abe Lincoln, the fellow who did not show up at his own wedding. Abe Lincoln, who, after Ann Rutledge died, was certifiably crazy and was found wandering in the woods, mumbling to himself. Can you imagine what a great story that would have made on Channel 7? The sad fact is that we are scrutinizing our leaders and our institutions in the kind of close detail that no human being and no institution can survive."●

TUITION TAX CREDITS: THE ILLUSORY "ONE-LINE ENTRY"

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. FORD of Michigan. Mr. Speaker, the proponents of tuition tax credits argue that this approach provides benefits to families through a "simple one-line entry" on the tax form. Just how simple is it?

The supplementary schedule for determining a taxpayer's eligibility for a postsecondary tuition tax credit and the amount of the credit would include at least the following items:

First. Are you a full-time or qualified part-time student? Did you, during any 4-month period of the tax year, attend an educational institution full time or did you take at least one-half of a full-time load during any 8-month period of the tax year? (Students attending less than half-time are ineligible.)

Second. Did you pursue your studies at an eligible institution? (H.R. 12050 cross-references sections 491(b) and 1201(a) of the Higher Education Act for the definition of "institution of higher education." Not all institutions of higher education are eligible under these definitions; for example, of the approximately 8,000 postsecondary proprietary schools, only about 1,500 are eligible institutions.)

Third. Did you pursue a general course of instruction leading to a baccalaureate or associate degree or for a certificate at a postsecondary vocational school? (Graduate and nondegree students are ineligible).

Fourth. Are you claimed as a dependent by any other taxpayer, or in the case of a spouse, are you claimed as a personal exemption by the taxpayer or are you filing a joint return?

If you answer "yes" to questions 1, 2, and 3 and either "no" to the first part of question 4 or "yes" to the second part of question 4, you are eligible for a tax credit.

Compute the tax credit as follows:

First. Add together all tuition and required fees. (Definitions would be required to specify which among the wide variety of charges levied by eligible institutions are to be considered as "tuition and required fees".)

Second. Add together the sum of all scholarship and other educational assistance paid wholly or in part for tuition and required fees. Scholarships and other educational assistance designated entirely to cover tuition and required fees are added to that portion of other scholarships and other educational assistance which could be attributed to paying for tuition and required fees. Such an allocation is computed as follows: Compute total educational expenses (detailed instructions would be required to define what could be counted in computing total educational expenses), compute the percentage of total educational expenses that is attributable to tuition and required fees, compute the same percentage of the scholarship.

Third. Subtract the sum obtained under 2 from the sum obtained under 1.

Fourth. If the remainder obtained under 3 is greater than zero, multiply that remainder by 25 percent.

Fifth. Enter on form 1040 either $250 or the product obtained under 4, whichever is less. (This is the "simply one-line entry," which the taxpayer receives only if he has a tax liability.)

The Internal Revenue Code and Treasury Regulations currently contain 173 pages of provisions defining and explaining matters like "student," "educational institution," and "educational expenses." If a tuition tax credit were adopted, these regulations would need to be substantially amplified and revised. For example, section 151 of the Internal Revenue Code defines "educational institution" as "an educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students at the place where its educational activities are carried on." This definition clearly excludes some types of educational institutions eligible under the Higher Education Act, for example, home study schools and extension programs. The mention of "regular faculty," "curriculum," and "regularly organized body of students" represents a very traditional view of education and has the potential for both retarding new development in the delivery of educational services as well as intruding in the autonomy and independence of educational institutions.●

DOROTHY BAYLOR, AN OUTSTANDING GEORGIAN

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. JENKINS. Mr. Speaker, it is with great pleasure that I acknowledge and congratulate an outstanding Georgia educator, Mrs. Dorothy Baylor.

Mrs. Baylor was recently inducted into the Georgia Teachers Hall of Fame. Every year, WSB–TV in Atlanta and the Georgia Association of Educators select one teacher for the Hall of Fame. As this year's selection, Mrs. Baylor was honored at the annual Georgia Association of Educators' Awards Banquet.

A teacher for 30 years, Mrs. Baylor has been teaching in the Gainesville school system since 1962. The food services teacher comes from a long line of teachers. Her grandmother was the first black teacher in Walker County, Tex.

Awards are nothing new for Mrs. Baylor. She received the State Teacher of the Year Award in 1969 for the Georgia Teachers and Educators Association and the Georgia State Chamber of Commerce. She was State Home Economics Teacher of the Year in 1974. Earlier this year she was named Teacher of the Year in the Gainesville school system, an honor she received earlier in 1971 and 1972.

In 1973 she was selected Outstanding Secondary Educator of America. The Gainesville Parks and Recreation Department gave her its Service to Recreation Award in 1970.

Mrs. Baylor received her bachelor of science degree from Huston-Tillotson College (Texas Southern University) in Austin, Tex. in 1947 and studied there again in 1961–62 on a scholarship from the Natural Science Fellowship Foundation. She received her master of education in home economics in 1967 from the University of Georgia.

She is married to L. C. Baylor, the principal of Miller Park School in Gainesville. They have three children; Carolyn, Marie, and Kimberly.●

TRADE REGULATION RULES

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. ECKHARDT. Mr. Speaker, on Wednesday of this week, the Appropriations Committee is scheduled to take up the Federal Trade Commission's appropriations bill. At that time, the committee will be confronted with a controversial amendment to the bill voted by its Subcommittee on State, Justice, Commerce, and Judiciary. This amendment could prohibit the Commission from limiting, through trade regulation rules, the advertising of food products determined by the Food and Drug Administration to be safe for human consumption, even though the advertising of such products may be unfair or deceptive.

The subcommittee's amendment has produced much concern. I would like to share with the Members one letter dated May 18, 1978, to the chairman of the Appropriations Committee which urges that committee to overturn the amendment. The letter was transmitted in behalf of over 20 organizations representing such interests as consumer protection, labor, health, and education:

MAY 18, 1978.

Hon. GEORGE H. MAHON,
Chairman, Appropriations Committee,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: We, the undersigned, were deeply dismayed by the May 2 vote of the Subcommittee on State, Justice, Commerce and the Judiciary to attach to the Federal Trade Commission's appropriations bill a legislative provision which would forbid the use of any FTC funds to limit advertising of any food product containing ingredients which the Food and Drug Administration has determined to be generally recognized as safe.

The Subcommittee's discussion indicated that the chief objective in attaching the rider was to prevent the FTC's proposed inquiry and rulemaking concerning television advertising directed primarily at children. The trade press has reported that over 45 representatives of manufacturers, advertisers and broadcasters have united to combat the FTC's inquiry and proposed rule. On the basis of the Subcommittee's vote, it appears that the first effort has resulted in victory for these forces, which reportedly have raised a $2 million war chest to finance their efforts. Such political interference in the independent regulatory process prior to the fact-finding phase sets a dangerous and reprehensible precedent.

Based on the information discussed below, rather than on the misinformation used to promote the appropriations rider, it is hoped that the full Appropriations Committee will serve the public interest by reversing the Subcommittee's action.

First, we submit that the action taken by the Subcommittee was beyond the bounds of its appropriations jurisdiction. The rider is a legislative measure which should have been considered, if at all, by the House Committee on Interstate and Foreign Commerce, which has the requisite authorizing jurisdiction. If the Subcommittee action is not reversed, it will encourage other subcommittees to use this mechanism for anti-consumer purposes and to prevent legitimate regulatory agency activities.

Second, it was incorrectly asserted before the Subcommittee that the FTC's proposed trade regulation rule on children's advertising is duplicative regulation which represents FTC incursion into the jurisdiction of the Food and Drug Administration. In fact, there is a clear delineation of food regulation responsibilities between FDA—which regulates food manufacturing and labeling—and FTC—which regulates food advertising. FDA has no authority to act in the area addressed by the FTC proposal. Further, FDA Commissioner Donald Kennedy and HEW Assistant Secretary for Health Julius Richmond are both on record in support of FTC's inquiry into the facts and the law which pertain to the issue of whether certain aspects of advertising directed to children may constitute violations of Section 5 of the Federal Trade Commission Act.

The children's advertising issue has been trivialized as "the National Nanny." Such a cavalier dismissal of the issue is unfair to parents, health professionals, educators and consumers who are deeply concerned about the issues associated with highly sugared food products and advertising practices which seek to influence young children's product preferences. A recent consumer attitude survey conducted by Yankelovich, Skelly and White for the Food Marketing Institute, shows that 60 percent of the public feel deeply enough about this issue that they would be willing to accept fewer children's programs in exchange for a complete ban on TV advertising directed to children under the age of 12. Moreover, those who attempt to criticize FTC's initiative overlook the substantial health issues raised by advertising products associated with tooth decay.

Cutting off FTC's inquiry at this preliminary stage in the proceedings also will forestall industry efforts at improved self-regulation with respect to children's advertising. We note (with approval) that Group W stations indicate a willingness to reduce the total number of commercials directed at children. It is doubtful that such efforts as this will be undertaken if Congress removes by legislation the incentives for industry self-examination and voluntary reform created by the FTC's proposal for a government inquiry into the issues.

We call on you to ensure that the FTC fulfills its public interest and consumer protection obligations by acting to reverse the Subcommittee vote and reporting the FTC appropriations bill to the House floor without the Subcommittee rider.

Sincerely,

American Association of Colleges for Teacher Education.
Americans for Democratic Action.
American Public Health Association.
Citizens Communications Center.
Community Nutrition Institute.
Consumer Federation of America.
Johanna Dwyer, Ph. D., Director, Frances Stern Nutrition Center, Tufts New England Medical Center.
American Federation of State, County and Municipal Employees.
American School Food Service Association.
Center for Science in the Public Interest.
Coalition of Black Trade Unionists.
Congress Watch.
Cooperative League of the U.S.A.
Food Research and Action Council.
Mary Goodwin, Chief Nutritionist, Montgomery County (MD), Public Health Department.
Thomas B. Hargreaves, Jr., General Executive, YMCA of Greater Washington.
National Committee for Citizens in Education.
National Consumers League.
The Children's Foundation.
United Steelworkers of America.
Eleanor Williams, Ph. D., Assistant Professor of Nutrition, University of Maryland.
Joan Gussow, Ph. D., Chairman, Department of Nutrition, Teachers College, Columbia University.
National Citizens Communications Lobby.
National Congress of Parents and Teachers.
National Education Association.
United Auto Workers.
Washington Association for Television and Children.●

BRITISH WITHDRAWAL FROM NORTHERN IRELAND ENJOYS WIDE PUBLIC SUPPORT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. BIAGGI. Mr. Speaker, the May 20 edition of the Irish Echo, the largest Irish American newspaper contains an important editorial dealing with the subject of British withdrawal from Northern Ireland. It cites a recent Gallup poll conducted which showed that a majority of the British people have indicated their wish for Britain to withdraw its troops from Northern Ireland.

Last week's Irish People released the results of a poll conducted in Ireland by the BBC. This poll indicated that 75 percent of adults surveyed in Southern Ireland and a whopping 91 percent of those living in the so-called border counties want Britain to make a political and military withdrawal from Ireland.

This message is consistent with the intent of House Concurrent Resolution 478 which I have introduced calling on Britain to make a declaration of intent to withdraw from Ireland. I do not advocate an immediate withdrawal for this could have drastic consequences. However the time is long overdue for Britain to make their intentions known relative to a gradual diminution of their control over Northern Ireland. My resolution has some 25 cosponsors at the present time.

It is my hope that the resounding opposition of the British and Irish people will provide an impetus for action by the Irish and British Governments to develop a plan for the gradual withdrawal of the British rule over Northern Ireland.

I maintain this is a fundamental prerequisite for peace in Ireland and should be given every consideration. As chairman of the 105 House and 1 Senate Member Ad Hoc Congressional Committee for Irish Affairs which is dedicated to the cause of peace in Ireland I am pleased to insert the Irish Echo editorial entitled "Another Call for Withdrawal":

ANOTHER CALL FOR WITHDRAWAL

Once again, as they have for several years now, a majority of the British people have indicated their wish for Britain to withdraw its troops from Northern Ireland.

A recent Gallup poll again shows this, yet when it comes to Ireland, the British Government seems to ignore majority sentiment.

Most Britons clearly feel that their troops are not doing any good in Ulster and their continued stay there will not bring a lasting peace in the troubled area.

The logical course for the British Government is to develop a time table for withdrawal. It will happen, eventually, whether or not there is British declaration.

But if Britain does not announce a plan to get out, bloodshed will continue with intermittent "false peaces."

A phased withdrawal of troops over a period of perhaps years can be the first step towards settling the age old problem.●

PEACEFUL USES OF OUTER SPACE—THE POSITIVE POTENTIAL OF SATELLITES

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. BROWN of California. Mr. Speaker, a recurrent concern of this body and others is the threat of new weapons of destruction, and new avenues for war. Only a few regions of the world are considered nuclear-free zones, and even fewer are demilitarized. One of the few regions of our fragile planet that is, by treaty, nuclear weapons free, is outer space.

Even though nuclear weapons are banned from space, it is common knowledge that the United States and the Soviet Union have extensive military intelligence satellite networks, one of whose purposes is to assist in the readiness for nuclear war. There are other, much more benevolent uses of satellites, and an enormous potential from which all nations and all peoples could benefit. A few presently known peaceful uses of space are climate and weather forecasting, crop monitoring and forecasting, mineral prospecting, and communications of all kinds.

Outer space, and especially near space, is a global resource that we all share. Our ability to use this resource is barely 20 years old, but already we can see the enormous creative potential of satellites. One of the most thoughtful concepts for using satellites as a force for peace is advocated by Howard G. Kurtz, a fact which is well known by many of my colleagues. Today, as the U.N. Conference on Disarmament begins in New York, I think it is especially timely to consider the views of Howard Kurtz, and his late wife, Harriet. I hope to have an opportunity in the near future to sponsor a seminar on this topic, and invite every Member of the body to attend.

At this time, I ask unanimous consent to have a column by President Ford's first press secretary printed in the RECORD. This column by J. F. terHorst succinctly describes the concept of Howard Kurtz.

The column follows:

[From the Los Angeles Times, May 22, 1978]

SECURITY BY SATELLITE—AN IDEA FOR PEACE

(By J. F. terHorst)

The mark of genius, it has been said, is not perfection but originality, the opening of new frontiers. By that definition, Howard Kurtz must be elevated from the ranks of utopian schemers, and placed in the company of pioneers for peace.

For more than a quarter-century, Kurtz and his late wife have nurtured a simple idea for enhancing global security. It is so ingenious that it takes your breath away. Yet it is so morally attuned to the nuclear age and so technically practical that some people in high places are beginning to listen.

What it will need, eventually, is a decision by a President, this one or the next—a decision on the magnitude of John Kennedy's resolve to make America the No. 1 nation in space exploration.

To understand Kurtz's idea, it is first necessary to leap beyond all conventional arguments and proposals for achieving security, and thus peace, between the superpowers and among other nations.

Can peace be achieved by the continuing arms race, the doctrine of more and "better" nuclear weapons so destructive that America and the Soviet Union would be mutually deterred from using them? Kurtz thinks not.

So long as both sides continue to distrust each other, he reasons, not even a strategic arms limitation treaty will stop the superpowers from secretly improving their arsenals. They may talk of nuclear equality, he says, but neither will be comfortable without privately believing that its weaponry is superior.

Can a peaceful world be achieved through disarmament? Kurtz is too cynical about human nature to think that it can be achieved on a global scale any time soon. And unilateral disarmament, he says, would be foolhardly.

As for notions of voluntary one-world government, he finds that illusory. The earth's people are too different, the regions too complex, to make it workable. Only a dictator with the force of arms would think it possible.

So what, then, does Kurtz have in mind? Would you believe—"security by satellite"?

Kurtz proposes that existing space technology be employed to achieve what he calls "an open world." He argues that the United States could initiate a global information service through which a system of orbiting satellites would provide all nations with instant intelligence about everyone else—military, economic, environmental.

The data collected by a greatly expanded, earth-scanning network of satellites would keep all nations aware of the war capabilities of all others. Such a body of knowledge, kept current by the daily satellite sweeps across the sky, would be the basic security blanket for every country. It would be a sort of Space Age moat around the castle.

We already are doing some of that. So are the Russians. Spy satellites keep track of missile sites and troop movements, and follow submarines under the seas. The sky spies have made possible a series of American-Soviet weapon pacts, since they overcome Russian objections to on-site inspections of nuclear bases. Each side can verify the other's actions.

One existing Landsat in orbit already scans the earth to distinguish, using infrared light, 17 kinds of crops, plus soil conditions, rainfall and potential crop yields. Satellite prospectors can plot new mineral deposits on land or under water. But 98% of Landsat data, obtained over other countries, is held secretly by the United States for intelligence purposes.

Kurtz says America, without sacrificing its own security, could brake the momentum toward nuclear Armageddon by establishing a "global information cooperative." It would use techniques already available to the National Aeronautics and Space Administration.

Kurtz is an Air Force officer turned management consultant. He and his wife, Harriet, an ordained minister who died last year, have been fostering the concept of security by satellite since the dawn of the Space Age. They had formed a small, nonprofit organization called War Control Planners, Inc.

Lately, some influential persons have paid attention: Chairman Olin E. Teague (D-Tex.) of the House Science Committee; Sen. Adlai E. Stevenson (D-Ill), who chairs the subcommittees on space science and intelligence collection; Sen. Edward M. Kennedy (D-Mass.), who heads the congressional Office of Technology Assessment, and the presidential science adviser Frank Press.

Kurtz's articles have appeared in various military journals and scientific periodicals. NASA administrator Robert A. Frosch says Kurtz "is on the right track."

"The technologies available today for gathering worldwide information and for its redistribution are certainly well enough advanced to warrant consideration of an operational global environment and resources system," Frosch said. "In its earliest configuration, such a national system for world use need not, in my opinion, have a major budgetary impact."

The space agency, incidentally, has begun work on a "conceptual design" of such a system. The mood of the country and perhaps the globe, Frosch thinks, "would be receptive to a dramatic political and practical initiative along these lines. The long-range implications for civilzation . . . can only be positive."

If President Carter wants to back the world off the nuclear brink, if he is looking for a way to enhance every nation's security without eroding America's, he ought to talk to Kurtz and Frosch's team at NASA. He may find there an idea whose time has come.●

THE USO AND THE UNITED WAY

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. HARKIN. Mr. Speaker, on March 17, 1978. Leo Perlis, director of the Department of Community Services for the AFL-CIO, spoke to the biennial conference of the USO National Council in San Antonio, Tex. Mr. Perlis is also a member of the board of governors of the United Way of America. While Mr. Perlis' remarks were mainly geared toward the USO and the United Way and the relationship between the two groups, I believe there is another message that comes through in his remarks. What is clear is that Mr. Perlis has a deep faith and belief in the power and the value of volunteerism in maintaining a free and democratic society. Mr. Perlis correctly points out that the "association of free men and women in organizations of their own choosing designed to serve the common good" is really the "heart and soul of the democratic society."

Also, Mr. Perlis has some criticisms about the method in which United Way has related with USO. While I have always been a supporter of United Way, I have also been a long supporter of USO, since I spent a great deal of my life in the military. While I am in no way qualified to comment on the criticisms that Mr. Perlis has leveled at the United Way, I do know Mr. Perlis and I know of his deep commitment to voluntary agencies and of his sensitivity to the problems that they encounter.

Mr. Speaker, I believe my fellow Members will find the printed remarks of Mr. Perlis to be most interesting and informative:

THE USO AND THE UNITED WAY: ACCOUNTABILITY IN A FREE SOCIETY*

(By Leo Perlis)

I am no Johnny-come-lately.

I have served on the board of directors of USO and I have served on the board of governors of the United Way.

I have helped to found a local united fund, and I have helped to develop a USO camp show abroad.

I have worked, as a volunteer, for both—and for more than thirty years—and in many different ways.

God knows, I have done my fair share of organizing, speaking, promoting and writing—and, perhaps, even more than my fair share of hell-raising—in and out of them, but always for them.

I have attended a thousand and one meetings up and down the country and back—and I think I have developed a chronic case of deja vu.

And what have I learned?

I have learned the old lesson—that well-intentioned men and women can be right—and wrong—all at the same time.

It isn't much of a lesson, to be sure, but it does serve as an antidote to self-satisfaction.

It is, after all, a condition endemic to all mankind, a sort of humane malaise—a constant reminder of our own fallibility. And the United Way is no exception.

Take such words as democracy, accountability, voluntarism, government and responsibility—five simple words which many agencies bandy about and which high school seniors are expected to spell—and what do we get?

A "democratic" agency controlled by corporate executives.

A "voluntary" agency subsidized by government funds.

An "accountable" agency responsible only to a self-perpetuating board.

A "responsible" agency unresponsive to people's needs.

A "responsive" agency—more to some than to others.

As the King of Siam once said: "It's a problem."

But it is a problem which is inherent in both the human condition and the free society.

That's life—and it's tough all over. But life is more simple in other places—such as prisons and slave states.

In Russia and China, for example, the five words mean what the rulers say they mean.

In America, even the dictionary does not count for much—as any Washington regulation writer can readily confirm.

In America, not only the government but all citizens and all organizations are free to define their own terms.

It is somewhat chaotic, of course, but it does provide full employment for lawyers who, given the chance, can complicate the complex. But it keeps us free—free to be right and free to be wrong and, if we are lucky enough, free to be wise.

Thank God for America.

Let other countries keep their own wonders. Let the Chinese keep their great wall, and the Russians their big dam. Let the Egyptians keep their pyramids and the Indians keep their Taj Mahal. Let them all keep their own hanging gardens—but, please God, let America keep its freedom and its volunteers.

These—our freedom and our volunteers—are the two wonders of America. They go hand-in-hand, and they are a beacon of light and hope to the world.

This is the American Way.

And both USO and the United Way are living symbols of the American way.

But, if democracy is to survive in a pluralistic society confronted by internal problems and external dangers, it is essential that we find many areas of agreement among ourselves—even though we may differ at the ballot box, the bargain counter and the bargaining table.

One such area for potential agreement is the voluntary agency—the association of free men and women in organizations of their own choosing designed to serve the common good.

That's the heart and soul of the democratic society.

For the purposes of the democratic society, the voluntary agency is not only a means but also an end in itself. If it serves no other purpose, it serves in being.

To use a now old fashioned phrase, the volunteer is not only the medium but also the message.

Here I can think of no better example which reflects the genius of America for voluntary action than USO.

The military is, in its very nature and by its very mission, authoritarian. All who serve must obey. But all who obey must remember that their mission is not only to protect American security but to defend American democracy.

This, too, is the American way.

And the American way is the free, open, flexible, responsive, pluralistic society.

The USO is there to remind them—and to remind us—that USO services are important, but that USO volunteers are even more important. The very presence of a civilian volunteer is a constant reminder to the military volunteer that, basically, both share not only the same home but also the same hope.

It was difficult, therefore, for me to understand why the United Way's CONAS (Committee on National Agency Support) recommended in 1974 "that USO not be considered for financial support by local United Way organizations for 1975."

It was just as difficult for me to understand why people who promote voluntary action as a way of preventing government intervention would suddenly leave it to the military.

"Let the Pentagon do it," they said in effect, as if the Pentagon were some voluntary road show—or turnverein.

The beauty of it all is that ironies never cease, but, unfortunately, USO cannot live on beauty alone. It needs bread. As a result of the United Way-CONAS action, it has been getting less and less of it with each succeeding year.

Even the reversal by the blue ribbon fact-finding committee (or was it the red faced—face saving committee) which the United Way helped to establish in response to protests—including our own hell-raising—did little to help. The damage was done. USO's support declined from $4.1 million in funding year 1973, to $3.3 million in 1974, to $2.4 million in 1975, to $2.1 million in 1976, and to less than $2 million in 1977. The United Way reversed itself but kept the faith—a neat trick.

But, if it makes you feel any better—which I doubt—USO can take perverse pleasure; it is not the only national agency kicked out or kicked around by the United Way and CONAS. There are others.

The fact is that most—if not all—national agencies have been given short shrift by the United Way of America and by many local United Way organizations.

Even with a CONAS seal of approval, the going is rough. Why?

First of all, CONAS means control and not cash.

But there are many other reasons, old and new.

Among the old reasons are provincialism, lack of local constituencies, a locally perceived need for keeping the dollar in the local community to meet local needs, and there just is not enough voluntary money to go around—despite those who keep saying, "keep the government out, let the voluntaries do it all."

But there are some new reasons, and they are often veiled in words—such words as "accountability" and "responsibility."

I have heard both words used at board meetings of the United Way of America. I got the impression that the United Way of America thinks of itself just as accountable as other national voluntary agencies—except more so. The United Way considers itself, after all, as the duly elected representatives of givers. And in a very limited sense it is. But that is a subject for another speech.

For the purpose of this meeting, however, it is sufficient to note that the United Way movement has become so public-relations minded that it is beginning to believe its own handouts.

It is my impression that the United Way believes that people give (and should give) to the United Way—and not through the United Way.

It is my judgment, however, that people give (and should give) through the United Way. And it is my guess that that's the way most of our own members feel about it—and they do give a lot.

They give to the YWCA and they give to the Girl Scouts, they give to Family Agencies and USO and all the other services—through the United Way.

The difference between "to" and "through" is the difference between accountability and control. The difference between "to" and "through" is the difference between master and servant.

If givers give to givers' funds, and if that is what they knowingly want to do, then they may be wrong—but it is their business. But if they give to givers' funds and what they want to do is give through givers' funds, then we have a problem with United Way perceptions, programs and publicity, including the principles of planning, budgeting and federation itself.

I, for one, think we have a problem, a problem which can be solved not by extreme positions but by common sense.

During the past seven years, since the reorganization of the somewhat moribund United Community Funds and Councils of America, in belated response to the seething sixties, the United Way has made the kind of power play which should disturb all those who believe in democratic community organization, sound social planning practices, agency integrity and pluralism right across the board.

Under the cloak of accountability, the United Way has 1) diminished the national agency, 2) taken control of local planning, 3) attempted to compete with agency programs, 4) almost destroyed The National Assembly, 5) starved the Council on Social Work Education, 6) kept professional and religious leaders off the boards (as if laymen have a monopoly on wisdom) and 7) used soft words to drown hard facts. And these are only a few.

But all this, of course, is nothing new to the national agencies.

On June 22, 1977, we called a meeting of 19 national agencies in Washington to explore their concerns. On September 29, the meeting was held, and 18 agencies were represented, USO among them.

As a result, the agencies will appear before the board of governors of the United Way of America in Detroit on April 30. I hope the agencies, despite their fears, ingrained caution and courteous demeanor, will come clean with all their concerns and in concrete terms. Even the most painful

*Address, Biennial Conference of USO National Council, San Antonio, Texas, March 17, 1978.

truths can be put in polite terms. And I hope the United Way board does not look upon the singular concerns of the national and local agencies only in context of their own established and projected United Way programs. The United Way needs to take a fresh look at what has happened during the past seven lean years. I know this isn't always easy. The haze of good fellowship, happy board hours, good publicity and the self-confidence that is the hallmark of the all-powerful have the same mesmerizing effect as a dry martini and a good cigar—but I am sure they will give it a whirl. At least I hope so. And the sooner the better.

And when they do, they should ask themselves these questions:

1. What is the difference between control by an overpowering voluntary agency and an overpowering governmental agency?

2. Is such a voluntary agency more democratic than a governmental agency?

3. What is the basic difference between continuous payroll deductions (without education, representation and service) and taxation?

4. Is the board of the United Way really more accountable and more responsible than, say, the boards of USO or USS or WWCA? And to whom? And how?

5. With all due respect to the importance of managerial competence, can and should a human service agency (which is what the United Way of America is) be run like a "business"? And with year 'round hotel suites yet, and other gadgetry made in Taiwan no less?

6. Does a human service agency gain greater credibility among corporate leaders by using business jargon rather than, say, social work jargon—and why? CE, MBO, CONAS, UWASIS, Etc.

7. Why shouldn't agencies be represented on United Way governing boards? And sociologists and urbanologists and social workers and clergymen? Have they nothing to contribute?

8. Wouldn't it be better for people if local community planning councils were representative of all interests and independent of any single interest, including the United Way? Or labor or management or social work?

9. Why not reorganize the United Way and its annual meetings to make them more representative and more responsive to consumers and providers as well as to givers?

10. Wouldn't it be more realistic to say that, on the whole, the usefulness of voluntary agencies in a democratic society is not to prevent government responsibility but to counterbalance big government?

There is a myth abroad that voluntary agencies are in the vanguard of progress. Well, you can't prove it by my own experience.

It was, after all, only when the government required the adoption of a nondiscrimination policy by each agency to qualify for admission in the Combined Federal Appeal that the United Community Funds and Councils of America resolved that discrimination was bad.

This is one example. There are others.

I remember the time on the UCFCA board when I couldn't get a second to a motion to condemn the ouster of Urban Leagues by several local United Funds, and I remember when my second motion for the appointment of a committee to explore the intimidation by White Citizens' Councils of local United Funds vis-a-vis the Urban League was overwhelmingly defeated.

Well, some say, timing is what counts. I said to them then and I say to them now that on moral and ethical issues the time to act is now.

And the fact is that it isn't all that difficult to act on basic moral and ethical issues such as racism—if you are not wrapped up in situational ethics and if you are willing to pay a small price.

It is more difficult, however, to act on social and economic issues where the difference between right and wrong isn't always all that clear. It is here that we need yardsticks. What is good for the United Way isn't one of them. What is good for USO isn't one of them.

To my mind, an agency should be measured by the following yardsticks:

1. Is it good for the people?

2. Is it good for America?

3. Is it good for the democratic society?

4. Is it an effective and efficient means to achieve these ends?

After measuring the USO by these yardsticks, I say yes to the first three counts and a qualified yes to the fourth.

USO is good for the people. It serves them. USO is good for America. It serves the men and women who serve America.

USO is good for democratic society. It serves democracy by reaching the military and by being itself a voluntary association of free men and women—volunteers all.

USO can be more effective if the United Way will fund it.

And if not, all of us must.

Either way—it is our money.●

TUITION TAX CREDITS: LITTLE HELP FOR A FEW

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. FORD of Michigan. Mr. Speaker, many Members of the House apparently feel that if they vote for H.R. 12050, the tuition tax credit bill, they can claim they have cut their constituents' taxes. If the bill passes, however, most constituents will be dismayed to find that it provides little or no help for them:

Of the 74 million families and individuals in separate households in the United States, only about 10 million have sons or daughters in college.

Of these 10 million families, many would not receive any tax credits. Under H.R. 12050, they would be ineligible if they are:

Families of the 5 million students enrolled in graduate schools or enrolled in college on less than half-time basis.

Families who pay no Federal income tax, whose 500,000 students are enrolled at least half-time.

Families of the 800,000 students enrolled at least half-time in institutions which do not charge tuition.

This leaves about 6 million families of some 7.2 million students eligible to receive tuition relief under H.R. 12050. Many of the families in this group would not receive the maximum $250 credit, however. The full amount would only be received by families of students attending institutions where the tuition, net of a prorated amount of any Federal State or private grant aid, is at least $1,000.

Therefore, it is certain that a majority of families who may be eligible for the tax credit would not receive the full amount, because annual tuition at any community college is well below $1,000; only 12 public 4-year colleges currently charge more than $1,000 for in-State students; and many students in private colleges (which enroll about one-quarter of all students) pay tuitions under $1,000 net of grant assistance from Federal, State or private sources.

Thus, the full $250 tax credit would only be available to a small percentage of American families, primarily those with students attending private or public out-of-State institutions and who pay tuitions in excess of $1,000 net of grant assistance.●

A. J. JR.—DISCO KING

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. CLAY. Mr. Speaker, I want to take this opportunity to share with my colleagues a phenomenal success story of one of St. Louis' youngsters:

[From the St. Louis Post-Dispatch, May 21, 1978]

A. J. JR.: DISCO KING

(By John M. McGuire)

Forty-two years ago, the first Cervantes of St. Louis landed in California, bags in hand, brimming over with a promoter's chutzpah, a young man thumbing his nose at the Depression. He was in the Golden West, land of opportunity and rumba contests.

Twenty-nine years later, the same Alfonso J. Cervantes, who had promoted rumba contests at various Hollywood night spots in the late 1930s for a percentage of the gross, was back in the solid heartland, taking on a new job—politician-promoter, mayor of St. Louis.

Southern California, however, had not seen the last of the Cervanteses.

"I'm amazed myself, to be honest. The overhead would scare you to death. Yes, I'm surprised we've grown as fast as we have; you might say it's your basic mushroom."

Speaking on the telephone from West Los Angeles, in the self-assured manner for which the clan is known, is Cervantes of St. Louis the second, Alfonso J. Cervantes Jr., whose power does not derive from rumba contests, insurance, cab companies or politics, and who, unlike his father, appears to be firmly and happily entrenched in the soil of Fernando Lamas and Maria Montez. No Midwesterner he.

A.J. Cervantes Jr., 28 years old, the eldest son of Cervantes the first, is in the recording, music-publishing and direct mail business, mostly a thing called disco music. It is a thing that grows well along Sunset Boulevard, judging by the September-through-March financial statement of his new company, Butterfly Records. Butterfly showed a gross of $3,500,000 during that seven-month period.

Young Cervantes, it seems, is getting rich. He is certainly achieving a degree of fame outside his old hometown—an appearance on a recent CBS "60 Minutes" segment about disco record companies and a forthcoming feature in Cosmopolitan magazine's Bachelor of the Month section. This, he assures us, is not the centerfold of the magazine.

In August of last year, Cervantes' new company released a song titled, "Je T'aime," a song that had been rejected as too risque the year before by Casablanca Records, his former employer. Before starting his own company, Cervantes had written a memorandum to Casablanca executives suggesting that the time was ripe for the song, long popular in Europe, and that it should be recorded and marketed immediately.

"My feeling was that there had always been a strong, underground cult appeal in this country for 'Je T'aime,'" Cervantes explained.

But Casablanca hesitated, then said no. The oh-h-h-hing and ah-h-h-hing and sensual theme of the music made it unmarketable for radio, said Casablanca executives.

But A.J. Jr., much like his father with his Spanish Pavilion and Santa Maria ideas, thought otherwise. And, again like his father, he stuck to that conviction. In this case, however, the Cervantes salesmanship worked.

Young Cervantes' first move was to bring together a group of nondescript studio musicians, who recorded "Je T'aime" for his new company, Butterfly. "Je T'aime" hit the pop music charts in the No. 12 spot; only three records have debuted that high, he says.

(Ironically, Casablanca Records, Cervantes' old employer, changed its mind and released a version of "Je T'aime" by Donna Summer after the Cervantes record hit. So far, the Butterfly release has sold about 200,000 units in the first year, with sales amounting to about $600,000.)

In the disco-music business, the song comes first, said Cervantes. Then, if it becomes a success, the record company gives a name and image to the group, which had previously been nothing more than a collection of faceless musicians. In the case of "Je T'aime," Butterfly's studio musicians were to become known as "Saint Tropez."

"We develop a concept and then sell it," he said.

Sounds like Cervantes the first, former mayor and salesman. Cervantes the elder once said that producing rumba contests during the Depression was easy. Cervantes the first, like his son, has always been involved in developing ideas and selling them.

"Look, suppose I wanted to put on a tennis contest," the first-term mayor told a reporter back in 1968. "I would go about it by lining up a group of very good tennis players. I would offer prizes for the winners. I would advertise to people who are interested in the game. It was the same with dance contests. You have this central ingredient: interest in the subject itself, be it rumba or tennis." Cervantes the first just as well could have included disco.

A man who has known both father and son for a number of years says that there's a lot of the father in young Cervantes: "He reflects what a kid can do when he's the child of a successful parent who keeps at it and doesn't give up. Young A.J. has tremendous zest for whatever he's doing, just like Fons."

Indeed he has. Consider this Cervantesian memo from A.J. Jr. to his record company's staff and distributors: "Our reorders are incredible; our promotion department is humming; the momentum is now unstoppable. But we can't rest. Your support and hard work are needed more than ever. Go to the wall now. Do you need a deal? Do you need materials? More records? Advertising dollars? Call us." (Somewhere in the West End's Maryland Plaza area, a real estate developer and former mayor is smiling.)

For Cervantes the second, "Je T'aime" was just the beginning. Other disco groups and other albums and singles were to follow, a litany of odd and familiar, provocative and evocative names—"Two Hot for Love," by Butterfly's THP Orchestra; "Maybe I'm a Fool," by PJ & Bobby; "Tuxedo Junction" and "Chattanooga Choo Choo," by Tuxedo Junction, and a new rhythm-and-blues disco album, "Boogie Down," by something called Blackwell. (The "Tuxedo Junction" group, which features three women vocalists, includes another hometown product, former St. Louis singer Jamie Edlin.)

With Cervantes' "Boogie Down" album, we gain some insight into the aspects of disco marketing techniques, which, in this case, include time-honored, foolproof methods—sex and sexy music. The album cover is a photograph, in color, of course, of two very handsome and very naked young women. They seem to be cavorting. Songs include: "Belly Button," "Put the Funk Back" and "Boogie Down and Mess Around." At least, Glenn Miller was left in peace, for the time being.

Cervantes says he feels comfortable in the record business. He must—he says he is in his office 12 to 14 hours a day, six days a week. His only relaxation (he calls it therapy) is motorcycling in the mountains.

He owns a controlling interest in Butterfly, although he has silent partners, including some in St. Louis. Typically, the company was seriously undercapitalized at first. The record business allows for the return of all stock, so shipping thousands of records to distributors can be deceptive.

"At one time, we had receivables in excess of a quarter million dollars and hardly enough for payroll," Cervantes said, "Initially, we didn't have very many lines of credit—the doors were squeaking, things were so tight. In the beginning, when you're new, it's tough to get your money. The cash bind can be substantial.

"But people took a shot with us and we got investor financing. If we were to tell someone in the record industry how we did it, they wouldn't believe us."

When his father paid a visit to his offices at 9000 Sunset Boulevard a while back, he was surprised at the size of the operation, even taken aback, said Cervantes the second. The company will soon move to the seventh floor of the building where it will occupy 75 per cent of the rental space.

Butterfly is the fastest-growing new record company in the industry. It was incorporated in December 1976. Last August, at the time "Je T'aime" was released, the company had three employees. Today, there are 28 persons with Butterfly, many of them hired away from larger and better-known record labels.

The company now has 14 acts signed to contracts and plans to release 24 albums in the next year. It is not strictly a disco record company, said young A. J. "Twenty-five percent of our business is hard rock 'n' roll and 25 percent is Top 40 music, so we're interested in radio play and not just what the discos are doing. We're sort of a hybrid in that respect.

"But the record business has been very good to me," he said.

It would seem so. Butterfly is considering branching out by acquiring radio stations in southern California through a joint broadcasting venture. Radio is one of his first loves, he says. He used to be a night news editor for KMOX Radio here. And at age 17, he worked for KLPW in Union, Mo. (He is a graduate of Webster College, with a bachelor's degree in media arts. He also studied art and religion.)

Young Cervantes, again in the manner of his father, has not always danced with success. He tried free-lance photography, poetry and the theater-restaurant business.

"His dad really did back A. J. in a lot of ventures that he knew wouldn't make it," said an old friend. "And his poetry—well, I'm glad to see he's in the record business. At the time he was writing poetry, he was a young man very much at sea. But he's energetic and imaginative, a kid with natural class."

Perhaps his biggest flop, and this came after a stint with the film industry on the West Coast, was a business he started called The Screening Room, a theater and restaurant on Maryland Plaza across from the Chase-Park Plaza Hotel. The idea was to serve gourmet noshes and quiche appetizers during the movies. The films were vintage classics, such as Humphrey Bogart's "Casablanca."

"The concept," Cervantes said the other day, "was absolutely beautiful. But it was in the wrong market.

"You've got to understand this St. Louis is my hometown, I have a lot of friends there. My family is there. But it is not very progressive. And I had my L.A. marketing cap on; I was thinking in L.A. terms. I felt the Central West End would be an appropriate place, but I was 180 degrees off.

"The Screening Room was a huge success on Saturday night, and a failure the rest of the week, which, of course, is consistent with St. Louis social behavior.

"Now my father is trying to put a tourist attraction out there and he seems to be having great success. But it's unfortunate that St. Louis has to be sold on positive things. If you walked into San Francisco or Chicago and wanted to redevelop a gracious but declining neighborhood, they'd go wild. But in St. Louis, you've got to fight for it. Even Kansas City, which is smaller and has less money, is a lot more progressive."

The Screening Room is now a Chinese restaurant.

Young Cervantes is no Johnny-come-lately critic of the mores and folkways of his old hometown. He has had things to say about attitudes here before. And he makes it very clear that he is quite fond of both the East and West Coasts, and can do without the Midwest.

When the Board of Aldermen voted to ban a road production of "Hair" in 1971, because of a first-act nude scene, Alfonso Juan Cervantes Jr. was moved to write a lengthy essay on St. Louis parochialism. It appeared in the Post-Dispatch later that year. He was 22 at the time and a student.

"If St. Louis could be said to be any indication of the future of contemporary culture in the United States then I, as well as most of my generation, am justifiably concerned and seriously apprehensive," he wrote.

A friend recalls that his father, always the consummate politician, was quietly delighted in his son's actions: "Fons was just as proud as punch of the kid. 'Did you see that write-up in the paper,' he said."

The year before that, A. J. earned college credits by traveling across America in a delivery van, painted pop art-patriotic red, white and blue, as part of a study project to see how the country, particularly the police, reacted to hippies and other youthful nonconformists. He grew a beard and long hair.

As the son of a well-known and political father, young A. J. could just as easily have sought college credits for a research project on the subject of being the slightly infamous son of a famous father.

"Mayor's Son Pays $612 On 34 Parking Tickets," read one newspaper headline. "Driver's License of Mayor's Son Wrongly Restored Twice In Year," said another. "Mayor's son arrested and charged with failure to answer 34 traffic tickets, most of them illegal parking."

Yes, young A. J. went through his Peck's Bad Boy phase. He chuckles about it now. "It comes with the territory," he said.

His father's nearly all-consuming interest in politics and public office is another thing that bewildered A. J.

"I could never understand why he took the abuse he did," he said.

"But anything I can do to help him, I would. (He wrote television and radio spots for the former mayor's 1972 campaign.) I find it a very thankless job though; I could never fight the city like he has, taken his lumps."

And there is another thing he never does, at least not now: "I have never traded on the fact that I'm A. J. Cervantes' eldest son. I avoid it."

During the "60 Minutes" interview, there was no mention of the fact he is a son (one of five sons) of a two-term mayor of St. Louis.

A. J. Jr. likes it that way, stayin' alive on his own.●

POLITICAL ACTION COMMITTEE OF GREENVILLE DIVISION OF "E" SYSTEMS POLLS ITS MEMBERS ON ENERGY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. TEAGUE. Mr. Speaker, the Greenville Division of "E" Systems polled their members of the political action group on the energy question. A total of 1850 cards were handed out at the plant entrances, and 559 cards—30 percent—were completed and returned. This percentage figure, as many of us know here in the Congress is about a normal response to questionnaires.

Comments written on 46 of the returned cards will be used for review of planning for future PAC actions.

I would like to share the results of this opinion poll with the Members of this body, who, like me, I believe will find the results most interesting:

MAY 19, 1978.

Hon. OLIN E. TEAGUE,
U.S. House of Representatives, House Office Building, Washington, D.C.

DEAR CONGRESSMAN TEAGUE: The E-Systems' Greenville Division Political Action Committee conducted an opinion poll on the subject of the energy crisis in the United States, and the results of this poll are provided below:

Question	Response (percent) Yes	No	No opinion
1. "Do you believe there is a real energy (oil and natural gas) crisis (shortage) now, or in the foreseeable future?"	65.6	32.7	1.7
2. "Do you consider the President's energy plan to be a fair and workable solution for all Americans?"	6.7	71.1	22.2
3. "Do you think that the Government should take the lead in establishing policies and plans for solving energy problems?"	63.1	33.1	3.8
4. "Should more emphasis be put on expanding the research and development effort for alternate source of energy?"	93.1	5.5	1.4
5. "Have you noted any increase of efforts to reduce energy (fuel) consumption in the past five (5) years?"	58.9	39.6	1.5

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DO NOT EXTEND ERA DEADLINE

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

Mr. McCLORY. Mr. Speaker, there is a growing apprehension about the current move to extend for an additional 7 years the time allocated for ratification of the equal rights amendment. We can recall that when this important constitutional change was recommended to the States for ratification in March 1972 we provided for ratification within a 7-year period. This 7-year provision coincided with similar provisions in all constitutional amendments proposed durng the past 60 years. An additional 7-year extension would be a departure from this tradition.

Mr. Speaker, as a consistent supporter of ERA, I hope that efforts will be made between now and March 22, 1979, to secure ratification by three additional States, thus assuring that ERA will become part of our Constitution. However, adoption of a measure at this time to extend the time for ratification for another 7 years smacks of defeatism—and diminishes substantially the efforts to secure ratification before the March 1979 deadline. My position has widespread support in Illinois, including an expression of support from my long-time friend and ERA supporter, Mayor Frances Kuhn of Woodstock, Ill., an officer and prominent member of the Business and Professional Women's Organization. My position is also supported by a most persuasive editorial which appeared in the Sunday, May 21, 1978, edition of the Chicago Sun-Times. I am attaching a copy of the Sun-Times editorial to these remarks:

[From the Chicago Sun-Times, May 21, 1978]

DO NOT EXTEND ERA DEADLINE

After more than six years of struggle to win ratification, the Equal Rights Amendment is still 3 states short of the necessary 38. Fearing failure, some supporters want Congress to extend the March, 1979, deadline by another seven years.

They note, correctly, that the Constitution did not establish that seven-year deadline. Congress created it 61 years ago, and Congress can change it.

And they argue, also correctly, that ERA is much more complex and controversial than the last seven amendments, all of which were ratified well before the deadline.

We enthusiastically support the Equal Rights Amendment. A simple statement that sex may no longer be a barrier to equality belongs in the constitution of a nation that, though promising equal rights to all, has nevertheless tolerated a number of federal state and local laws and practices that discriminate against women—and some that discriminate against men.

Yet, despite this commitment, we don't want an extension of that 1979 deadline.

If the cause is equality, the supporters should not ask for special—that is, unequal—consideration.

Also, an extension could backfire. Four of the 35 states that approved ERA have voted to rescind their endorsement. Whether these new votes are valid is disputed. It's possible, though, that courts would recognize a state's right to rescind during a second seven-year period. And under the battle cry that "they changed the rules in the ninth inning," more states could decide to switch.

Finally, we think that the March, 1979, deadline can be met.

Passage this year is possible in several states—including Illinois, the first state to endorse women's suffrage and one of the first to insert a comprehensive equal rights clause in its own constitution.

A clear majority of Illinois legislators support ERA. Only a few more votes are needed for the three-fifths majority required by the General Assembly. With a little push from Mayor Bilandic and Gov. Thompson, Illinois would line up on the side of equality.

ALASKA LANDS BILL, H.R. 39

HON. NEWTON I. STEERS, JR.

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. STEERS. Mr. Speaker, for 3 days last week the House worked on a major piece of legislation that will preserve the beauty of our last great wilderness, the State of Alaska. I was pleased to be able to support this bill and joined with an overwhelming majority of my colleagues in approving H.R. 39.

The House of Representatives has passed a balanced bill. It is important to keep in mind that this bill frees up almost three-quarters of the State for economic development. The only land that is placed under different protection systems is land that is already under Federal protection. While we do protect approximately 100 million acres of land, we do not impede Alaska's ability to help meet this Nation's immediate needs for minerals and petroleum. This then is the balance that the House accepted; Alaska continues its mineral development on State owned and federally owned land. while the Nation preserves great sections of wilderness area.

There are several actions taken by the House that I feel are worthy of review. There were two amendments offered, one by Mr. YOUNG of Alaska and one by Mr. MEEDS of Washington that would have significantly reduced the amount of land to be protected under the bill. Mr. YOUNG's amendment would have reduced acreage in parks and wildlife systems by about 5 million acres. This amendment was defeated by a vote of 141 to 251 and I voted against the amendment. Mr. MEEDS' amendment would have reduced lands designated as "wilderness" from 66 million acres to 33 million acres. This amendment failed 119 to 240 and I voted against the amendment.

Congressman SANTINI offered an amendment that would have allowed for continued mineral assessments in Alaska. In addition, the amendment ordered the President to prepare a report for the process of evaluating applications for exploration and extraction of minerals. I voted against this amendment because I feel that it would have allowed for more drilling and digging in lands that we are trying to protect. Furthermore, this sort of activity would mean the construction of roads and heavy vehicle traffic in lands that are supposed to be protected for the animal and plant life that already exists in those areas. This amendment passed by a vote of 157 to 150.

Finally, the House rejected a motion of Mr. YOUNG's to recommit the bill with specific instructions to the House Interior and Insular Affairs Committee and the House Merchant Marine and Fisheries Committee that would have severely weakened the bill. This motion was rejected by a vote of 67 to 242 and I voted against the motion. The bill passed by a vote of 277 to 31 and I voted for final passage.

I want to take this opportunity to commend the chairman of the Interior Committee, Mr. UDALL, the chairman of the Alaska Subcommittee, Mr. SEIBERLING and Mr. MURPHY and Mr. LEGGETT of Merchant Marine and Fisheries for their hard work in presenting to the House a bill that is both balanced and farsighted. This is a very positive bill and I hope that it meets with success in the Senate.●

OUTRAGED ON TREATMENT OF YURI ORLOV

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. WOLFF. Mr. Speaker, I rise today to add my voice to the thousands throughout the world who are outraged by the trial and sentencing of Dr. Yuri Orlov, a Soviet dissident whose only crime was to monitor the compliance of the Soviet Union with the Helsinki Accords. The Soviet Union is, of course, a signatory of the Final Act of the Conference on Security and Cooperation in Europe, better known as the Helsinki Accords. Why monitoring the progress, or lack of it, by the Soviet Union in complying with an agreement they signed should be criminal can only be explained by the absence of the very human rights they agreed to follow.

Dr. Orlov, a respected theoretical physicist, was charged with "anti-Soviet agitation and propaganda" because he was the founder of the Helsinki human rights group. This group was made up of many well-known dissidents, who are also brilliant and internationally respected professionals in a variety of fields. For daring to speak up and protest the miserable Soviet record on human rights and civil liberties, Dr. Orlov was sentenced to 7 years in a labor camp followed by 5 years of internal exile.

The most disturbing aspect of the case against Dr. Orlov is that it is just one step in a series of measures designed to crush dissidence in the Soviet Union. Next in the defendant's chair will probably be Alexander Ginsberg and Anatoly Scharansky. Moscow is trying to destroy the dissident leadership by dealing with them very severely. Not that this type of sentence is anything new to dissenters in the U.S.S.R. Dissidents have been packed off to forced labor camps, prisons, and mental hospitals in all parts of the Soviet Union for years. The difference is that in the recent past Soviet officials have had some concern for their image abroad, how attacking celebrated dissidents might affect United States-Soviet relations. Now, however, the Soviet Government is assaulting the most famous, apparently without concern about how their actions might appear in the West. This certainly shows that the dissidents have been somewhat successful in the Soviet Union in spreading their message—at least enough for the party officials to feel threatened by their continued statements. The Soviet officials seem to be trying to convince both the dissidents and their supporters in the West that their protests make no difference, that they might as well give up.

We in the West will not be discouraged from raising our voices in protest, we will not give up. Detente is fading fast. In a nuclear age confrontation is best avoided. Yet the Soviets seem more interested in heightening tension in many regions rather than relaxing them. We do not want to return to the cold war, and all the rhetoric and mistrust that went with it. However, we will continue to protest these violations of human rights. We will not be convinced that our protests are useless.●

IT COULD ONLY HAPPEN IN AMERICA

HON. JOHN G. FARY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. FARY. Mr. Speaker, I would like to take this opportunity to bring to the attention of my fellow colleagues the story of Mr. Nick Awdziejczyk, a Polish born American citizen whose hard work and diligent efforts have made him a classic example of the American success story.

Nick is presently the general manager of Top Flight Industries, a Chicago based small business contractor, whose efforts and achievements were recently recognized by the Small Business Administration (SBA) as one of the outstanding small business prime contractors in the Midwest region. Top Flight was also recommended for consideration of the General Services Administration's Small Business Prime Contractor of the Year Award. It should be remembered that Top Flight was nominated from a field of 10 million small business firms throughout the country and a nomination in itself indicates the quality of Top Flight's workmanship.

But Nick's life has not always looked so promising. Born in Pinsk, Poland, Nick found himself a victim of Nazi aggression as Germany launched its lightning war against Poland and subjugated its people to its will. Nick was then brought from Poland to Germany and relegated to the status of a forced laborer for the remainder of the war. These were truly the darkest days of his life.

Nick remained in Germany after the war and attended the University of Pinneburg, located outside Hamburg, where he graduated with a degree in science. In August of 1949, Nick decided to come to America to seek his fortune. Upon arriving in Chicago, he found a few jobs while continuing his education at night, attending the Chicago Technical College and taking various engineering courses.

Eventually, Nick found employment with the Reflector Hardware Co., where he worked for 22 years. Starting out as a polishing machine operator, he gradually worked his way up the ladder to become project engineer and then production engineer prior to going to work for Top Flight Industries.

Nick is married to his wife of 20 years, Maria, and together they have three sons: 19-year-old Edward, a computer science major at Triton College; Andrew, age 16, and Christopher, age 14, both students at Weber High School in Chicago. Nick is a member of the Polish National Alliance, which he joined upon his arrival in this country in 1949 and a member of the father's club of Weber High School and actively participates in the local scouting program.

Nick Awdziejczyk came to work for Top Flight Industries as general manager in 1974 when Mr. Stanley Zarnowiecki, now president of Top Flight, decided to purchase that company when it was on the verge of bankruptcy. Zarnowiecki, already president of the Consumer Vinegar & Spice Co., knew he needed a competent and experienced man to operate the daily affairs of Top Flight if it were to reestablish its financial solvency and become a profitable business. That man was Nick Awdziejczyk. With Nick's expertise in the technical end of the business, coupled with his own financial know-how, Zarnowiecki was able to turn Top Flight into one of America's outstanding small businesses in a matter of 4 years. Beginning its operations in September of 1974 with only 8 employees. Top Flight now employs 28 people, including handicapped persons who were unable to find employment elsewhere.

Mr. Speaker, Nick Awdziejczyk recently came to Washington to attend a small business conference and award banquet and while he was here, I had the opportunity to meet with him. I was truly impressed with the efforts and achievements of Top Flight Industries and feel this company's future is just getting started. However, I was most impressed with Nick himself. Here was a man whose life stood virtually in ruins following the invasion of Poland and his subsequent forced removal to Germany, yet his spirit did not fail him. Overcoming countless odds, this man was able to educate himself, successfully pursue a respectable career, and raise a lovely family, all in a country where he felt his dreams could best be realized. To quote an unnamed author: "It could only happen in America." ●

PRO-LIFE POSITION

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. SKELTON. Mr. Speaker, many of my constituents have expressed concern over the use of Federal funds to promote or encourage abortions. As in the past, I share this concern, and I take this opportunity to express my views about it.

As I have stated before, I am now, and have always been, personally opposed to abortion. It is my sincere belief that life begins at the moment of conception. I do not believe that government, Federal or State, should do anything to promote or encourage abortions, particularly elective or nontherapeutic abortions. In my view, indiscriminate abortion cheapens the value of each individual life and degrades society. As a member of the Missouri State Senate and now as a Member of the U.S. Congress, I have reflected these views.

It is for these reasons, plus the fact that we should carefully scrutinize the spending of the taxpayers' dollars, that I intend to support an amendment to the fiscal year 1979 Labor/HEW appropriations bill to prohibit the use of Federal funds to pay for abortions or to promote or encourage abortions.

I intend to continue to work for and support legislation that would provide proper protection of the unborn.●

GOD THE GREAT ARTIST

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. HUCKABY. Mr. Speaker, with all the problems that command so much of our attention every day, we sometimes forget the natural gifts we enjoy in this Nation. Therefore, I commend to my colleagues the following celebration of nature, written by Mrs. G. B. Green, of Monterey, La., and printed in the Concordia Sentinel:

GOD THE GREAT ARTIST

In this great world that God has given us, there is one tiny spot that I call my own. Sometimes I think of it as my own haven or my open air theatre.

In front of me is a stream of water that is crystal clear. It reminds me of a huge mirror. Each morning as the sun comes up and shines down on the water, the reflection looks like an enormous diamond and the sparkles go in every direction.

The scene as it first appears is a dark rose color and all around it is a soft pink that gradually diminishes into the blue sky.

The sky is a delicate and soft tone of blue. I know God must have made very soft strokes to get such a delicate and lovely hue.

I suppose the color blue is the most popular one of all. So much has been written about it. Such as Rhapsody in Blue, Blue Heaven, The Blue Danube and so many more.

On each side of this stream are borders of green trees. If you will look close enough, you will see that each type of tree is a different shade of green. My favorite ones are two cypress that stand so proudly and erect, and they have shapes like two giant Christmas trees. Sometimes after a rain and the sun shines on the rain drops that cling to their lacey leaves, the drops glitter like a million diamonds, then they look more like Christmas trees than ever.

Another one of God's wonderful works of art is a little girl swinging in a rope swing that hangs from a branch of a very big pecan tree. She had the broadest grin and sparkling eyes that blend in perfectly with our blue sky. She brings to mind a song that was once very popular, "Thank Heaven for Little Girls." I am going to play it safe and say "Thank Heaven for Little Boys."

For added color there is a bird with a red head, another one with a splash of yellow on its wing and of course there is also the solid red and the blue ones.

In all the beauty and glitter of the world, there is always a little sadness. In this case it is the sad coo of a dove, they also symbolize God's love for us, because sometimes in the history of mankind, God sent down his great love on the wings of a dove.

Lord, thank you for giving us such a beautiful world and painting it so lovely.●

THE ROAD TO PROSPERITY—PART III—THE STATIC ANALYSIS OF THE CAPITAL GAINS AMENDMENT

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. STEIGER. Mr. Speaker, yesterday, I indicated that there were two types of analysis available for changes in tax policy. One version, used by the Treasury Department, is arithmetic or static analysis. This tax model is a microeconomic model of the Federal individual income tax. It was originally developed at the Treasury Department, Office of Tax Analysis, in the early 1960's to produce revenue estimates for the 1964 tax cut. Producing revenue estimates in support of legislation continues to be its primary purpose.

In recent years, we have reduced the debate on tax policy to the question of how much revenue is gained or lost from a change in existing policy. The advent of the Budget Act has encouraged this trend, because of the focus on tax expenditures as one form of Government spending. It seems that some have assumed that all income belongs to the Federal Government, and that the private sector is subsidized through tax expenditures. It is a ridiculous assumption, but it has credence in some circles.

The danger of focusing on revenue estimates when deciding tax policy is that we may ignore the more important elements of tax policy, namely simplicity, equity, and efficiency. This is one caveat we should all keep in mind when reviewing Treasury and Joint Tax Committee estimates.

Another danger is that the tax model is a microeconomic model, it only estimates the first order revenue impact; it does not estimate the macroeconomic impacts of tax legislation. No account is taken of the additional (second order) tax revenue resulting from the stimulative effect of a tax cut. Nor are shifts in relative prices of capital assets benefiting from some favorable legislation in that area allowed to reduce the revenue loss to the Treasury, because of the possibility of increased investment boosting the economy. The model does not account for feedback, and thus has no dynamic implications.

This has been a controversial area, because feedback is difficult to measure. It cannot be ignored. The problem is that little agreement exists on the assumptions necessary to construct a model. For instance, there would be a problem of consistency should one attempt to take second order effects into account. Treasury has been unwilling to grapple with the issue, and the tax model is used only to produce first order estimates of the revenue impact of tax changes.

As I mentioned yesterday, four dynamic models have been used to analyze the capital gains amendment. I included the DRI version in the CONGRESSIONAL RECORD. Today, I am including the static estimates for the Members to review. In my next installment, I will describe how the dynamic models work:

STEIGER ALTERNATIVE CAPITAL GAINS AND MINIMUM TAX PROPOSAL, H.R. 12111

[In billions of dollars]

Provision	Calendar year— 1980	1981	1982	1983
Corporate	−378	−414	−465	−476
Minimum tax	−109	−119	−130	−143
Total	−487	−533	−584	−639
Individual:				
Alternative tax	−485	−522	−561	−603
Minimum tax	−1,405	−1,545	−1,700	−1,870
Total	1,890	2,067	2,261	2,473
Corporate and individual, total	2,377	2,590	2,845	3,112

Source: Joint Committee on Taxation. Apr. 20, 1978.●

EQUAL RIGHTS AMENDMENT

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Ms. HOLTZMAN. Mr. Speaker, Edith Bunker supports the Equal Rights Amendment, according to Jean Stapleton who portrays her in the television program "All in the Family." Jean Stapleton explained why Edith believes that homemakers will benefit from ERA in a recent speech at Emerson College. I commend her remarks to my colleagues. The text of excerpts from the speech, printed in the New York Times on Friday, May 12, 1978, follows:

"EDITH BUNKER" ON THE E.R.A.

(By Jean Stapleton)

(Following are excerpts from an address given by Jean Stapleton, who plays Edith Bunker in the television program, "All in the Family," upon receiving a doctor of humane letters degree at Emerson College, in Boston.)

A newspaper was conducting a survey of celebrities. Their question was: What do you regard as your greatest achievement? I said, and meant it, I haven't lived long enough to answer that question. I have the same answer today: I haven't lived long enough to deserve this singular honor. Therefore, instead of resting on this prestigious laurel I shall treat it as an obligation and renew my efforts to recognize and utilize my God-derived humanity.

Personally, I anticipate the same old struggle against the familiar obstacles: self-interest, self-justification, self-will, and so on, but in my imagination I have a role model to emulate—Edith Bunker because, her intellectual shortcomings notwithstanding, Edith has become the epitome of compassionate and selfless humanity.

Early in our 8-year run, a woman telephoned her doctor in exasperation asking for a soothing antidote for her frayed nerves. With some irritation, she told him that her husband at the height of their worst argument said to her: "Why can't you be like Edith Bunker?" Of course, at that time he may have been fantasizing about the old, submissive Edith. Thanks to the influence of her enlightened daughter and neighbor, Edith is growing . . . to know herself as a whole person with rights and power. How we all love the moments when Edith stands up to Archie. The audience cheers. Most of the letters I receive are from young people 8 to 18 who state that those are their favorite moments.

Yes, the concept of equal partnership is beginning to dawn on Edith. We hope that poor Archie can keep up with her, for next season he'll have some challenges. A question I am most asked by the press is: "Do you think Edith would support E.R.A.?" Well, since Edith was born in the imagination of Norman Lear and her development was carried on in the collective thinking of more than nine writers, five producers, three directors and four actors, we would need a script conference to determine the answer. But lacking that, I assume the privilege of answering. Yes, if she understood it.

For it is the homemaker like Edith who stands to benefit most from the Equal Rights Amendment. Contrary to some misconceptions, she will not have to leave her homemaker job unless she chooses. She will not lose the protection of her husband; rather, she will gain more in that her legal rights and standing in the economy, insurance, Social Security, inheritance, divorce, credit, taxes, etc. will be guaranteed.

Until two and a half years ago, I thought I was in the Constitution. I believed the use of the word "men" in the Bill of Rights and Declaration of Independence was generic. Legal inequalities in our society reveal that I was mistaken. The rights of all races and religions are now squarely written into the Constitution. The only right spelled out there for women is suffrage. The E.R.A. has nothing to do with privacy or sexual preference. It says, "No rights shall be denied or abridged because of sex."

That means male and female. I believe a woman has the right to engage in combat in the armed forces if she wants to. I also trust that the armed forces in the event of a draft would utilize men and women according to their capabilities, as they have done in the past.

Opponents say we have ever-increasing Federal laws to remedy women's unequal legal status. True, but these are fragments subject to the winds of political change. The 27th Amendment will guarantee our equality with men—not our sameness—but our equality. This is the principle on which our country was founded—equality of opportunity, freedom of choice under the law.

Of course Edith Bunker would support ratification of the 27th Amendment to the Constitution because it is a matter of simple justice—and Edith is the soul of justice.●

THE BOUNDARY WATERS WILDERNESS ACT: SIGURD OLSON'S UNIQUE ROLE—PART III

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. FRASER. Mr. Speaker, I would like to call my colleagues' attention to the final installment of a three-part interview the Madison, Wis., Capitol Times conducted with Sigurd Olson, a leading advocate for increased wilderness protection for the Boundary Waters Canoe Area. The author of many books on the great north woods, Sigurd possesses a capacity to interpret wilderness values in human terms. And these values are too frequently overlooked in the heat of the kind of political deliberations we are currently going through on the BWCA.

The opportunity for solitude, the chance to escape the trappings of modern society, the possibility of better understanding our primeval roots, are all part of the allure of the northern lakeland wilderness. As Olson says:

When people go into the wilderness today—where there's any left unravished by noise, by mechanical motors—they are looking for the same spiritual inspiration the early people found. And many of them today, more than ever before, are finding it again.

Our debate could be placed in no better context than what Olson offers as a final thought:

You must understand that, in saving the Boundary Waters
Canoe Area, in saving any wilderness area, you are saving
more than rocks and trees and mountains and lakes and rivers.
What you are really saving is the human spirit.
What you are really saving is the human soul.

The interview follows:

WILDERNESS A "SACRED" PLACE

(Editor's note: Now in his 79th year, famed naturalist and writer Sigurd F. Olson has never lost his love for the Boundary Waters Canoe Area, a love which a life time ago lured him into its interior as a professional wilderness guide. In the following, the third and concluding installment of an interview which took place at his Ely, Minn. home. Olson discusses the "intangible values" which lure people into the BWCA today.)

Question. When you talk about going into the wilderness for intangible values, are you talking about spiritual values? Is the wilderness a spiritual experience for you?

Answer. It's true, I do have a deep feeling for wilderness values. I've always had the feeling. I think I was born with it. I didn't have to acquire it. Call it spiritual, if you will. Call in an understanding of intangible values. Call it harking back to the primeval pool of awareness which is within us all.

Whatever it is, it has dominated my whole life. It has made me do a great deal of writing, too, trying to tell how I feel about the greater value of wilderness.

I've always felt that any wilderness is unique.

I remember very well an experience in Paris. I was in a friend's apartment on the Left Bank of the Seine and, as usual, talking about wilderness. And my friend said:

"Do you see that vine coming up past my window? Well, I'll never know the wilderness that you've seen all over the world, but that vine is my wilderness. In that vine is all of nature, all of growth, all of God. There is my particular wilderness."

I've often thought of that. My friend understood.

The many young people who come through here have much the same feeling, but in a broader sense. They're going into the wilderness now trying to find something bigger than themselves. Something sacred, as opposed to secular. Something the Indians sensed long before we came here.

They had the sacred places where they didn't speak, just as we have it in our great cathedrals and in our places of worship.

They had it on the Kawashaway, the land they called "No Place Between." They had it on Darkey Lake. They had it on LaCroix. They tried to epitomize in such places that there were values which they felt deeply about. They tried to put those values into words long before there was such a thing as a written language. And the legends have come down.

In the caves of France and Spain—in the dark recesses of those caves—other early people painted pictures, sacred pictures, legends. They were all animists at heart. The spirit world was in everything.

So when people go into the wilderness today—where there's any left unravished by noise, by mechanical motors—they are looking for the same spiritual inspiration the early people found. And many of them today, more than ever before, are finding it again.

They find it in the sense of harmony and oneness with all living things. They find it in a feeling of communion and meditation. And, as I said in one of my books, one doesn't have to be a Buddhist to meditate, or get into any special position. Just looking at any natural thing is, in a sense, meditation. It is communion with God, or the Spirit.

So I think that's what people are looking for in the wilderness today, spiritual values. And they are almost impossible to define.

I've done a great deal of reading in Oriental religions. One of my friends was a practicing Buddhist and I have a Buddhist Bible in my library which I read occasionally. I asked my friend once to put into a single sentence what Buddhism means.

"Buddhism, to me," he said, "means gentility, peace, understanding and, above all, the sense of oneness—including the reverence that Albert Schweitzer talked about. And Lin Yutang. And Lao-Tse. And Confucius."

All of the Orient has this feeling. And it is this feeling that the Boundary Waters Canoe Area represents. We can get it; but not everybody can get it. Sometimes it takes time.

Question. I know what you're saying. And I've heard an awful lot of trout fishermen over the years try to express the same thing, but never so eloquently. They'll understand this, because you're talking their language. Now, what do you say to somebody who thinks this is all so much impractical, esoteric bull?

Answer. Well, let me say this. I remember one time, years ago, I guided a business magnate on a canoe trip back into the bush. It took him about four days to settle down to get calm, to notice sunsets and moonrises. And on the fifth day, I found him sitting on the ground, just watching a colony of ants. I asked him what he was doing, was he all right?

"I have never noticed ants before," he said. "Never before in my whole life. The enormous loads they carry. They all seem to know where they're going . . ."

The wilderness had opened his eyes to a whole new world that his frenetic, busy life back in town didn't give him a chance, an opportunity to think about.

I've noticed another thing out in the back country.

As men approached town after a long time in the bush, the civilization would reach out and take them, two or three days from town. They knew they were coming back to the old life and they were anxious to get back. But I could see the change.

Their minds were no longer concerned with sunsets and the calling of the loons or the hermit thrushes. Their minds were involved once again with the old lives they were going back to. But the interesting thing is that, even after they got back to their cities and their jobs, they never really forgot the impact of those days in the bush.

Sometimes I go to visit them, and they dig out the old maps and the pictures, and we'll spend an evening or two talking about fun we had and the joys they had known.

So they had absorbed some of the spiritual values; and once you absorb spiritual values, you don't lose them very easily.

Question. But that's the problem with saving wilderness, isn't it? Not everybody absorbs the spiritual values.

Answer. Of course, not everyone absorbs them. Some people go into the bush and come out, and they never get the spiritual at all.

I used to be amused when I'd come back in from a trip and usually the first questions from the people back in town were: Well, how did you do? Did you catch any big ones?

And I'd ask, "What big ones?"

They'd say: Didn't you do any fishing?

"Oh," I'd say. "We did fish a couple times."

Well, they would be greatly disappointed. They couldn't imagine going back into the bush without going in to fish. I always figured that, if they had gone back into the wilderness and stayed long enough, they might discover something different from fishing.

Intangible values, that's what we're talking about. Values that are difficult to explain. You can't put a value on them.

Once in Germany, during World War II, along a stretch of the River Main—ruined buildings all around, the stench of death everywhere—I saw a flock of mallards come flying down the river as they had always done. That flock of mallards was an intangible value, and, all of a sudden, I was back in the North Country.

Intangible values? The whole business of Conservation and Preservation is based on those intangible values.

You must understand that, in saving the Boundary Waters Canoe Area, in saving any wilderness area, you are saving more than rocks and trees and mountains and lakes and rivers.

What you are really saving is the human spirit.

What you are really saving is the human soul.●

TURKISH CYPRIOT STATEMENT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues a statement by the Turkish Cypriot community's leader, Mr. Rauf Denktash, which outlines more clearly than I have ever seen before the current Turkish negotiating position on Cyprus and thus casts a new light on the prospects for early movement toward an equitable and lasting Cyprus settlement.

The Turkish Cypriot statement stresses the following points:

First, a willingess to consider significant territorial readjustments;

Second, an indication of a willingness to make further troop reductions as the intercommunal negotiations progress;

Third, an undertaking that some 30,000 to 35,000 Greek Cypriots can commence returning to their homes and businesses in the city of Varosha as the negotiations progress;

Fourth, A willingness to consider means to reopen Nicosia airport for civilian traffic;

Fifth, the possibility of joint economic ventures between Greek and Turkish Cypriots.

In a few weeks, Congress will be considering H.R. 12514, the International Security Assistance Act of 1978, which contains important provisions regarding Greece and Turkey and the lifting of the partial arms embargo against Turkey.

A key objective of the United States and the Eastern Mediterranean is to promote successful negotiations for a settlement of the Cyprus dispute. What the Turkish Cypriots offer here is positive. Although not as forthcoming as many of us would like, this statement does offer hope for the start of negotiations.

The statement of Mr. Denktash follows:

STATEMENT BY TURKISH CYPRIOT LEADER DENKTASH, MAY 22

I had a discussion on the question of Cyprus with the Secretary-General, H. E. Dr. Kurt Waldheim.

This meeting gave me the opportunity to reconfirm in detail the position of the Turkish Cypriot Community regarding the intercommunal talks.

This position can be summarized as follows:

The Turkish Cypriot Community believes that sustained intensive good faith negotiations between the Greek and Turkish Cypriot Communities with a view of reaching a just, lasting and mutually satisfactory settlement on Cyprus should not be delayed any longer. With this goal in mind, the Turkish Cypriot representatives presented to the Secretary-General, Dr. Kurt Waldheim, on April 13, 1978 a description of the proposals that the Turkish side is prepared to put on the table once the intercommunal talks are reconvened. These proposals, it has been stressed, represent a negotiating position that can provide a starting point for discussions. The Turkish side had made a commitment to the Secretary-General, Dr. Kurt Waldheim, to engage in negotiations with an open mind and in a spirit of conciliation and flexibility.

The Turkish side is prepared, in short, for a genuine and productive dialogue. It is the belief of the Turkish Cypriot Community that intercommunal negotiations under the auspices of the Secretary-General of the United Nations should be immediately resumed.

The Greek side will not contribute to a settlement of the Cyprus issue by refraining from negotiations when the Turkish Cypriot attitude is so conciliatory.

It is the Turkish Cypriot belief that the guidelines agreed upon by Archbishop Makarios and myself at our meeting in February 1977 constitute the essential framework for a Cyprus settlement, according to which Cyprus must be a sovereign, independent, non-aligned, bi-communal and bi-zonal federal state.

The federal structure should incorporate, as indicated in the constitutional proposals of the Turkish side, a joint constitutional legislative and executive bodies as well as such functions as foreign affairs, external defence, banking, foreign exchange and monetary affairs, federal budget, customs duties and tariffs, external communications, federal health services, tourism and information etc.

In addition to such federal governmental structure and functions, the constitution must also provide satisfactory safeguards for the rights of individual Cypriots without infringing upon the bi-zonal and bi-communal character of the federal state envisaged.

The Turkish side is prepared to consider significant geographical re-adjustments in the light of its economic viability and security requirements which would enable a considerable number of Greek Cypriots to resettle.

It has been the longstanding position of the Turkish Government that upon conclusion of the Cyprus settlement all Turkish military forces will be withdrawn from the island, except those whose continued presence will be authorized under the terms of the settlement. This position is hereby reaffirmed. Since 1975 the Turkish Government has already withdrawn some 16,000 troops from Cyprus, and it is my understanding that it is prepared to make further such reductions as the intercommunal negotiations progress.

As further demonstration of the forthcoming approach of the Turkish side I announce that it is the Turkish Cypriot position that as negotiations progress, Greek Cypriot inhabitants of the city of Varosha may commence returning to their homes and businesses. We believe that aprpoximately 30,000–35,000 Greek Cypriots can eventually be accommodated in Varosha under arrangements that would meet the legitimate security concerns of the Turkish Cypriot and the Greek Cypriot communities. As far as the long term status of Varosha is concerned the Turkish Cypriot side is fully prepared to discuss alternative formulae once the intercommunal talks are resumed. It has already been stressed that the future political framework of Varosha is open to negotiations. All these are envisaged in the Turkish Cypriot proposals and explained to the Secretary-General, Dr. Kurt Waldheim, on April 13, 1978.

These proposals also indicate that the freedom of movement shall be fully implemented through progressive stages to be agreed upon by both sides in a way that will ensure security, and the freedom of settlement will be enlarged in time in a way that would increase cooperation between the two national communities while at the same time preserving the basic bi-zonal and bi-communal character of the federal state.

The Turkish Cypriot side is also eager to discuss with the Greek Cypriot side other practical steps to heal the wounds of the past. Discussions could be initiated under U.N. auspices on reopening Nicosia Airport for civilian traffic providing also for initial United Nations use.

It would be productive to discuss immediate cooperative efforts in the economic areas such as the construction of a pipeline to bring water from Turkey to Cyprus for use by both communities.

It is the Turkish Cypriot view that the resumption of negotiations on a Cyprus settlement and on related issues should not be dependent on extraneous factors but should commence immediately. The Turkish Cypriot Community stands ready to meet at any time with the Greek Cypriot Community to work in good faith to reach a settlement of the Cyprus problem.

I understand that both Mr. Kyprianou and myself will be in the U.S.A. for some time. It will be much better if instead of working with cross purposes, we would come together in a search of a solution to the benefit of both communities.

I want to reiterate what I said to the press on Friday, May 19, 1978. I am ready to meet Mr. Kyprianou, anywhere, any time and to discuss the problem with him even without any agenda.●

SOCIAL SECURITY FINANCING

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. FISHER. Mr. Speaker, to stabilize the three social security trust funds—for old age, disability, and medicare—Congress last year approved increases to begin in 1979 in the payroll taxes which support the funds. Both the wage base—the amount of wages subject to tax—and the tax rate are scheduled to rise in several steps over the next several years. Some Members of Congress who favored these increases as a way of insuring the financial strength of the social security program into the next century are now having second thoughts about the wisdom of further increases in this tax. A debate is now going on over whether to roll back the scheduled tax increases and if so, how to accomplish the rollback.

In opposition to a reduction in the taxes approved last year, the trustees of the social security trust funds, some Members of Congress, and some private organizations such as the National Association of Manufacturers argue that last year's legislation restored the financial integrity of the social security system. The quadrennial Social Security Advisory Council has just begun working on its 1979 report. This council, as well as the National Commission on Social Security, established by the 1977 legislation, will be looking at the financing arrangements for the system. Since the really large tax increases do not begin until 1981, opponents of change now believe that there is ample time to wait for the recommendations of the study groups before altering the financing provisions of the law.

The proponents of an immediate rollback argue that the schedued tax increases are too large, bear too heavily on the middle-income classes, provide a disincentive to employers—particularly small ones—to hire new workers, and add to inflation. They believe that a reduction in the social security payroll tax would help to keep the economy on a steady course.

Among those who want the taxes lowered, there is no agreement on the level of the reduction or the best way to make up the resulting loss to the trust funds. Most of the proposals call for one of the following: Shifting one of the social security programs or parts of it from payroll financing to general revenue financing; using general revenue to replace payroll taxes; cutting back on some types of benefits.

The method for reducing the payroll tax that I would prefer, if Congress decides to do so, is to remove the disability program from the payroll tax and make it a general revenue financed program. The social security program was begun as a retirement pension plan. As time has gone on, additional kinds of benefits have been added, some like medicare, age-related and some not, and payroll taxes have been increased to pay for the additional benefits. With public concern over the level of payroll tax that will be necessary to pay for all the benefits in the future, the time may have come to remove the major non-age-related program from the social security payroll tax financing. This program is disability insurance. Furthermore, the disability part of social security is in the worst financial condition and apparently involves the most troublesome administrative difficulties.

Any person with minimal time working in social security-covered employment who becomes disabled can receive disability insurance benefits for as long as the disabling condition persists. The benefits in this situation are unrelated to the purposes of a retirement pension and health care system. Income protection for the disabled might be better provided through general funds than through earmarked payroll funds.

This would not violate the principle of maintaining earmarked funds for income security and medicare programs which are so important for the protection of older and retired citizens. The age-related progams would remain under payroll financing and their entitlement status would not be jeopardized. Public confidence in social security, which had been undermined by concern about its fiscal soundness before the 1977 legislation and is still endangered by distaste for the tax increases, would be restored once the payroll tax was reduced by this proposal.

If there is to be a cutback, I would propose reducing the payroll tax by the portion of it that is now allocated to disability insurance. I am introducing a bill today that would accomplish a payroll tax reduction in this way. Of the 6.13 percent tax to be paid by both employers and employees in 1979, 0.75 percent is allocated to the disability insurance program. If the disability portion were not included in the payroll tax, the maximum social security tax would be reduced from $1,404 to $1,232. To avoid putting too great a strain on general revenues, which come from the income tax, I would phase in this change over 2 years. Thus in 1979, the tax rate would be reduced by 0.375 percent from its scheduled level and in 1980, it would be reduced by the full 0.75 percent. The following table shows the tax rates through 1990 under the present (1977) law and under my proposal. Table follows:

SOCIAL SECURITY TAX RATES UNDER PRESENT LAW AND UNDER PROPOSAL TO ELIMINATE DI TAXES

[In percent]

Year	Present law				Proposal			
	OASI	DI	HI	Total	OASI	DI	HI	Total
Employers and employees, each:								
1978	4.275	0.775	1.00	6.05				
1979	4.330	.750	1.05	6.13	4.330	0.375	1.05	5.755
1980	4.330	.750	1.05	6.13	4.330		1.05	5.380
1981	4.525	.825	1.30	6.65	4.525		1.30	5.825
1982–84	4.575	.825	1.30	6.70	4.575		1.30	5.875
1985	4.750	.950	1.35	7.05	4.750		1.35	6.100
1986–89	4.750	.950	1.45	7.15	4.750		1.45	6.200
1990 and later	5.100	1.100	1.45	7.65	5.100		1.45	6.550
Self-employed:								
1978	6.0100	1.0900	1.00	8.10				
1979	6.0100	1.0400	1.05	8.10	6.0100	.52	1.05	7.5800
1980	6.0100	1.0400	1.05	8.10	6.0100		1.05	7.0600
1981	6.7625	1.2375	1.30	9.30	6.7625		1.30	8.0625
1982–84	6.8125	1.2375	1.30	9.35	6.8125		1.30	8.1125
1985	7.1250	1.4250	1.35	9.90	7.1250		1.35	8.4750
1986–89	7.1250	1.4250	1.45	10.00	7.1250		1.45	8.5750
1990 and later	7.6500	1.6500	1.45	10.75	7.6500		1.45	9.1000

Other proposals have been put forward. One would be similar to mine, but would change the financing of the medicare program instead of disability. Because that proposal undermines the connection between contributions and entitlement to hospital benefits for older people, I believe it to be less desirable. However, proposals to separate other programs which are not directly age related from the payroll financing should be examined.

The debate over the proper level of payroll taxes and the financing of social security will continue. I am putting forward my proposal in the hope that other Members will see its advantages and consider it as a solution to the controversy.●

A CORPORATE LOOK INWARD: WHAT IS GOOD FOR THE ARTS MAY BE GOOD FOR BUSINESS

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. BRADEMAS. Mr. Speaker, one of the outstanding leaders of our country is J. Irwin Miller, chairman of the Executive and Finance Committee of the Cummins Engine Co., Inc., of Columbus, Ind.

Mr. Miller recently delivered an address to the 11th annual "Business in the Arts" award luncheon entitled, "A Corporate Look Inward: What Is Good for the Arts May Be Good for Business."

I ask unanimous consent to insert in the RECORD the text of his remarks as excerpted and published in the Chicago Tribune:

The article follows:

A CORPORATE LOOK INWARD: WHAT IS GOOD FOR THE ARTS MAY BE GOOD FOR BUSINESS

(By J. Irwin Miller)

American businessmen today are indignant. They are having troubles with profit margins, troubles with government regulators, troubles with foreign governments. On top of all this, antibusiness sentiment is growing—among the young, among housewives, among consumers generally. "It's not fair," we businessmen tell ourselves. "Nobody mentions or gives us credit for the great contribution of business to the nation and to the world." . . . To all this my reply, as a business manager of more than 40 years' service, is, "Down boy!"

We had better ask ourselves a hard question or two. The papers have reported that more than 430 corporations disclosed to the IRS that they had made a variety of illegal political and other payments. We have all read about multimillion-dollar bribes given by business even to heads of state. We know about housing development scandals, security frauds, bank scandals, lawyers going to jail, doctors ripping off Medicare. But most of all we have our own cocktail hour conversation—about personal experiences at airline counters, at department stores, with automobile and TV repairmen. Why get indignant? Who would expect any other public response than the one we now receive?

The pathetic thing about us is our most frequently proposed solution: a new wave of programs to "tell Americans the story of business." As we say, we must effectively counter the teaching of socialistic college professors. So, when an airline begins to develop a reputation for losing passenger baggage, its first response is all too often to mount a multimillion-dollar advertising campaign to instruct the public in how well it handles baggage. We all know similar examples; they are embarrassing.

What has all this to do with business and the arts? I have begun with this kind of statement because I would like to lay to rest the notion that business support of the arts is "good for the image of business." A store that gives contemptuous service at the counter, a manufacturer who makes shoddy products, a multinational which bribes heads of states, if it counters by advertising its superb collection of avant-garde paintings, invites public comment printable not even in Playboy.

The American public is pretty patient. It is tolerant with all who try, and it is tolerant of business when it perceives it to be trying. On the other hand, business itself has long told Americans to expect great things from the products and services of business, and has beautifully described the "miracles" business had wrought. It is therefore not at all surprising that the expectations of Americans from business are reasonably high.

When the products of business really work, when business is known to step up and accept responsibility for mistakes, when it serves its customers with understanding and humanity, when it obeys the laws of every land in spirit as well as letter, then I think the image of business will change for the better.

Well, then, if business can probably not do much to change its image simply by supporting the arts, why should business give to the arts? Let's back up one step. Why should business give at all? There are those who say it should not.

Milton Friedman expressed this opinion most forcefully in a New York Times Magazine article. He said: "The social responsibility of business is to increase its profits . . . only people can have responsibilities. Business as a whole cannot be said to have responsibilities . . . In a free society there is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits as long as it stays within the rules of the game."

You may be thinking that perhaps this doesn't really exclude generous support of the United Way, going the extra mile for customers, voluntary efforts to clean up industrial pollution. I think it does. In a Newsweek column, Prof. Friedman, commenting on business and pollution, argued that business should not really do anything that costs money and that it isn't compelled to do by law or by direct contribution to profit.

Now let's reflect on that a little. Do you really imagine that an individual, after being told explicitly and by long example that his company has no responsibility to him or to anyone else except insofar as it maximizes its legal profits—do you imagine that such an individual will be of a mind to make a loyal commitment to the welfare and progress of his company, to go to extraordinary lengths in helping to solve its problems? Or do you imagine that such a worker, assuming he is in on the shop floor, might be inclined to maximize his own legal profits by stretching out the work so that he can get more overtime—or maybe even a little Sunday double time? Perhaps Prof. Friedman can be excused for his naivete. He is a tenured professor and hasn't had to meet a payroll. Let me add to his opinion that of a well-known businessman, Henry Ford, founder of a very successful profit-making business. He once wrote to a complaining stockholder:

"Business and industry are first and foremost a public service. We are organized to do as much good as we can everywhere for everybody concerned I do not believe we should make such an awful profit on our cars. A reasonable profit is right, but not too much. So, it has been my policy to force the price of the car down as fast as production would permit and give the benefit to the users and laborers with resulting surprisingly enormous profits to ourselves."

People such as Henry Ford are saying meaningful freedom will stay alive, and democracy will exist, only among people who feel fairly treated, recognized and who feel individually that they have a chance to use their abilities to the full.

So Henry Ford was more realistic than Prof. Friedman. We save ourselves, our business, only by making this society work equally well for all its members. To me that means, among many other things, voluntary individual and collective concern, voluntary giving—giving knowledge, time, money wherever we are convinced it will improve quality, correct evils, extend equity in America. The case for corporate giving is an essential part of corporate survival.

But why the arts? Are they not just an ornament, a status symbol, OK in good times, but something to be quickly abandoned at any sign of a downturn, something surely less than the reality of living and surviving? I suppose we have to ask, What is real? Well, I'm not about to give up willingly all the creature comforts that America has achieved, nor the luxuries possessed here by such an astonishingly large portion of the population, and neither are you; but why is it that, in the midst of our superb material achievements, we aren't the most deliriously happy people on the face of the Earth?

There is today not a group among us, young or old, rich or poor, black or white, man or woman, that doesn't have some degree of anger in its collective or individual life, some feeling that there ought to be more to life than this. We say that men and women are alienated, and we point to the highest divorce rate of our history. We say that children and parents are alienated. We say that blacks and whites are alienated.

Do you know what an alien is? He is a fellow who has no home here. He may not know where home is, but for him he does not find it here.

Why do Americans suddenly feel alienated, homeless? Twenty-three hundred years ago, in a play by Euripides, a character said: "Where the good things are, there is home." What are the good things that will make America a home for all its people? Are they air-conditioned houses, with pools, patios, and barbecues? Divorces can happen there, too, and children can leave such homes in anger.

Are they compassionate families, each of whose members find happiness in the happiness of the other, share with each other? Few children leave such homes, no matter where they travel.

It is the ancient task of the best artists among us to awaken us. The artist at his best helps each of us to discover what our best might be, helps us truly to see our neighbor, helps him to see us. If all this is true, then the artist helps us to discover the good things in our own selves, helps us to be at home with ourselves, and in so doing can help us to make America a home for all its members.

I think such an America might be a very good place for any business. So money and time and concern spent here might turn out really not to have been "spent" at all.●

AUGUST A. PINELLI: AN OUTSTANDING CITIZEN

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. DON H. CLAUSEN. Mr. Speaker, the city of Sonoma is fortunate in being blessed with many outstanding local leaders. Such a man is August A. Pinelli, who was born, raised, and has always lived in Sonoma.

As a teenager he went to work in the hardware store and 10 years later he was owner and operator of the business. He also assisted in organizing the volunteer fire department, served as a volunteer fireman and eventually became fire chief.

Like his father before him, he served as a member of Sonoma City Council from 1932 to 1954, during which time he served several terms as mayor.

He was chairman of city cemetery commission for 30 years, and at the same time served as a trustee for local school board and for the Sonoma State Hospital. He was a leader in the formation of the boys club, and served as a member of its board for many years. He served on the public utilities commission, and has frequently been called upon to advise area, State and county officials and organizations for several decades. He is a lifetime member of St. Francis Solano Church, a longtime member of the local Kiwanis Club, and was appointed in 1976, as the first Honorary Alcade of the city.

In addition he served on the Sonoma draft board for World War II, and 1 year on the county grand jury. His efforts in working for passage of State legislation called the Hospital District Act resulted in the construction of the Sonoma Valley Hospital.

Mr. Speaker, one word, one thought, is woven throughout Mr. Pinelli's life—and that is service—to his family, to his church, to his community, he selflessly devoted his time, energies and resources. There is an old saying, "If you want something done—look for a busy man." People have been looking to August Pinelli for years as the man who gets things done in Sonoma.

It has been said that freedom rests, and always will, on individual responsibility, individual integrity, individual effort, individual courage and individual religious faith. August Pinelli is truly a free man. His guiding philosophy seems to be similar to that of the person who said: "I am only one, but I am one. I cannot do everything, but I can do something; and what I should do and can do, by the Grace of God, I will do."

The citizens of Sonoma realize how deeply in debt they are to Mr. Pinelli. To express their appreciation and to serve as an inspiration for others to emulate his dedication, the city of Sonoma will name a park in his honor.

So that the nation may be aware of the high esteem in which the city of Sonoma holds August Pinelli, I am entering my remarks in the CONGRESSIONAL RECORD. I want my colleagues in the Congress and people throughout the Nation to be aware of the high esteem in which the city of Sonoma holds August Pinelli.●

TRIBUTE TO DR. FREDERICK W. HILL, NOTED EDUCATOR

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. LENT. Mr. Speaker, Dr. Frederick W. Hill, superintendent of the Hicksville Public Schools on Long Island, is retiring after 40 years of distinguished service as an educator. I wish to congratulate and commend Dr. Hill for his many contributions to the Hicksville community, and to our entire Nation. Indeed, he has compiled a record worthy of the highest tribute.

Dr. Hill brought to the Hicksville schools the benefits of his wide ranging interests and experiences. His career began as a teacher and supervising principal in a small midwestern community, and he accepted numerous progressively responsible positions, including that of deputy superintendent for business and administration in New York City—the largest school system in the Nation. Thus, his efforts in Hicksville reflect both the wisdom of experience and the enthusiasm so necessary to meet the demands of the job as superintendent.

Educators across the country recognize Dr. Hill as the "No. 1 School Business Administrator" because of his success in promoting sound business management policies and practices, and his leadership in school systems. His national reputation was affirmed when the Association of School Business Officials conferred upon him certificate No. 1 as a registered school business official and registered school business administrator.

The role of education in our democracy is an important one, and Dr. Hill's philosophy was based on his commitment to education as a means of self and community betterment. By encouraging all people to seek the highest level of accomplishment, Dr. Hill has made a significant contribution to the personal satisfaction of many, and to an active program of community involvement to help those less fortunate.

Dr. Hill's commitment to educational opportunity is not only demonstrated in his classroom and school board rooms, but in his personal life as well. He and his wife, Mary, exemplify sensitivity and concern for others in all they do. They and their five children have opened their home and their hearts to five "adopted" children—from Japan, Germany, Pakistan, and Denmark. There is no doubt that the international understanding they were able to develop firsthand and at home, has been applied both in Dr. Hill's professional and community work.

I am proud to join all those who admire and respect the many accomplishments of Dr. Frederick Hill to congratulate him on the many outstanding contributions he has made over the years.

Through it all, Dr. Hill has retained his commitment to helping others, and his sense of honesty, integrity, understanding, and humor. What more can be said for the sense of well-being I know he so rightfully feels at this crossroad in his life.

My warmest wishes today to Dr. Hill, his family, and friends on the occasion of a tribute richly deserved.●

DR. WILLIAM J. SETTLE

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. BADHAM. Mr. Speaker, seldom has the opportunity to pay tribute to an outstanding educator and teacher been more pleasant to me than to rise before this honorable body to call the attention of my colleagues to the great achievements of Dr. William J. Settle, upon the occasion of his retirement.

Jay Settle has pursued a distinguished career for 33 years in Los Angeles and Orange Counties, most recently as deputy superintendent of the Huntington Beach Union High School District, which is in the 40th Congressional District, which I have the honor to represent.

During the three decades Jay Settle has spent in education, he has been a high school principal in the inner-city, he has been the molder of young boys' lives in the field of athletic endeavors, but, most importantly, he has spent much of his career in the classroom helping to prepare young people for the great adventure of living as successful citizens.

In addition to top performances in all aspects of his chosen career in education, Jay Settle has always found time to lead his community in all manner of activities in his spare hours away from the classroom and field of coaching.

But perhaps his best-known public recognition was as one of the Nation's top athletic officials, where Jay Settle never missed a hacking foul, a double dribble, an incident of backfield in motion or pass interference, at least so he claims.

As one who has long admired the fine art of remaining calm in the midst of opposing views, I must express my deepest admiration for a man who has been asked to call them as he sees them, assuming of course that he does, in the face of angry 280-pound linemen and 7-foot centers.

But, in any case, I must take this occasion to remind my colleagues that in California, to retire and have your friends present for a joyous occasion on June 3, just 3 days before the election in my home State, where the voters will be deciding on the merits of the Jarvis amendment, combines what has to be the greatest amount of courage with the best of timing.

So, with that in mind, let me join with Jay Settle's many friends in wishing him the very best in his retirement years ahead, during which he can reflect on a worthy career of excellent achievements for the youth of our Nation.●

OIL SHALE

HON. FRANK E. EVANS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. EVANS of Colorado. Mr. Speaker, on Monday, May 22, I introduced legislation to test the commercial, environmental, and social viability of various oil shale technologies. This legislation was developed by Senator FLOYD HASKELL in his Senate Committee on Energy and Natural Resources. I would like to include for the RECORD a section from the Senate bill report (No. 95-802) which provides background on oil shale development and this bill:

OIL SHALE

3. THE HISTORY OF EFFORTS TO DEVELOP OIL SHALE IN THE UNITED STATES

Development of oil shale has had a history of false starts dating from the 1860's. The discovery of oil in Pennsylvania put an end to early interest in shale development.

The U.S. Bureau of Mines has conducted research on the extraction of oil from shale beginning in 1916. This effort was in response to the concern, during World War I, that the Nation was running short of liquid fuels. The Bureau of Mines effort coincided with a revival of interest in the private sector. However, this wave of interest was cut short by the discovery of cheap east Texas oil in the 1920's.

The Synthetic Liquid Fuels Act of 1944, sponsored by Senator Joseph C. O'Mahoney and Representative Jennings Randolph, established a second Bureau of Mines program aimed at obtaining data on the cost of construction of a synthetic liquid fuel industry. Under this program, the Bureau of Mines spent $18 million for the construction of oil shale pilot plants on the Naval Oil Shale Reserves at Anvil Points, Colorado, near the town of Rifle. This facility was shut down in 1955, largely in response to a recommendation by the National Petroleum Council.

The results of these tests were very encouraging. On January 14, 1953, Under Secretary of the Interior Vernon D. Northrup was able to write Senator John Sparkman, ". . . it now appears that costs have been reduced to a point approaching a level with petroleum products." [1]

There was further reason for optimism in the late 1950's as a result of pronouncements by representatives of Union Oil Company of

[1] *The Control of Oil*, by John Blair.

California. On February 7, 1958, the Grand Junction, Colorado Daily Sentinel published an article entitled "Depletion Allowance Only Block to Shale Oil Boom." The article stated that Union Oil had a new target cost of $.50 per barrel of shale oil. Mr. Fred Hartley, then Vice President in charge of research and current President of Union Oil, stated that the only major impediment to a commercial shale oil industry was the lack of a fair depletion allowance. At the time, the oil shale depletion allowance was calculated on the basis of the rock mined, rather than the oil produced, which has a much higher value. It was the basis of calculation to which Mr. Hartley objected.

On July 8, 1958, according to John Blair, Albert C. Rubel, President of Union Oil wrote that Union could "with complete assurance proceed with the building of a shale plant which we know will work . . . and at a price closely comparable to current crude prices."

Less than a year later, prospects were not so bright, according to Union. On May 24, 1959, the Grand Junction Daily Sentinel published an article entitled "Union Oil's Rubel Says Shale Stalled." Mr. Rubel is quoted in the article as saying that "The only factor needed to trigger the oil shale industry in the Grand Valley (Colorado) area is a guarantee of a sufficient market."

Mr. Rubel went on to argue that the state of the world crude market was unstable and that until this situation changed, oil shale would not become a reality. Thus, by 1960, Union Oil representatives had identified the first two major impediments to shale development, lack of tax incentives and an unstable market.

In 1960, the Union shale retort was dismantled and sold for scrap.

Although the government facility at Anvil Points, Colorado was shut down in 1955, interest still existed. In 1957, the Navy submitted to Congress detailed plans for a research program which would have been financed by the Federal government and operated under contract by private industry. According to Captain Albert S. Miller, USN, Director of the Office of Naval Petroleum and Oil Shale Reserves, the idea was to perfect an economic shale oil process with a large-scale 1,000 ton/day retort. Miller pointed out that should wartime shortages develop, the Navy could take such a plant out of mothballs, replicate it and produce sufficient liquid fuel to cope with supply interruptions.

This plan was strongly opposed by the oil industry and never reached fruition.

In lieu of the Navy proposal, an arrangement was worked out whereby the Secretary of the Interior was authorized to lease the research facility for experimental research. On April 24, 1964, the Anvil Points facility was leased to the Colorado School of Mines Research Foundation. The Foundation then subleased the facility to six major oil companies, including Mobil, Humble Oil, Continental Oil, Pan-American Petroleum Co. (a subsidiary of Amoco), Sinclair Research, Inc., and Phillips Petroleum.

This consortium of companies operated a retorting unit at a 150 ton per day level, considerably below that recommended in the Navy proposal.

In February, 1966, these companies determined not to proceed further with the test, stating that it had been completed. In April, the plant was returned to the government.

By the late 1960's, a third major impediment to the development of oil shale was added to the list. Private industry argued that development of an oil shale industry was inhibited by the lack of access to rich oil shale deposits on Federal lands. At that time there was considerable dispute over claims filed under the 1872 Mining Law followed by pressure on the Department of the Interior to permit access to Federal lands via a leasing program.

However, efforts by the Department of the Interior to develop such a leasing program, met on two occasions in the late 1960's, with almost universal opposition from all companies.

The second proposal, submitted by the Secretary of the Interior Udall, would have permitted leasing of three oil shale tracts. It was opposed by one industry spokesman because of a provision in the Mineral Lands Leasing Act of 1920 which limits a company to a single 5,120 acre tract. The spokesman argued that this provision of law should be changed before any leases were offered. A fourth impediment to shale oil development was thereby identified.

By 1974, three of the four impediments to oil shale development previously cited by industry representatives had been eliminated. In 1970 the value of oil shale's depletion allowance (15 percent) was enhanced by changing the point of application from the rock to the oil produced. An additional incentive for large oil companies was provided by the Tax Reduction Act of 1974 which eliminated the right of companies producing more than 10 million barrels per year to use the oil depletion allowance, but continued to permit the use of the oil shale depletion allowance.

Secondly, the argument that the market for petroleum was unstable was largely eliminated by the Nation's dramatically increased reliance on imported crude oil and a developing national policy in favor of reduction of this reliance.

Thirdly, an oil shale leasing program finally became a reality in 1973 with the announcement of the Department of the Interior's Prototype Oil Shale Leasing program.

The fact that the tracts offered for sale under this program contained some of the richest oil shale deposits owned by the government may have served to reduced somewhat the negative effect of the fourth impediment—i.e. the provision of law limiting a company to one 5,120 acre tract. One of the tracts offered was estimated to contain 5.5 billion barrels of recoverable oil, or almost 20 percent of the total U.S. crude oil reserves.

The purpose of the leasing program was to determine the economic and environmental feasibility of oil shale development. Secretary of the Interior Morton stated in the Decision Statement for the program:

"The leasing program I have approved will encourage oil shale development and allow us to learn whether our 600 billion barrel shale oil reserves can be developed at acceptable economic and environmental costs."

The Decision Statement went on to point out that the Secretary had determined that the leasing program would be economically attractive because of private participation in the design of the program provisions encouraging timely development and the rapidly rising price of crude oil. In addition, major oil companies had the added tax incentives mentioned above.

Morton stated that the best incentive the Department had to offer was the availability of rich shale lands to the private sector. He stated that he did not believe that "... under present circumstances a subsidy is either wise or necessary for this program."

In testimony before the House Subcommittee on Mines and Mining on February 26, 1974, Secretary Morton expanded on the thinking behind the prototype leasing program.

He emphasized that the government could no longer afford to delay in obtaining financial and environmental data. He argued that the six tracts to be offered under the program were sufficiently diverse to assure that multiple technologies would be tested. He pointed out that the leases contained ample financial incentives to assure prompt development. He argued that the risk to the government was small, as it should be. And, in response to a proposal for a Federal oil shale corporation, he argued that the private sector did not need any subsidy to proceed and that therefore a Federal program of that nature was not necessary. Finally, he emphasized that the prototype program was structured to test the feasibility of an oil shale industry. He stated: "With the prototype program, we have simply asked: are you ready?"

Initial response to the program seemed to confirm Secretary Morton's conclusions. The first tract to be offered, Colorado tract C–a, was leased to Standard Oil of Indiana and Gulf Oil Co. for a bonus bid of $210 million. The second, tract C–b was leased to a group of four oil companies, including Ashland Oil, Inc., ARCO, TOSCO, and Shell Oil Co. for $117 million. Two tracts in Utah, U–a and U–b were leased for a bonus of $75 and $45 million respectively to Phillips Petroleum Co., Sun Oil Co. and Sohio.

The first indication of problems with the prototype program was with the offering of two tracts in Wyoming. No bids were received.

By December 12, 1975, two of the original holders of the C–b lease, ARCO and TOSCO, had withdrawn from the program.

The holders of tract C–a, Amoco and Gulf, indicated that they could not best proceed with their mining plan until and unless Congress enacted legislation permitting them access to additional Federal lands for waste disposal. Thus a new impediment to oil shale development emerged.

In August and September, 1976, all four groups of lessees applied to the Department of the Interior, under section 39 of the Mineral Lands Leasing Act, for suspension of their leases.

The list of reasons given for the suspension requests, both in the formal applications and accompanying letters include the following:

(1) unanticipated developments and changing conditions

(2) rock mechanics problems

(3) unknown environmental consequences

(4) project economics

(5) need for additional lands

(6) air quality regulations

(7) time needed to establish a joint industry/government program to test the commercial feasibility of oil shale technology

(8) hostility toward the petroleum industry

(9) state and Federal severance taxes

(10) vertical and horizontal "dismemberment" proposals in the Congress

(11) the lack of tax incentives.

The list of impediments to oil shale development was thereby insignificantly expanded. All four requests for suspensions were granted by the Department of the Interior in the fall of 1976 for a period of one year.

On November 2, 1976, Shell Oil withdrew from lease C–b and on November 3, 1976, Ashland signed an agreement with Occidental Petroleum which gave that company a 50 percent ownership of lease C–b.

In early 1977, the lessees of both Colorado tracts revised their Detailed Development Plans. These new plans were submitted to the Department of the Interior prior to the expiration of the suspensions and were accepted. Both plans call for the use of modified in-situ technology to recover the shale oil. The ability of the lessees to submit new DDP's without an EIS is being challenged in the case of *Environmental Defense Fund et al.* v. *Cecil Andrus, et al.*

The current situation regarding the Utah leases is more ambiguous. On May 31, 1977, the Federal District Court in Utah issued a preliminary injunction suspending the terms of the leases due to multiple claims on the title to the land. It will probably be years before this dispute is settled.

The two law suits added to the growing list of impediments.

On April 18, 1978, the President of Occidental Oil Shale, Inc., stated that it will require in excess of $700 million to develop lease tract C-b, and that due to the increased cost of the initial phase of their development program (the estimate in February 1977 was $442 million), additional incentives will be necessary.

This is the most recent expression of a view voiced by many industry spokesmen, and represents one aspect of the economic impediment, i.e., capital requirements are beyond the investment capabilities of many private companies.

In summary, the status of the prototype oil shale program which was to test the commercial feasibility of multiple oil shale technologies is as follows:

(1) two leases did not receive bids

(2) two leases are subject to a suit as to title which will last for the foreseeable future

(3) two leases are being developed, however on one the lessees appear to be in financial trouble, and both are subject to a suit challenging the Department of the Interior's ability to approve the second Detailed Development Plan.

With the exception of activities on the two Colorado leases, there are no on-going efforts to demonstrate the commercial viability of oil shale technologies. Since lessees on both tracts intend to use modified in-situ technology, this means that there are no efforts to test any above ground technology.

4. RECENT EFFORTS TO REMOVE THE ECONOMIC UNCERTAINTIES ASSOCIATED WITH OIL SHALE DEVELOPMENT

Beginning in 1975, the Congress made two major attempts to deal with the economic impediments to oil shale development.

Both efforts were in the form of a loan guarantee proposal for synthetic fuels, including oil shale, and both were eventually defeated in the House of Representatives.

On April 20, 1977, President Carter sent his energy message to the Congress. The mention of oil shale in this message is brief enough to quote in its entirety:

"Billions of barrels of oil may some day be recovered from shale deposits in Western States if environmental and economic problems can be overcome. Several private firms have announced that they believe they can solve these problems, and that they are prepared to proceed with shale oil development. These commercial ventures should provide valuable information about the viability of a shale oil industry.

"Due to the high risks and costs involved in shale oil development, the Government should establish a pricing policy that provides adequate incentives to producers.

"Accordingly, shale oil will be entitled to the world price of oil."

In testimony before the Senate Subcommittee on Energy Research and Development on April 28, 1977 on S. 419, Dr. William Gouse, of the Energy Research and Development Administration, elaborated on the President's policy toward oil shale as follows:

"Because of the high risks and costs involved in the development of shale oil projects the President recommended in his April 20, 1977, energy message that private-sector producers of shale oil be entitled to receive the world price of oil in the United States for their product.

"ERDA believes that this recommendation will be adequate incentive to initiate private-sector development of oil shale facilities where there is minimal or no technical risk. and later:

"Senator HASKELL. It is ERDA's opinion that world price solves economics and that private companies have so indicated?

"Dr. GOUSE. Yes, sir."

By July, 1977, the opinion of the Administration had apparently changed. It issued a proposed regulation which would not only give oil shale producers the world price, but would also treat shale oil as imported crude for the entitlements program. Administration spokesmen have estimated that this could amount to a $2.00 per barrel subsidy of shale oil.

During consideration of the President's National Energy Plan, in the Senate Committee on Finance, Senator Talmadge successfully offered an amendment which would give oil shale a $3.00 per barrel tax credit. The measure was passed by the Senate and is now in Conference as part of the National Energy Act. This credit amounts to another $5.50 subsidy per barrel.

Administrator spokesmen now indicate that they are willing to accept a modified version of the Talmadge amendment, currently pending in Conference, in addition to the entitlements benefits.

One oil company, Union Oil Company of California, has indicated that it would be willing to proceed with the construction of a modular oil shale plant should the provisions of the Talmadge amendment become law. No others have given such a commitment.

5. SUBSIDY STRATEGIES VERSUS A "GOCO"

S. 419 would direct the Secretary of Energy to establish what is known as a "GOCO"—a government owned, contractor operated test facility. Under such an arrangement, the Federal government supplies all of the necessary funds for the construction and operation of the projects. Private contractors, in this case most probably oil companies, would carry out the work specified in the contract.

A GOCO is distinct from other subsidy alternatives in that it seeks to directly accomplish a given task with Federal dollars, rather than attempting to induce action on the part of others by calculating what incentives will cause them to act.

GOCO is distinct in another way as well. Subsidies, whether they be tax incentives, entitlements benefits, loan guarantees, guaranteed purchases, or other devices, are aimed at only one impediment to development—the economic impediment. A GOCO can proceed in spite of the other uncertainties which might discourage private investment, even with the existence of an attractive subsidy.

History has given us evidence of such a possibility in the case of oil shale. The list of major impediments to oil shale development prior to the initiation of the Prototype Oil Shale Leasing program were four: (1) modification of the depletion allowance, (2) access to rich Federal lands, (3) an unstable petroleum market caused by overabundance and (4) limitation on the number of acres of Federal oil shale lands which can be controlled by a single company.

Three of these four impediments have been removed. Since it is really the amount of oil and not the acreage which is the critical factor in terms of private investment decision, the fourth limitation is arguably mooted by the offering of extremely rich deposits of oil.

Yet, there is not a single on-going effort in the United States to demonstrate the commercial viability of an above ground retorting technology. Impediments, like a worm, apparently grow geometrically when they are cut in half.

It is the judgment of the Committee that the Nation cannot afford to continue to await, as has been the case for twenty years, the demonstration of the commercial viability of oil shale technologies by private industry and should begin now to test these technologies at public expense.

6. OTHER ADVANTAGES TO THE GOCO APPROACH

Some of the impediments to oil shale development which are listed by industry spokesmen cannot be removed. Uncertainties will always remain. It is clearly impossible for example, for any Congress or Administration to guarantee that future Congresses or Administrations will not advocate "dismemberment" of the oil industry.

It is possible however, to remove or reduce many of the impediments. This is one major objective of S. 419.

For example, the environmental consequences of an oil shale industry can be much more clearly established. Moreover, the consequences can be studied in the context of a circumscribed Federal program which has a definite termination and which welcomes the participation of all those concerned. S. 419 is such a program. The opposition of environmental groups to any and all oil shale development in the courts is much less likely to occur if information is available which demonstrates the environmental acceptability of a commercial oil shale industry. If, on the other hand, the environmental consequences of this industry are not proved to be acceptable, the program is structured such that this decision will be made in full public view, with detailed supporting evidence, and we will then have to look elsewhere for our liquid fuel energy.

The program established in S. 419 will also narrow considerably the current uncertainty with respect to oil shale economics. Table I shows that the range in prices is from $11 to $25 per barrel. If the lower figure is accurate, oil shale producers would be able to sell their oil for $3.50 per barrel and still break even under a combination of an entitlements benefit and a tax credit as is being considered by the current Administration. If, on the other hand, oil shale requires a price in excess of $25 per barrel, and it is judged to be in the public interest to subsidize the industry to such an extent, the subsidies might have to be even higher than $7.50 per barrel. At the moment we do not know the answers. After the completion of the program established in S. 419, we still may not know, but we will have a much better idea.

Another advantage to the GOCO is that with the Federal government supplying all of the needed funding, it is possible to require that the patents vest in the government and that these be available to all should any of the tested technologies prove viable. This is not the case with any other subsidy alternative.

Should the projects be located on the lands of the Navy Oil Shale Reserve, as is possible under the bill, there is yet another advantage. The development of the Navy's oil shale deposits in the event of an emergency would require a hopelessly long period of time. If, however, modular retorts were already in place on the Navy lands, and if there was a body of knowledge regarding the ability to use these particular deposits of oil shale, the oil could be available in a matter of months instead of years. This advantage was recognized by Captain Miller in 1957 when he proposed a program almost identical to the one proposed in S. 419.

Finally, there is good evidence that a GOCO operation of the size proposed in S. 419 may be the cheapest way available to the Federal government to accomplish these tests.

The Congressional Budget Office has advised that the total cost of the program will range from a net outlay of $111 million to a net receipt of $33 million. The capital and operating costs of the program will be offset by the use or sale of the oil produced during the tests.

The production level assumed to obtain this estimate was 6.3 million barrels in the first year, and 4.2 million barrels per year in the second and third years, for a total production of 14.7 million barrels.

Table II illustrates the costs of other subsidy alternatives which are under consideration.

Table II

$3/bbl tax credit (equals $5.50/bbl), $80.85 million.

$3/bbl tax credit plus entitlement (equals $7.50/bbl), $110.25 million.

Loan guarantee (default on $1 in 7) (includes impact assistance) (capital and start up—i.e. 1 year operating), from $49.6 million to $60 million, for an average of $59.3 million.

S. 419, from net outlay of $111 million to net receipt of $33 million, for an average of $39 million.

These comparative figures are based on the same amount of oil production in each case. However, budget estimates for the Talmadge amendment of a $3/bbl tax credit are estimated at $327 million in FY 1985 alone. Under the proposal to allow tax credits and entitlements for up to 50,000 barrels per day (total production), the cost in 1985, assuming this level is reached and assuming a conservative 300 days of operation per year, would be $112.5 million in fiscal year 1985 alone. Of course the government would be permitting the testing of more technologies and would enjoy a higher production rate in these instances.

LEGISLATIVE HISTORY

S. 419 was introduced on January 24, 1977 by Senator Floyd K. Haskell. Hearings were conducted by the Subcommittee on Energy.●

U.N. SPECIAL SESSION ON DISARMAMENT

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. HILLIS. Mr. Speaker, today marks the first day of the U.N.'s special session on world disarmament. As one of the congressional advisers to this historical event, I would like to take this opportunity to comment on the objectives of this conference.

In the Arms Control and Disarmament Agency's March 1978 report to Congress it states that in maintaining the balance between the United States and the U.S.S.R., the "United States is committed to denying the Soviet Union either an overall military advantage—or a perceived political advantage—in strategic forces." This policy must act as the foundation of any disarmament negotiations entered into by the administration. However, and most unfortunately, I am afraid this point has been ignored by the vast majority of our delegates to the U.N. special session.

Last Thursday, in a top level meeting of the U.S. disarmament community and the delegates and advisers of our delegation to the U.N. special session, the question was raised how to best "discredit the higher echelons of the military who argue that the United States must negotiate from a position of strength." It is undeniable that the entire U.S. delegation to the disarmament conference in New York is against any further improvements or strengthening of our military.

It is not a coincidence that over 300 demonstrators were arrested yesterday in a protest in Bangor, Wash., against the Trident submarine. Some of the demonstrators admitted they had timed their protest to coincide with the U.N.'s disarmament conference.

It is vital to our national security that disarmament negotiations continue in all eight areas we are currently working on with the Soviets. However, the U.N.'s special session should not be used as a platform to declare war on the Pentagon. The administration may have made a mistake in appointing a majority of antimilitary personalities to the U.S. delegation. With such a stacked deck, there can be no balance in whatever results from our efforts at the U.N.●

VICE PRESIDENT MONDALE'S ASIAN MISSION

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. WOLFF. Mr. Speaker, the recent mission of Vice President MONDALE to Asia was a welcome one for those of us concerned about our Asian friends, allies and trading partners. And, judging from the reception the Vice President received, his mission was welcomed by the leaders and the people of Asia too.

The Vice President's travels were particularly well timed, coming just over a year into the new administration's term, when many of the policies of the administration are now beginning to be seen in a clearer light, but when the first-hand presence and input of a senior administration official and representative of the American people could be most productive in fostering a sense of mutual understanding between Americans and Asians.

The Vice President raised a number of points during his mission which I would like to highlight briefly since they underscore points made during a fact-finding mission by the Asian and Pacific Affairs Subcommittee to many of the same nations in January of this year.

The Vice President's overriding theme was what we as well sought to stress in January—that the United States is and will remain a Pacific nation, and will remain a key partner in the defense of the region, and in the economy of the region, particularly through the ASEAN nations.

The Vice President likewise represented the strong concerns of the Congress, the President, and the American people for the human rights of all peoples, and the need for people and governments of good will to do all they can to foster human rights.

Finally Vice President MONDALE helped illuminate the concerns of the Congress and the American people for the plight of the thousands of Indochinese refugees. While we certainly welcome the plans he discussed in Thailand, the need for a unified administration policy on refugee admissions remains an important goal, and we hope that the interest and enthusiasm generated by the Vice President's trip will be translated into working policies not only on refugees, but on the many important issues raised on the mission.

The Vice President's conclusions and recommendations from his mission were expressed by him in an address he presented before the East-West Center in Hawaii, en route to Washington after his stops in the Philippines, Thailand, Indonesia, Australia, and New Zealand.

Because of the importance of the Vice President's mission, and of his findings on that mission, I am pleased to present for the RECORD a transcript of his remarks in Honolulu on May 10, 1978.

REMARKS OF VICE PRESIDENT WALTER F. MONDALE AT THE EAST-WEST CENTER, HONOLULU, HAWAII

Chancellor Kleinjans and distinguished guests, I am delighted to be with you today at this distinguished center of learning. The East-West Center embodies the basic purpose of the mission I have just completed: the promotion of better relations and understanding between the United States and the nations of Asia and the Pacific.

I am also pleased to return to Hawaii—a State which reminds us more powerfully than any other that we are a nation of immigrants, blessed as a result with constant infusions of new energy and new blood. And Hawaii reminds us that when Theodore Roosevelt spoke of the "ocean of destiny" he was speaking of the Pacific.

My discussions with the leaders of the Philippines, Thailand, Indonesia, Australia and New Zealand, were held at the request of President Carter, in order to help define clearly America's role in the region. I want to report to the American people on this mission and on the new role for our nation in the Pacific community.

For nearly a decade, our involvement in Southeast Asia touched not only every corner of the region, but ultimately every family in America. When that era ended three years ago, many Americans understandably wanted to turn their attention away from Southeast Asia. Our military presence in the region declined. Aid levels dropped. And for several years high-level American visitors were few. These developments induced deep concern that the United States would abandon the area.

All the non-Communist countries of the region want America to maintain a visible presence. They value our security role and the deployment of U.S. naval and air forces. They want stronger economic ties with us, and welcome an active American diplomacy.

The problem that challenged the Carter administration was to fashion a policy toward Southeast Asia that advanced American interests in a setting of rapidly changing circumstances. We must define a sustainable level of American involvement in the region, one that accommodates local concerns; one that is less colored by past traumas. And our new role requires emphasis on America's new foreign policy concerns—such as human rights and arms transfer restraints. This is not an easy task. But we believe we have begun.

In each capital I visited—I reaffirmed one central proposition; America is unalterably a Pacific power. This is a natural condition of history and geography, as well as a conscious choice. The State of Hawaii and various American territories are located in the Pacific. America has extensive political, economic and security interests in Asia. Our ties with Asian nations are central to the success of our global policy.

Our key Asian alliances contribute to regional stability and a favorable global balance of power. We will preserve them.

The freedom of the sealanes in the Pacific are vital to the security and well being of the United States and all maritime powers. We will protect them.

Our trade with the Pacific Basin nations—which is larger and growing faster than with any other region—is crucial to the health of our own economy. We will expand it.

Our relationship with the Peoples Republic of China contributes to a stable balance in the Pacific. We will strive to deepen it.

Our lives, our art, our sciences are enriched through cultural exchanges of peoples and ideas across the Pacific. We will strengthen them.

We will not cling to past patterns of involvement in the Pacific. We will shape our future involvement to assure a balance between preserving security and promoting constructive change; between government actions and private enterprise. We will meet necessities of power and fulfill the claims of principle.

I saw a vastly different Southeast Asia when I last visited the region in 1966. For many Americans, at that time, Southeast Asia meant violence, instability and corruption.

Ideological conflict tore Southeast Asia apart. The economic outlook was uncertain. Regional cooperation was a mere aspiration. China inspired fear in its neighbors. Japan pursued a diplomacy dominated by commercial interests. Most of the small non-communist states in the region were deeply dependent on the U.S., and the very size of our presence invited excessive involvement in their internal affairs.

What I have seen in the past ten days reveals dramatically how far Southeast Asia—and we, the American people—have travelled in a few short years. The United States is at peace in Asia, and the region is relatively tranquil. Old ideological struggles have lost their force; nationalism has triumphed over all competing ideologies; and the most intense regional rivalries now pit Communist nations against each other.

The Pacific Basin has become the most dynamic economic zone in the world. Its prosperity is shared by all except those nations that have rejected the market system. The era of great power dominion has given way to a more mature and equitable partnership. Regional cooperation is no longer a slogan; ASEAN has moved into a period of substantive accomplishment. Economic issues are now the prime concerns of most governments in the area.

Japan's economy continues to provide an engine of growth for the Pacific Basin, and the Japanese are defining a wider vision of their political role in the region through the expansion of their economic assistance, their support for ASEAN, and their efforts to discourage the emergence of antagonistic blocs in Southeast Asia.

China has become an increasingly constructive force in the region and is pursuing policies in Southeast Asia which in some respects parallel our own.

These are hopeful trends. They offer the prospect of new and promising relationships with the nations of the Pacific. They encourage me to believe we can combine our traditional concerns about security with an imaginative response to a new agenda— assuring adequate food supplies for Asia's growing population; solving trade and commodity problems; developing alternative sources of energy; promoting patterns of regional cooperation and reconciliation; and promoting wider observance of basic human rights.

All these objectives require that America remain strong in the Pacific. If we do so, our security everywhere will be enhanced. If we do not, the consequences will not be confined to Asia alone.

Yet the nature of our security role is changing. Our willingness to maintain a U.S. military presence must be balanced by the growing self-reliance of our friends.

Our security concerns are sharpest in Northeast Asia, where the interests of all the major powers directly intersect. But we cannot draw a line across the Pacific, and assume that what happens in Southeast Asia will not affect Japan and Korea. Moreover, the area is of great intrinsic importance:

It is rich in resources and offers the United States a large and growing market.

It sits astride sea lanes through which Middle East oil flows to Japan and to our own west coast.

Access to Philippine bases enhances our strategic flexibility, and our ANZUS ties contribute to the stability of the Southwest Pacific.

The friends and allies we have in the area strengthen our global positions; their independence and well being remain important to us.

Perhaps most significant of all are the human ties: Ties of kinship, of comradeship and sacrifice in war, of shared dreams for peace.

Fortunately, Southeast Asia is no longer a theater of large-scale armed struggle. But our friends there continue to have serious and legitimate security concerns. Many states in the region remain plagued by internal conflicts. Vietnamese ambitions in the area remain unclear. Armed clashes between communist states and Sino-Soviet competition generate growing pressures and uncertainties.

The non-Communist nations continue to look to the United States for help. They do not seek our direct military involvement, which they consider neither desirable nor necessary.

But they do want us to sustain a military presence to serve as a deterrent and a source of psychological reassurance. They want us to be a reliable source of essential defense equipment, thus avoiding the need to establish wasteful and inefficient local defense industries. They want diplomatic support in their efforts to avoid being drawn into the rivalries of other great powers.

These desires are reasonable and consistent with our interests. I affirmed at each stop our intent to maintain America's multilateral and bilateral security commitments and preserve a balanced and flexible military posture in the Pacific. Our friends want this; our potential adversaries expect it; our interests require it.

In the Philippines I discussed with President Marcos amendments to our existing Military Base Agreement which can stabilize our continued use of these key military facilities on terms that fully respect Philippine sovereignty over the bases.

In Indonesia and Thailand I emphasized our intent to remain a reliable supplier of defense equipment even as we attempt to encourage greater restraint in the field of arms transfers. I confirmed our willingness to deliver F5 aircraft to Thailand and A4 aircraft to Indonesia. These systems permit our friends to enhance their self-reliance without threatening their neighbors.

In Australia and New Zealand I reaffirmed our commitment to ANZUS and made it clear that any Indian Ocean arms limitations arrangements we may negotiate with the Soviets will not impair our ability to support these commitments—as evidenced by our decision to hold joint naval exercises from time to time off the west coast of Australia.

To those who are concerned with putting the Vietnam war behind us, I pointed out that we have made a fair offer to the Vietnamese—that we are ready to establish diplomatic relations without preconditions. But Hanoi is still demanding a prior commitment of American aid, something which the American people cannot accept.

To all those with whom I spoke, I repeated our determination not to intervene in the internal affairs of Southeast Asian nations.

We threaten no nation. But we shall express in a tangible way our resolve to contribute to the security of the area.

ADDRESSING THE NEW AGENDA

All of the Asian leaders with whom I met emphasized that national resilience, economic growth, social justice and regional cooperation—rather than military strength alone—provide the essential foundation of security. I conveyed President Carter's desire to support their efforts to help themselves—particularly in developing their economic potential.

As in the security field, our economic involvement is undergoing rapid change. It is difficult to overstate America's economic stake in the Pacific. Two way trade with the East Asian Pacific nations reached $61 billion last year. Our investments in the Pacific now exceed $16 billion, and yield high returns. 40 percent of our imports of manufactured goods come from the Pacific. And the region offers a rich source of energy and raw materials.

Our trade and investment with Southeast Asia have matured. We buy more than we sell; our private capital transfers exceed our aid; and our imports include a growing proportion of manufactured goods rather than raw materials.

The concerns I encountered focused less on aid than on business; our regulatory processes, our incentives for private investment, and the fear of possible protectionism in the United States. Conversely, the issues I raised dealt with the need to work together to increase Southeast Asian agricultural productivity, develop alternative energy supplies, expand trade and promote more equitable growth.

In the future the following tasks must claim our priority attention:

1. We must assure the continued expansion of our trade with the Pacific nations—and others—through the successful conclusion of the Multilateral Trade Negotiations. Agriculture is an essential element of this negotiation. All of us will benefit if tariff and nontariff barriers to trade are reduced; all of us will suffer if the negotiations do not succeed. The time to make progress is this year. We have put forward a generous offer in Geneva: we expect other developed countries—like Japan and the European community—to match it.

2. We must help the Asian nations overcome deficiencies in their agricultural productivity. The Pacific Basin has special assets for dealing with this issue. The three largest grain exporters in the world—the United States, Canada, and Australia—border on the Pacific. So, too, do several of the largest grain importers—especially Japan and Indonesia. While rapid population growth is increasing food requirements in Southeast Asia, its nations also have considerable potential for expanding productivity, which we must encourage.

I emphasized our determination to undertake a comprehensive assault on this problem by:

Expanding our long term Public Law 480 and other forms of aid to food-deficit countries like Indonesia if they will take practical steps to increase agricultural productivity.

Offering the use of Landsat satellites to help assess regional ecological problems.

Focusing our bilateral aid in Southeast Asia on rural development.

Improving international food security by helping to create an international system of nationally-held food reserves to meet international shortages.

3. We must promote the development of alternate sources of energy. Southeast Asian countries—apart from Indonesia—have only modest proven oil reserves, but they possess abundant supplies of natural gas, coal, uranium and geothermal resources. Their rapid development will enhance our energy security and that of our friends while slowing the upward pressure on oil prices. We must find new ways to use our technology to assist local development of indigenous energy resources.

In the course of my trip I offered to send technical teams from our Department of Energy to help assess regional energy resources, strengthen energy planning, and identify new areas for collaboration. I made clear our interest in expanding cooperation in the development of conventional and nonconventional fuels. We can learn much from nations such as New Zealand, which have had long practical experience with geothermal energy production.

I responded positively to the idea of a formal consultative mechanism to facilitate deeper energy cooperation with ASEAN.

I emphasized that the American private sector remains the most skillful in the world at developing new sources of oil and natural gas.

4. We must preserve Asia's access to capital on favorable terms. Our bilateral assistance programs remain crucial to the Philippines, Thailand and Indonesia as each tries to deal with staggering problems of rural poverty, hunger and unemployment.

These development priorities reflect the new directions in our own aid program. We shall work with other donors and recipients to see that these objectives are met.

Meanwhile, we will continue to increase our development assistance to multilateral institutions such as the Asian Development Bank. During my visit to the bank headquarters in Manila, I confirmed President Carter's decision to contribute $445 million to the 1979–1982 replenishment program. This will help assure adequate financing for development plans in the region.

5. We shall encourage the increasingly influential role of the U.S. private sector in promoting Asian development for our mutual benefit. When I met in Jakarta with representatives of American business in Asia, my message was simple: We want our business community actively engaged in the Pacific; we want its role to grow and our companies to prosper. The administration is developing a comprehensive strategy for increasing American exports. We will give priority to reforming or eliminating governmental practices that undercut America's competitive position in Asia.

6. We will continue to promote the cohesion of ASEAN—The Association of Southeast Asian Nations. One of the most encouraging developments in Southeast Asia is the emergence of the ASEAN regional group. This association of nations is developing greater economic cooperation and acquiring the habit of consulting closely on political issues.

We have long enjoyed close relations with the individual members of ASEAN. We now seek stronger ties with the organization itself. In all of my talks with Southeast Asian leaders, I emphasized our willingness to host United States-ASEAN consultations at the Ministerial level in Washington later this year.

It is up to ASEAN's leaders to define the future patterns of regional cooperation. For our part, we are ready to support their initiatives.

HUMAN RIGHTS

In addition to maintaining security and strengthening our economic ties, our new role in Southeast Asia and the Pacific requires the affirmation of the basic values for which our nation stands. As President Carter said in his inaugural address, "Because we are free, we can never be indifferent to the fate of freedom elsewhere. Our moral sense dictates a clear cut preference for those societies which share with us an abiding respect for individual human rights."

If our foreign policy is to be credible and effective, it must be based on these principles: the right to live without fear of cruel and degrading treatment; to participate in the decisions of government; to achieve social justice; and to seek peaceful change. We can take justifiable pride in our military strength and our economic prowess, but the greatest source of American influence is the power of our example.

The promotion of wider observance of human rights is a central objective of the administration's foreign policy. In Southeast Asia, there is no more profound test of our government's commitment to human rights than the way in which we respond to the rapidly increasing flow of Indochinese refugees who deserve our admiration for their courage and our sympathy for their plight. My trip has convinced me that we and others have underestimated the magnitude of the refugee problem. The flow of refugees is rapidly increasing. Vietnam's immediate neighbors are hard-pressed to handle the growing numbers of "boat cases" as well as large numbers of land refugees, and the burden of coping with these increased numbers falls disproportionately upon Thailand.

No single country can manage this problem alone. Given our legacy of involvement in Vietnam, we bear special responsibilities, and we are prepared to meet them.

The United States must take the lead in developing a broader international effort to handle the refugee problem. I informed Southeast Asian leaders that the United States will exercise parole authority to accept an additional 25,000 refugees from Southeast Asia annually. We will expedite the processing of refugees destined for the United States by stationing additional Immigration and Naturalization Service personnel in Bangkok.

I extended to Thai authorities an offer of up to $2 million to support their development of longer term plans for handling the Indochinese refugees. And I made clear that once such plans are developed, the United States will be prepared to offer more substantial assistance, in concert with others, to finance the permanent settlement of refugees in Thailand and elsewhere. In short, we shall do our part to find permanent homes for the refugees; we will urge others to do theirs.

There is no human rights situation in Asia, or indeed the world, which cries out for more attention than the tragedy still continuing in Cambodia. We have little leverage with which to affect the harsh, brutal, repressive nature of the regime in Cambodia, but we will continue to try to focus the world's attention on the horror of what is happening there.

Some critics suggest that the preservation of security and the promotion of human rights are mutually exclusive objectives. They are not. Only in an environment of security can human rights genuinely flourish. Yet, no government which fails to respond to the basic human needs of its people or which closes off all channels of dissent can achieve that security which is derived from the consent of free citizens.

The security we seek is not an end in itself, and it cannot be divorced from the question for social and economic justice. This poses for us a diplomatic challenge of extraordinary delicacy, for we must pursue both our interests and our ideals; we must avoid both cynicism and sentimentalism; we must shun both callous indifference to suffering and arrogant intrusion into others' internal affairs. And if we are to succeed:

We must concern ourselves with achieving results rather than claiming credit;

We must combine frankness in our private diplomacy with forbearance in our public statements;

We must remember that our example is our most potent weapon.

I am confident that we can strike the right chord. During each of my stops, I was able to speak frankly about human rights while enhancing cooperation on security and other matters. I believe we can develop relationships of confidence with the leaders of these nations without forfeiting the opportunity to listen to a wide variety of political opinions. And in several key stops I met with private citizens to hear a wide variety of views. I hope progress is being made. For example, we have received indications that the government of Indonesia at its own initiative is seriously considering speeding up the phased release of the 10,000 prisoners scheduled to be freed by the end of this year.

Only time will tell whether our efforts will yield genuine and enduring results. But unless we assert our beliefs, we can neither expect the support of our own people nor respond to the yearnings of others.

As Archibald MacLeish once wrote, "There are those who will say that the liberation of humanity, the freedom of man and mind is nothing but a dream. They are right. It is. It is the American dream."

CONCLUSION

The Pacific Basin, I am convinced, has begun an unprecedented and exciting era of change and growth. The future promises rapid economic advance and relative political stability, nationalism accompanied by regional cooperation, security without huge defense budgets, effective governmental authority combined with a growing respect for the rights of individuals.

This is what is possible, but this future is not assured. What happens will hinge on the wisdom, vision and determination of the Asian-Pacific countries themselves, including the United States. Our role is crucial. Our continuing political, security and economic involvement is indispensable and our interest. It must continue to adapt to changing realities. But it is not a burden to be borne, it is a challenge that we welcome.●

ALAMEDA HERITAGE DAYS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. STARK. Mr. Speaker, on Saturday afternoon, May 27, Alameda will celebrate the dedication of the Alameda Heritage Days' biplane and opening ceremony. On the same day, at noon, Mayor Chuck Corica will join with the public at city hall to address the dedication.

The celebration of Alameda Heritage Days is an expression of nostalgia and citizen participation. It reflects a community desire to work together toward an acknowledgement and recognition of the city's rich history. Through 40 events spanning a 6-week period, Alameda Heritage Days will turn back the clock to days gone by and reveal to citizens the evolution of their city.

The Spanish soldiers who first explored the area in 1795 called it an "alameda," meaning a "grove of poplar trees." Since that time, Alameda has served as the western terminus of the first transcontinental railroad. It was once the port of the Alaskan packers sailing fleet. The talented and renowned writer Jack London even lived and wrote here.

Enriching the community with Alameda's unique and colorful history, heritage days will certainly leave the citizens with a greater awareness and appreciation of their city's heritage and identity.

Of course, an important part of any city's past is its people and their spirit. It is for this reason that I ask my colleagues to join with me in extending warm congratulations to the citizens of Alameda, who themselves have made history in the knowledge, enthusiasm, and effort they have displayed in making the Alameda Heritage Days conception, a reality.●

PUBLICATION OF THE IPS FEDERAL BUDGET STUDY

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. CONYERS. Mr. Speaker, a year ago 54 Members of Congress called upon the Institute for Policy Studies to undertake a full-scale examination of the Federal budget. We envisioned an analysis that would clarify the foreign and domestic policy assumptions underlying the President's budget, survey the consequences of the existing budget for the well-being and security of the American people, and offer alternative budget programs that represent a reordering of Federal priorities toward full employment, equitable taxation, and balanced economic and social growth. The bottom line behind our request was to stimulate new thinking on what the Federal budget can and should accomplish and innovative ideas on new directions for public policy.

Today I am pleased to announce that the institute's budget study, "The Federal Budget and Social Reconstruction," has been released and made available to Members of Congress. As one of the congressional sponsors I want to express my appreciation to Mr. Marcus Raskin and the staff at the institute who were responsible for the study. The 466-page study has measured up superbly in every regard to the expectations I had. I am confident that in the coming year it will be the basis for a far-reaching reevaluation of the congressional budget process and of the state of current domestic and international policies.

For the past few years I have called attention to inadequacies in the existing budget process and its program and policy results. We have not yet begun to establish national budget priorities in a deliberate and explicit manner. We have not yet gained control over Federal programs and developed the yardsticks that would permit us to determine what is working and what is not. There still exists a rather tenuous connection between budget decisions and policy objectives. We still lack the means to plan ahead on a multiyear basis so that we may monitor and manage more effectively the programs that we do enact.

There are, however, signs that the budget process is raising awareness of what national priorities are and ought to be. More and more of the debate on budget resolutions is focusing on the issue of priorities. More and more public-oriented groups and organizations are participating in the politics of congressional budgets. I fully expect in the not so distant future that the budget committees themselves will see the wisdom in holding budget hearings in major areas of the country to give citizens a direct role in framing budget choices.

The IPS budget study, "The Federal Budget and Social Reconstruction," will contribute enormously to the gathering momentum of public dialog on budget issues. On Saturday, June 17, the Institute for Policy Studies will convene a day-long seminar on the budget study, as one of several forums for bringing discussion of the issues to Congress and the citizenry.

I am attaching at this point in the RECORD a letter from Marcus Raskin summarizing the major points of the new study, and its table of contents. I look forward to future discussion on its findings.

INSTITUTE FOR POLICY STUDIES,
Washington, D.C., May 15, 1978.

Representative JOHN CONYERS, Jr.,
House of Representatives,
Washington, D.C.

DEAR JOHN: Under separate cover I am sending you and your colleagues copies of "The Federal Budget and Social Reconstruction." I hope that the study will be of use to you and the other Members in the critical years ahead.

The purpose of this letter is not to rehearse the analysis or varied recommendations in the study except to suggest that the ideas and programs of the study are outside the current policy consensus. While there are differences among the authors, one underlying assumption seems to be shared. It is that there is a need to break with a number of the notions which have governed American public policy since the New Deal and World War II. The reason is painful. It is that the problems of the society are not reached by present government policies and program. The economic and social policies of recent Administrations are pillars constructed on shifting sand. It is now time—while we still have it—to re-examine and reconstruct the basic assumptions of policy and statecraft according to principles of fairness, dignity, security and participation. These principles should not be considered as abstract goals for the society but should be reflected in budgetary choices and techniques of change. While it is fashionable to discuss the question of human rights abroad, and indeed, this activity has its place, we should be aware that a number of policies and attitudes which should have served as our guidepost for policy formulation and judgment in the past generation have been steadfastly downplayed or rejected. The programmatic ideas of this study present a series of arguments which take into account those problems not addressed adequately in current budget and programmatic choices but which do concern questions of fundamental human rights for Americans:

(a) nonparticipation of workers in decision making and production;

(b) the problem of aggregate and structural unemployment simultaneous to inflation;

(c) economic squeeze among two-thirds of the population so that less disposable income is available to them, and fewer possibilities for self defense against economic catastrophe are present;

(d) increasing sense of powerlessness among the people which now includes elective politicians and government officials. Both groups are held responsible for the operations of the "economy" but have little power over production or investment;

(e) an arms and national security system which is tied to genocidal weapons and outmoded alliances, without any respite in sight, and which has not increased the American people's sense of security;

(f) a health system which represents 12 percent of the federal budget but which gives mediocre care as compared to other industrialized nations;

(g) an energy "plan" which moves the United States towards greater reliance on the great oil ("energy") corporations and greater commitment to nuclear energy—which requires authoritarian systems of distribution;

(h) a transportation system which is hopelessly embroiled in the notion that "more" transportation is necessary, even as the present transportation system uses 40 percent of our energy supplies;

(i) housing which takes up 30 percent of a person's income with the likelihood that this will steadily increase;

(j) a budgetary process which is both closed and does not take adequate account of local and state spending and international corporate investment.

There is a likelihood that these problems will deepen in the immediate future. The result will be an increase of conflict within American society. If we are to have a chance at the solution of these problems it will be necessary to undertake certain changes in governmental organization.

As you know, I am in favor of opening the budgetary process to the citizenry as a whole. One possible way to achieve this is through a mechanism in which the citizens cast an advisory vote on their tax forms to indicate which governmental activities their taxes should support. Thus, for example, each taxpayer would "vote" $100, applying it to a particular priority. This yearly function would be aided through budget hearings in congressional districts at which different views would be presented.

Parallel to this process would be another Congressional activity: that of laying out long-term substantive goals, the likely means for achieving them, their cost and consequences. This process would be conducted through the congressional committees and is meant to seek an ongoing dialogue within the citizenry. In this way such programs as those outlined in our study could be widely debated.

Best regards,

MARCUS RASKIN.

CONTENTS

NEW HAMPSHIRE KINDERGARTEN VICTIM OF BUREAUCRACY RUN AMOK

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

Mr. D'AMOURS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

I was recently contacted by the Conway Cooperative Kindergarten in Conway, N.H., regarding what appears to be a particularly flagrant case of bureaucracy run amok. This kindergarten, run by volunteer mothers on a limited budget, has been bombarded by conflicting requests from no less than three different offices of the Internal Revenue Service.

In response to my inquiry on the kindergarten's behalf, I have received a letter from IRS acknowledging that in this case, their "followup inquiries were misdirected." That would seem to me to be an understatement. I submit for the record the correspondence involved in this case, in the hopes that it will raise the consciousness of Members to the very real problems being caused by an insensitive bureaucracy.

INTERVALE, N.H., *March 22, 1978.*

WILLIAM J. BATTYR,
Chief, Taxpayer Assistance Section, Internal Revenue Service, Andover, Mass.

DEAR SIR: We, Conway Cooperaitve Kindergarten (Employer No. 02-0335633), are confused. We have received within the last month mailings from three different I.R.S. centers, obviously uncoordinated. From you in Andover we have a letter (No. 2360) requesting that we fill out form 5818 to determine our filing status and acknowledging receipt of our form 941. From Manchester, N.H., we have received a request for form 941E quarterly returns. From Boston, J.F.K. Building, we have received a request for information on our racial distribution in connection with our pending 501(c)(3) form.

We were informed in December by your I.R.S. information service that we must file form 941 (not 941E) until our 501(c)(3) status is confirmed. We have paid our FICA for both the December '77 and March '78 quarters with such understanding. We realize that we are not exempt from paying FICA until we are designated 501(c)(3). Now we have received form 941E, not 941, to fill out for the March quarter!

Perhaps you would be willing to answer our questions without our incurring more expensive long distance phone calls to pay for from our shoestring budget. What are we doing wrong? How long is it before we can expect 501(c)(3) status? May we, indeed shouldn't we, wait until then, and ask our employees then if they want FICA? May we not apply then for a refund of FICA payments if so determined?

Our Board of Directors is entirely made up of volunteer mothers of kindergarten children. This is the first venture for all of us into a business-like operation. We have been unbelievably diligent and scrupulous. Our response to each IRS correspondence and form requests has been prompt and accurate. Frankly we are a bit overwhelmed by the duplication, repetition, and lack of coordination on the part of the Internal Revenue Service.

Wouldn't having just one specific I.R.S. center for an organization or individual to file with every time relieve the expensive duplication of postage, materials, and labor? The single file could comprensively handle all requests and responses.

With all good intentions,

DORCAS H. DEANS,
President, Board of Directors, Conway Cooperative Kindergarten, Conway Recreation Center, Conway, N.H.

MARCH 31, 1978.

Mr. GENE E. GODLEY,
Assistant Secretary for Legislative Affairs, Department of the Treasury, Washington, D.C.

DEAR MR. GODLEY: Please see to it that the situation described in the attached letter from the Conway, New Hampshire, Cooperative Kindergarten is cleared up as quickly as possible.

I would also appreciate a report from the appropriate officials on how such a situation could develop and what can be done in the future to prevent IRS offices from working at cross purposes. It would also be useful to know whether or not it is feasible to designate a single "lead office" for small new organizations such as this one.

Sincerely,

NORMAN E. D'AMOURS,
Member of Congress.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Washington, D.C., May 8, 1978.

Hon. NORM D'AMOURS,
House of Representatives,
Washington, D.C.

DEAR MR. D'AMOURS: This is in reply to your letter in behalf of Ms. Dorcas H. Deans of the Conway Cooperative Kindergarten, who wrote to you requesting your assistance concerning the organization's application for tax-exemption.

We have been advised by our Exempt Organizations Division that the Conway Cooperative Kindergarten was granted tax-exempt status on April 5, 1978. They were notified by letter that the effective date of exemption is October 1977 under Section 501 (c)(3) of the Internal Revenue Code.

We apologize for the multiple inquiries the Conway Cooperative Kindergarten has been receiving. Our procedure requires that any organization claiming to be tax-exempt may make application requesting recognition under the Code explaining its purposes and proposed activities on the prescribed forms to the Internal Revenue Service. These applications are examined and determination of the tax-exemption is processed in each key District Office which has a designated area of responsibility. Our Boston office therefore processed the tax-exempt application of the Conway Cooperative Kindergarten.

To ensure prompt action on each application, an organization should be certain that all statements, documents, charters, by-laws, or any additional information or material is provided in sufficient detail to clarify the nature of the organization since failure to include a detailed description would preclude a clear determination of tax-exemption. A subsequent inquiry may be necessary which would cause a delay in determining recognition. Apparently, an additional inquiry from the key District Office in Boston was required before recognition could be granted which undoubtedly contributed to the delay and reasons for the inquiries from the Andover Service Center and local office in Manchester, New Hampshire.

An organization even though applying for tax-exempt status is required to withhold Federal income tax and social security tax under the Federal Insurance Contributions Act (FICA) and report these taxes on Form 941, Employer's Quarterly Federal Tax Return. At such time as the organization receives tax-exempt status, FICA tax is not required to be withheld and only Federal income tax is reported on Form 941E, Quarterly Return of Withheld Federal Income Tax.

The return received by the Andover Service Center could not be processed and the inquiry was mailed requesting assistance in resolving the problem. In this particular instance, it also appears that the receipt of the return was not posted to the account pending the inquiry and generated a followup by the local office in Manchester.

The Conway Cooperative Kindergarten may apply for a refund of the FICA taxes collected in the previous quarters by filing Form 941C, Statement to Correct Information Previously Reported Under the Federal Insurance Contributions Act, since they are now no longer liable for FICA taxes.

We regret the confusion caused the Conway Coopertaive Kindergarten in resolving this matter. While the Service attempts to be as responsive to the needs of all taxpayers and to minimize any inconvenience, unfortunately our followup inquiries were misdirected. Thank you for the opportunity to look into this matter and for bringing it to our attention.

Sincerely yours,

ROBERT BAUMEISTER,
Chief, Taxpayer Communications Branch.

THANKS FOR THE MEMORIES

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

Mr. MOTTL. Mr. Speaker, there is probably not an American alive today who has done as much for his fellow Americans as Bob Hope. I take great pleasure in joining with hundreds of millions of people—both here and abroad—in saluting him on his 75th birthday.

Bob Hope is undoubtedly one of the most unselfish individuals our country has ever seen. His Christmastime trips to entertain U.S. troops on foreign soil are legendary.

Clevelanders are most honored that this outstanding person claims Cleveland as his hometown. Greater Clevelanders, in turn, consider Bob Hope to be our favorite son.

The Greater Cleveland area, the State of Ohio, the United States and the rest of the world offer Bob Hope our deepest thanks for all his contributions to mankind on the eve of his 75th birthday celebration. We offer him our best wishes as he embarks upon his second 75 years.

"BEAUTIFUL BUREAUCRATS"

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mrs. SPELLMAN. Mr. Speaker, how often one hears disparaging remarks made about civil servants. Their "incompetencies" have been decried throughout the country—in the press, the television, radio, and yes, even in these hallowed Halls of Congress. By now, I am sure, the population is absolutely certain that Federal employees are lazy, overpaid, ineffective parasites on the Government payrolls. This is, is it not, what one hears repeatedly?

But, I do not believe it. For several years now, I have given public recognition to people in the Federal service who, by any standards, would have to be judged "superior." In my periodic newsletters, I have a continuing column, called "Beautiful Bureaucrats," in which I commend those who have gone beyond their required duties to help me help my constituents, and I am happy to say I am never at a lack for a candidate. I am equally pleased to say that these "Beautiful Bureaucrats" mirror the vast majority of civil servants who are hard-working, dedicated, and knowledgeable people, deeply concerned about their missions and disturbed by the unwarranted criticism.

Mr. Speaker, on May 26, 1978, just a few days from now, a "Beautiful Bureaucrat" will be leaving the civil service after having dedicated over 34 years in the administration of our Government. Wayne David McLellan is about to depart, and I invite my colleagues to join me in saluting him for his long career of superior service.

I have known Wayne for over a decade, and I am well aware of his commitment to duty. Throughout his long career, which has spanned many disciplines, varied duties, several changes in location, always within the Department of Defense, he has maintained his belief in high purpose. I have witnessed his pride over assignments well done. Others along the way have also recognized his worth and contributions and have cited him with many outstanding and superior performance awards. During his retirement ceremony, Wayne will again be honored with a meritorious civilian service award by his commanding general.

A steady, dependable dedication to accomplishment of mission has been Wayne's credo throughout his 34 years of service, and I believe that he reflects the type of Federal careerists who are found throughout our civil service system. Mr. Speaker, I know my colleagues share my salute to Wayne McLellan on the joyous occasion of his retirement. I am confident that his active and inquisitive mind, boundless energy, and enthusiasm for involvement will lead him into yet untried fields of endeavor. Always supported and encouraged by the affection and respect of his family, he will, I know, succeed and thoroughly enjoy the next phase of his career.●

INDUSTRY'S SEARCH FOR ENERGY

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. UDALL. Mr. Speaker, one of the essential components of a national energy program must be conservation. Conservation by industry, commercial establishments, and home consumers will, in time, determine if this Nation has the will to cut down without cutting back its needed expansion and growth.

A recent article by Michael L. Millenson in "Across the Board" magazine tells of some of the energy conservation and alternative research and development programs being undertaken by private industry.

This move is heartening and ought to be commended.

The article follows:

[From Across the Board, May 1978]

INDUSTRY'S OWN SEARCH FOR ENERGY

(By Michael L. Millenson)

For months, Firestone Tire & Rubber Co. had been methodically searching for a place where it could drill for natural gas, in an effort to replace some of the fuel oil for producing electricity and heat in its plants. On a crisp winter day in Mid-December 1976, the company made an announcement that must have sent shivers of the energy crisis closer to executive hearts than any blizzard of government statistics or cautionary cries to conserve.

The good news was that the tire and rubber firm had found two promising sites where its contractor could drill test wells for natural gas.

The bad news was that one of the sites consisted of a sizable chunk of the exclusive, company-owned Firestone Country Club golf course. Despite the danger to well-manicured greens and carefully designed water hazards, Firestone swallowed hard and sank $100,000 into the drilling efforts. The golf course gas search eventually came to a halt when it encountered uneconomic turf. (The second promising site, near a company synthetic rubber plant, also turned out to be not so promising.)

The point of the story is not so much the threat to Akron-area golf handicaps as the seriousness with which industry has begun to take conservation and management of energy. While American consumers don cardigans and paste exhortations on their bumpers ("Don't Be Fuelish"; "I'm 55—Drive Me"), manufacturers have begun to invest millions of dollars conserving energy, using it more efficiently, switching from relatively scarce forms to more abundant ones, and looking to alternative sources such as garbage, shredded tires, and leftover instructional pamphlets. A number of companies, including Celanese, Dow-Corning, Beech Aircraft, St. Regis, Amfac and Hanes, have also created a new post of corporate energy manager. In some cases, the energy manager is given the authority to review all corporate purchasing decisions.

The numbers tell the reason: In 1976, according to the Federal Bureau of Mines, industrial energy use amounted to 21.2 quads—or, to put it another way, 21.2 Btus. In 1976, industry's consumption was 35.5 percent of the total of 59.6 quads of energy that the Bureau of Mines said was used in the U.S. The transportation sector was second, followed by household and commercial utilities for generation of electricity, and by other miscellaneous uses.

All that amounts to an annual expenditure of close to $30 billion a year, using conservative price estimates from a 1974 survey of manufacturers by the Bureau of the Census. More than half of that energy use falls to six categories of manufacturers: chemicals and allied products; primary metals; petroleum and coal products; paper and allied products; stone, clay and glass products; and food and kindred products. By 1974 those costs were almost double what they had been in 1971; by 1976 they were some 20 percent higher still.

In addition to price woes, industry has also had to face the problem of availability of energy. This has especially been true for natural gas, though, to some extent, there have also been problems in securing oil in some parts of the country.

The figures above have already risen from the ledger book to haunt the hallways of more than one executive suite. A. O. Smith, Milwaukee, for instance, said that its first quarter profits in 1977 declined about 25 cents per share because of an extra $1.5 million it needed to spend for alternate fuels when its natural gas supplies were cut off. Keystone Consolidated Industries, Peoria, Ill., reported that rising energy costs were directly responsible for a major portion of a $2.7 million loss it suffered in the fiscal year ending last June 30. The company, a major steel, wire and hardware producer, said that energy costs had gone up 38 percent company-wide and 39 percent at its largest facility, which alone lost $14.6 million in 1976. And FMC Corp. last year closed its Marcus Hook, Pa., cellophane plant, citing the facility's dependence on increasingly expensive oil.

A. O. Smith, Keystone and FMC are not untypical. Because the stakes are so high, many companies have responded with high-stakes energy efforts of their own. Monsanto has a two-year program to spend $100 million (1977 and 1978), mostly for waste heat boilers. This follows a $70 million investment in conservation and alternate fuel projects in 1975 and 1976. Exxon has pledged $90 million for energy conservation by 1980. And even financially troubled Bethlehem Steel, plagued by one of the largest fiscal year losses in corporate American history, told a questioner that energy conservation expenditures would probably not be one of the categories cut.

The justification for such large expenditures is, of course, a large payoff. Ford Motor Co., for instance, is spending $911,200 for a total energy-management system for its Sharonville, Ohio, transmission plant in the expectation that long-term average savings will total $983,500 a year, or more than 20 percent of the plant's total 1977 energy bill of $4.4 million. For smaller companies, too, increasing energy prices make conservation investments attractive. Don Bree, manager of manufacturing engineering for Owatonna (Minn.) Tool Co., called energy conservation "one of our most attractive investments." The company, a small manufacturer of hydraulic pumps and automotive maintenance equipment, estimated that it gained $4 in fuel savings for each $1 it spent during the first 15 months of its energy conservation program.

Stop heat loss—fix a broken window. For most, if not all, companies energy conservation starts here, at the one day, one month, or maybe even one year payback level. Before such things as the multimillion-dollar heat recovery systems, or backup fuel storage facilities, or expensive monitoring equipment (more on those later), come "housekeeping" measures. They are the corrections of little sloppinesses—the poor maintenance and never-thought-about old ways of doing things—that can eat up large chunks of energy. Examples include: steam leaks, compressed air leaks, water leaks, damaged or insufficient insulation, excessive lighting, equipment left running when not needed, boiler burners out of adjustment, excessive ventilation. All are areas where "dollars [can be] saved with little effort or delay," in the words of one Federal Energy Administration (now Department of Energy) advisory guide.

Many firms, experts agree, can reduce their energy use a quick 10–25 percent through attention to better housekeeping—especially of older facilities. The petroleum industry, for instance, attributed four-fifths of its 12 percent gross reduction in energy use for 1976 over 1972 to housekeeping fixes. An analysis by A. T. Kearney and Co. of the machinery industry, the ninth most energy consuming, concluded that low energy prices had caused waste. A 15 percent industry-wide energy reduction could be achieved by 1980, it said, solely through use of housekeeping measures.

Just how much costs can be reduced is illustrated by the example of a General Electric Co. jet engine plant in Evendale, Ohio. The 33-year-old plant got into energy conservation in 1970, as part of cost-cutting moves undertaken when the aircraft industry fell upon hard times. The 1973 Arab oil embargo, which led to soaring energy prices, provided a powerful stimulus. As a first step, Vernon Osiecki, manager of engineering, sent a team of 12 auditors throughout the plant to look for evidence of energy waste. Because five-sixths of the 6.5 million square foot plant uses energy for heating, ventilation and air-conditioning (a ratio typical of light manufacturing facilities), G.E. engineers concentrated their efforts there, rather than on manufacturing process changes.

Some of the actions were simple: adjusting lighting to meet just the task for which it was used; cutting out several miles of unused compressed air pipe; eliminating couplings that could leak. Others, like recirculating the water in the plant's cooling towers, started out simple enough, but, in this case, minerals began to collect on the pumping equipment, reducing energy efficiency. Osiecki's team then installed an automatic sensing device to "blow down" the towers, introducing fresh water and demineralizing chemicals automatically.

Finally, after the simple and "almost-simple" measures were accomplished at little cost, came the slightly more expensive, although still uncomplicated, steps. They included installation of a system of temperature and air-pressure monitors and timers on equipment. The result: from an expenditure of $400,000, the plant netted $8.6 million in energy savings, dropping electricity and steam use 40 percent and slicing air-conditioning use by 75 percent. Said Osiecki: "All we've done is just good management. It's been fun."

When a company moves out of the housekeeping phase to the point where it is willing to invest capital, demand control and heat recovery equipment are usually the first items it will consider. Demand controllers are devices, usually run by computer, which limit how much electricity a plant or building will use over a given time period. Business is billed not only on the basis of total electricity used, but also on the basis of how high "peak usage" was during a sample time period. Thus, a company with low total monthly energy consumption, but which hits one high spot of usage each month, could find that the "demand charge" from that peak actually forces it to pay more than a competitor with higher total energy use, but whose use is more evenly spread out.

A demand control system, connected to lights, air-conditioners and other electric-consuming equipment, can make sure that usage does not exceed a predetermined "peak" over any given—say, 15 minutes—time period. Machines can be started up sequentially, rather than together, and nonessential equipment can be automatically shut down—or "shed"—any time that use threatens to exceed the predetermined amount. This kind of load shedding—or load management, as it is also called—can significantly reduce both total energy use and the size of a firm's electric bill. The equipment itself ranges from shoebox size, for a few thousand dollars, to large-scale terminals capable of monitoring, in addition to electric use, functions ranging from combustion efficiency of boilers to steam traps and ventilation fans. Their cost can reach more than $250,000.

An example: Last January, giant TRW installed a demand control system monitoring 13 buildings, comprising some 260,000 square feet of space, at its Redondo Beach, Calif., defense and space systems complex. The company, which expected to recoup its $221,000 investment over a 24-month period, found that the system paid for itself after a year because of its monitoring alone, with a total of $250,000 saved as a result of other scheduling improvements prompted by the system.

After demand controllers, use of heat recovery systems of one type or another is the most common conservation step taken by a management with its energy consciousness raised. The idea can be as simple as using waste heat from machinery to provide warmth for the plant interior. That's what Hiawatha Rubber Co. (Minneapolis) did, cutting natural gas bills 30 percent during the winter by recycling hot, smoky air from molding presses instead of exhausting it to the outside. A $1,230 investment in precipitators (for the smoke) and auxiliary equipment saved the plant $7,500 during one of Minnesota's coldest winters, according to company president Art Popehn.

Hoechst Fiber Industries, Spartanburg, S.C., harnessed steam from one plant, where there was an excess, for use in another plant nearby. The result: 1.5 million less gallons of No. 6 fuel oil needed by the plant, and $433,000 more a year fed into corporate coffers.

A good illustration of how companies are reaping energy—and dollar—savings from carefully designed heat recovery systems is that of a Gardena, Calif., food processor. In 1973, Larry's Food Products handled an average of 677,100 pounds of meat per month, using just over 7 million cubic feet of natural gas. After spending $50,000 for a custom-made afterburner (to incinerate fumes), a heat exchanger and a waste-heat boiler, Larry's reduced natural gas usage by one-third, for savings of more than $200,000 each year.

In Larry's system, gas is used to heat the boilers and raise their fumes to 1,200 degrees F. The fumes are then incinerated, with the 1,200-degree exhaust from the afterburner going to run the deep fryer and the waste-heat boiler.

The deep fryer operates at a temperature of 340 degrees F., and is heated through a thin, stainless steel heat exchanger. Natural gas boilers previously used to run the deep fryer were removed.

The waste-heat boiler is used to provide steam for processing the meat and for some of the cleanup duties. This had been done with a separate, natural gas-fired boiler, which is now used only infrequently.

For some plants, heat recovery is not a matter of cost reduction or simple conservation but of survival. In Bellefonte, Pa., last winter Cerro Metals Products bought a $225,000 heat wheel, which preheats combustion air enough to allow a billet heating furnace to burn fuel oil instead of natural gas. The devise was started up "just hours" before the company faced a 100 percent natural gas curtailment from its supplier, company president David Gardner recalled. Because of the wheel, a six-week plant shutdown was averted. The payback period? According to one source, eight days. Said Gardner, "It's not savings, it's survival."

Still, no matter how much time or money a company invests, efforts to conserve, in the sense of recouping lost energy, have their limits. It is then that companies begin to give greater consideration to what might be called energy management, rather than simply energy conservation. While conservation may be the result, in that fewer Btus are finally consumed, the approach is different from a simple strategy based on eliminating more or less obvious waste.

As part of energy management, companies are changing the fundamental way they manufacture their products. They are changing the way that they generate energy for manufacturing, the mix of fuels that they use, and the degree of their dependence on whatever fuel they require. They are changing their relationships with their energy suppliers, and in some cases are moving to own and operate their own supply source.

In the highly energy-intensive steel industry, for instance, a study by the American Iron and Steel Institute (AISI), the industry trade group, concluded: "Technology is currently available in the U.S. to reduce the amount of energy required to produce a ton of steel by 20 to 30 percent." However, the study added, "the most critical restraint to energy conservation in the American steel industry is not a lack of technology, but a lack of available funds."

Despite those capital restraints, which have squeezed more tightly with much publicity in the past several months, American steel makers are moving to change their old ways of doing things. One of the more popular changes in manufacture is to continuous casting of steel in place of the more conventional step-by-step molding process.

In continuous casting, a process developed within the last 10 years, hot molten steel is continuously poured directly from a caster into ingot molds, bypassing one stage of preheating the metal. As a result of eliminating this one step—where cool metal must be reheated for shaping—steel companies like Bethlehem, Laclede, McLouth and Lukens have reported energy savings ranging from 10 to 18 percent since the late 1960s.

A couple of more homely instances: Merry Brick and Tile Co., Augusta, one of the nation's major brick producers, has reduced natural gas consumption approximately 40 percent and has increased production by reviving and updating an old technique of using sawdust in the production of lightweight brick (the sawdust additive speeds up the drying process).

General Mills is testing a major redesign of the puffing equipment for such cereals as Cheerios and Trix in a way that will allow them to cut steam and natural gas use by up to 50 percent per pound of production, primarily by increasing the size of the puffing-gun enclosure.

In changing the manufacturing processes themselves, companies have gone from natural gas to oil, from oil to coal, and from any or all of the three to electricity. They have modified equipment to burn waste gas, particulate emissions, chemical wastes, wood chips, and garbage. They have tossed into the combustion chamber the remains of everything from educational materials to worn-out tires to worn-out old houses. A few have even turned, tentatively, to look at the sun.

"Hog fuel"—a mixture of bark, shavings, chips and sawdust—is finding an increasingly important place in the paper industry, which is moving to reduce its dependence on fossil fuels. Boise-Cascade reported that a new fluid-bed combuster (a type of boiler), powered by wood wastes, has helped it cut energy bills 70 percent at its Emmett, Idaho, plant. Georgia-Pacific says that it generated half of the 57.7 trillion Btus of energy it produced in 1976 through use of various wastes.

A slightly more novel use of wood wastes was recently advocated by Donald Y. Clem, president of McConway and Torley Corp. (Pittsburgh), a producer of couplers and steel castings. Clem told a group of representatives of small manufacturing firms that when his company tried to burn coke instead of natural gas, "it smelled too bad, so now we buy old houses, chop them up, and burn them for wood." He added the wood smells no worse than it does in a fireplace, and "the employees enjoy getting away from their jobs to stoke the fire."

Things have gone better with coke for some other firms. Armco and U.S. Steel have both netted multimillion-dollar savings by using coke oven gas in place of natural gas, despite its much lower BTU content.

Other companies have begun burning just-plain-leftovers. Groveton (N.H.) Papers has solved a trucking and disposal problem by buying a $325,00 incinerator that produces 6,000 pounds of steam per hour, using plant and town garbage. Hooker Chemicals and Plastics Corp. will be doing the same thing next year, albeit on a somewhat larger scale, when it completes a $65 million project to supply steam for its Niagara Falls, N.Y., plant, using a relatively new process for converting garbage into energy. The plant is scheduled to produce 600,000 pounds of steam per hour and save almost 18 million gallons of fuel oil per year, the project manager said. Georgia-Pacific is in the midst of an experimental project to use old tires as a boiler fuel; General Motors is studying tests that show a mixture of 40 percent shredded tires and 60 percent coal working the same as 100 percent coal; and Xerox Educational Publications, Columbus, Ohio, perhaps in tribute to all test results, reports tidy savings on its fuel bill by burning its own trash.

The most common fuel switch, though, is not from fossil fuels to waste, but from one fossil fuel to another. Usually it is a switch away from natural gas. The reason for the switch is simple: problems of availability. "Wintertime" gas curtailments that start in early November and continue until April for some firms have helped to bring that point home dramatically. Yet the reason that the switch has been less than a stampede is also simple: economics.

Historically, natural gas has provided energy at a much cheaper price than any other fuel, while providing advantages by its ease of delivery and its clean-burning. Under long-term contracts, in some parts of the country, those characteristics remain true today.

Still, the handwriting on the wall for gas is clear, both for availability and price. The day of the 10 cents per thousand cubic foot (mcf) contract is over, and the era of the $1.75, $2, and even more per mcf contract has arrived. And, despite the "Made in OPEC" label, much of the change in dependence on gas is to a dependence on oil.

The Canners League of America, representing one of the nation's largest groups of food processors, has advised its members to buy boilers that can burn oil as well as gas, and has told them to begin obtaining the necessary air-pollution permits.

McDonnell Douglas, for instance, spent $750,000 to convert 55 boilers at its St. Louis aerospace facility from gas to oil, an example being followed by tens of other firms. Other companies, when not converting boilers completely, are modifying burners so that they can use either natural gas or oil. Oil is then stored on a plant site in enormous storage tanks, sufficient to keep production going at a minimal level for several weeks in the event of a gas curtailment.

Propane is used as a backup fuel for natural gas. Although costing at least twice as much, aerated propane can be used as an emergency substitute for natural gas in industries dependent on it. Whatever the backup fuel, the key is economic survival.

Increasingly, companies are beginning to switch from uncertain supplies of gas and foreign-controlled oil to abundant (when there is no strike), domestically produced coal. Despite the carrot proffered by President Carter's energy plan, however, formidable obstacles remain. Boilers built to burn either gas or oil cannot be converted to coal. The cost of the new coal boilers is enormous, and they require a lead time of at least two years. In addition, there are difficulties in buying, transporting, and storing coal, as well as environmental problems in burning it.

But the problems of supply for other fuels are causing some larger corporations to bite the bullet of coal conversion. Goodyear Tire and Rubber, for instance, will build its first coal-burning plant in 50 years—at five times the cost of a gas-burning one—in Lawton, Okla., almost entirely because of the reliability of supply. The plant, to come on stream in summer 1978, will burn 58 million tons of coal annually in two boilers, and will also have the capacity to burn waste oils and solvents. The company said that the boilers will cost $3 million—without precipitators to control pollution.

Even in gas-rich Texas there is a switch to coal coming. Celanese has been a leader in the change. The company has announced that its Puma plant will require some 850,000 tons of coal yearly for its conversion, and the company is studying the requirements of coal conversion at its other three plants in the state, too. (Other petrochemical and refining giants are following suit, prodded by a Texas Railroad Commission order mandating reductions in gas use of 25 percent from either 1974 or 1975 levels by Jan. 1, 1985.)

The cost? A Gifford Hill and Co. Portland cement division spokesman answered: "We are converting at an incredible cost. We have not yet determined the final cost, but it's going to be many millions [of dollars]. There's no return on the dollar on something like this. It just can't be justified."

Still, most companies that have made the switch appear satisfied. Amcord, Newport Beach, Calif., converted three of its cement plants to coal back in 1973, when return-on-investment appeared shaky at best. Today, company officials say they are happy both with the ROI and the supply situation, noting dryly, "The embargo removed a lot of uneasiness about that decision around here."

Naturally, there are exceptions to any rule. Worthington Compressors, for instance, remains happy with its switch eight years ago from coal to natural gas, despite the firm's Buffalo, N.Y., location. Even the fury of the winter of '76 did not shake the conviction of Worthington officials that their move was correct, and they contend that they have been able to save $800,000 on fuel bills because of it.

Some experts warn that the switch to coal is a prime case of energy needs colliding with conservation. While energy-intensive industries may reduce their dependence on scarce and foreign-controlled sources of supply, these observers caution, total energy use will rise as a result of a switch to coal—a prediction confirmed by some companies which have made the move.

"Increasing the percentage of coal used in processing tends to increase the total energy consumed per ton of product," Inland Steel president Michael Tenenbaum told last year's meeting of the American Iron and Steel Institute. "Emphasizing conservation of total energy induces the industry to use more critical fuels in its facilities."

Some companies are at least partially avoiding the question of what fuel to favor by using electricity, leaving it to their utility to thread its way through decisions on coal, oil, gas or nuclear generating power. Electric power, however, remains an extremely high-cost option for most of industry.

Caterpillar Tractor Co., for instance, said that its operating costs could increase 30 to 40 percent as a result of switching natural gas-fired stress relief furnaces, situated near Peoria, Ill., to electricity. The justification for the nation's 36th largest corporation is to keep production going if gas is curtailed.

One company, Air Products and Chemicals, has tried to reduce that high cost through a novel agreement it worked out with its utility in 1960. In return for allowing service to be interrupted, the company has cut the cost of electricity approximately 10 percent.

Some companies have tried to reduce electric bills by taking advantage of time-of-day rates, when those are offered by their utility. (The rates result in a firm's being charged less for electricity used during periods when demand is not high.) Many firms, however, report that higher labor costs would offset any savings.

In the chemical and refining industries, especially, companies are starting to favor projects to generate their own electricity, using high-pressure process steam to turn the turbines, then reusing the steam when it emerges at a lower pressure. In co-generation, as that process is called, companies either use the electricity themselves or sell it to a utility.

In the chemical business, Celanese is working on a $15 million, 30-megawatt, coal-fired co-generation facility in Pampa, Tex., which it says will spply all the electricity its acetic acid plant needs, beginning in 1979. The cost is being shared equally with Celanese's utility, Southwestern Public Service Co.

Outside of the chemical industry, Rohr Industries, San Diego, has contracted with a San Diego Gas and Electric Co. subsidiary for a co-generation project that the aerospace and transportation company says will save it $90,000 this year. And two major sugar producers, U.S. Sugar Corp. and the Sugar Cane Growers Cooperative, also appear happy with co-generation. They said that their ability to generate all their own electrictiy needs has meant that they have no need for a formal energy conservation program.

Companies not so sanguine about their own energy situation have increasingly begun to take steps to assure a secure, proprietary energy supply. For many, this has meant drilling for natural gas, although few, if any, have faced Firestone's dilemma of a country club golf course in their way. A number of firms have taken advantage of a self-help program in Ohio that encourages industry to drill for its own gas. Libbey-Owens-Ford, Toledo, is spending close to $6.5 million to drill 60 wells in Ohio, in contract with independent exploration companies. The gas is piped to East Ohio Gas Co. which, while physically keeping all of it, actually buys only 25 percent. The pipeline company that would normally supply East Ohio then transfers an amount equivalent to 75 percent of gas from LOF's wells to LOF's gas supplier, Columbia Gas Co. In return for use of its pipeline, Columbia charges LOF 10 cents per mcf. The arrangement is typical of those used by companies drilling for gas to avoid the expense of building a separate pipeline to their plant from each producing well.

Other companies that have taken the bit to the ground include Stone Container, Goodyear, Ferro, Olin, Parker-Hannifin, Anchor-Hocking, and McConway and Torley (not satisfied with the results of burning old houses), among others. Park-Ohio Industries last year even reported a pretax operating profit of $820,000 from its gas and oil production program, originally undertaken to provide gas and oil for its own operations, by selling the excess.

Firms are not ignoring coal supplies, either. Dow owns enormous amounts of lignite reserves in Texas. Inland Steel, in a move copied by others, owns several seams of commercially recoverable low-sulfur coal that it is preserving for its own needs.

Solar energy, however, remains even more remote for industry than for the general public. Several firms have bought solar hot-water heating systems, deciding that the hands-on experience in operating them outweighed the poor economics, while Federal grant money has made experimentation with the solar option more palatable to others. With its own funds, Anheuser-Busch will use a new solar energy collection, storage and retrieval system to heat process water for the pasteurization of bottled beer at its Jacksonville, Fla., plant. While calling use of the system "a major commitment . . . toward finding and using alternative energy systems," executive vice president Frank J. Sellinger acknowledged that the project was a pilot effort and said that no energy savings could yet be estimated.

There is no energy crisis.

At least, a third of the engineers responding to a January 1977 poll by the American Institute of Plant Engineres doubted its existence. And the plant engineers are not alone. That same month the energy conservation manager at ESB, Inc., a large Philadelphia-based battery manufacturer, acknowledged, "Great things were begun" after the 1973 Arab oil embargo, "but there's nothing functioning now." As for the company's energy committee, he said, "we're really not working anymore."

Observers note that several companies which appear to have active, successful programs have, in reality, realized most of their success in the company public relations office, not on the plant floor. And, there are other firms that see energy as no different from any other item, and have included it under general cost control procedures. As one consultant put it, "A lot of industries are waiting for clarification of national energy policy to make major investments." For countless other companies, however, the time to wait is long past. The energy crisis is here, now, at home.

It is real for CF Industries. CFI filed a $16.5 million lawsuit against Transcontinental Pipeline Co., which supplies its utility, contending that negligence by the pipeline company caused natural gas shortages that threatened the survival of CFI's Tunis, N.C., plant. As the case drags on, CFI is also asking damages at the rate of $5 million annually.

The energy crisis is real to the workers at the Pioneer Rubber unit of Brunswick Corp., which said it would close a manufacturing plant in Willard, Ohio, and eliminate an expansion in Fond du Lac, Wis., because of energy problems. The expansions went to the gas-rich Southwest.

It is embarrassingly real for Anaconda's aluminum division. The division chose a Japanese pollution-control process over its own foam scrubber system when the former promised greater energy savings. Anaconda was the first American buyer of the new technology.

Industry, perhaps, has already chosen to do its part in what President Carter has called the "moral equivalent of war" (for many the words echo faintly), according to the kind of advice of Rabbi Tarfon, a Jewish sage of the Middle Ages: "While it is not incumbent upon you to complete the task neither are you free to abstain from it."●

SUN DAY

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. JEFFORDS. Mr. Speaker, I would like to take this opportunity to express my sincere thanks to the staff of the Environmental Study Conference for the superb job they did in helping Congress prepare for the recent national day of celebration for solar energy—Sun Day. The ESC staff provided background material, fact sheets on solar programs, Sun Day idea packets, a speech bank and State-by-State lists of solar professionals and projects for more than 200 House and Senate offices. I especially want to thank two of ESC's dedicated interns—Larry Fioretta and Echo Nowakoski.

Their work was instrumental in raising Congress' awareness of the potential for solar energy and helping us spread the message to our constituents.●

THE WOMAN'S PLACE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. EDWARDS of California. Mr. Speaker, the Judiciary Committee's Subcommittee on Civil and Constitutional Rights has just completed 3 additional days of hearings on extending the ratification period for the Equal Rights Amendment.

As everyone knows, this amendment has generated considerable interest across the country among groups, legislative bodies and individuals. As such, virtually every aspect of the issue has been covered and discussed, and just about every conceivable position has been taken.

Recently, the lead editorial in one of the largest newspapers in my district, the San Jose Mercury, took the philosophical position of transition to discuss the state of flux that characterizes the collective position of women today. I found it particularly refreshing to ponder this point of view, and hope that my colleagues will also find it stimulating:

[From the San Jose Mercury]

THE WOMAN'S PLACE

For women's rights this was a week of contrasts. Women won a place in the White House honor guard, but were ruled out of place as members of Rotary. Meanwhile, a move was afoot to extend the 1979 deadline for approval of the Equal Rights Amendment (ERA).

Each event reflects a society in transition. Traditions are falling or faltering as women step forth to perform tasks they have always been capable of, but were not permitted or encouraged to perform before because of now vanishing lifestyles and attitudes.

The worst reason to keep on doing something a certain way is because "that's the way it's always been done." Alert, active women won't buy that. They are properly in the forefront of challengers to the way things have always been done.

The goal of equal rights for the sexes is seldom disputed. Controversy results because many fear that genuine differences between the sexes will be obscured. The role of government also becomes an issue: how far should government go to guarantee "equal rights" in the private sector?

President Carter's decision to include women in the White House honor guard is significant, despite its token nature, because it reflects the reality of today's armed forces. Women are assuming increased responsibilities in the military. They have earned a place in the White House honor guard. Another tradition has crumbled, another barrier fallen.

In the private sector, the lopsided vote of Rotary International to expel the Duarte, Calif., club for admitting three women may prove a temporary setback. To begin with, the Duarte club's directors plan to file suit contending that Rotary membership rules violate California laws prohibiting discrimination. But what happens in court may be less important than the effect of social and economic change.

Women already represent a majority of the business people in Duarte, a Los Angeles suburb. They were invited to join Rotary to reverse a declining local membership. The pattern is not unique to Duarte, suggesting the day may be near when Rotary clubs in the United States begin admitting women—regardless of traditions in the other 150 countries where Rotary is active.●

MR. RONALD CANACCI MAKES SIGNIFICANT CONTRIBUTION TO THE CULTURAL AND SOCIAL LIFE OF YOUNGSTOWN, OHIO

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 23, 1978

● Mr. CARNEY. Mr. Speaker, on Sunday, May 28, 1978, the city of Youngstown, Ohio, will open the doors of Powers Auditorium to the outstanding talent of Robert Goulet. Goulet, a singer of long-standing international renown, is famous for his personable and close rapport with audiences, as well as his captivating vocal performances. Many people remember his stunning portrayal of Lancelot in the Broadway production of "Camelot."

The person responsible for the upcoming concert is Mr. Ron Canacci, president of CGY Productions. With the other CGY officer, William G. Lyden III, Dom Byrd Giampetro, and James J. Yannerella, Mr. Canacci forms a small group of involved and energetic men who are working hard to bring the exciting world of the theater and entertainment to our city.

Citizens and groups are working hard to revitalize many aspects of life in the Youngstown area, and Mr. Canacci is an excellent example. By bringing top talent and acts to our city, he is contributing in an important way to the quality of life in Youngstown.

Mr. Speaker, Mr. Ron Canacci is to be commended for his efforts. The work that he is undertaking involves personal and financial risk, and his sense of community service is admirable. I wish to congratulate Mr. Canacci for his investment of time, energy, and money so that Youngstown, Ohio, will be a better place to live. I think that all of us should join in wishing Mr. Canacci success in his future endeavors on behalf of our community.●